

National Assembly Debates

PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF THE FIRST SESSION (2006-2007) OF THE NINTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE REPUBLIC OF GUYANA HELD IN THE PARLIAMENT CHAMBER, PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN Part I of III

13th Sitting

14:00h

Friday, 9 February 2007

MEMBERS OF THE NATIONAL ASSEMBLY (71)

Speaker (1)

The Hon Hari N Ramkarran SC, MP - (AOL)

Speaker of the National Assembly

Members of the Government (42)

People's Progressive Party/Civic (41)

The Hon Samuel A A Hinds MP

(R# 10 - U Demerara/U Berbice)

Prime Minister and Minister of Public Works and Communications

The Hon Clement J Rohee MP

Minister of Home Affairs

The Hon Shaik K Z Baksh MP

Minister of Education

The Hon Dr Henry B Jeffrey MP

Minister of Foreign Trade and International Cooperation

The Hon Dr Leslie S Ramsammy MP

(R# 6 - E Berbice/Corentyne)

Minister of Health

The Hon Carolyn Rodrigues-Birkett MP

(R# 9 - U Takutu/U Esseq)

Minister of Amerindian Affairs

*The Hon Dr Ashni Singh MP

Minister of Finance

*The Hon S Rudolph Insanally OR, CCH, MP

Minister of Foreign Affairs

The Hon Harry Narine Nawbatt MP

Minister of Housing and Water

The Hon Robert M Persaud MP

(R# 6 - E Berbice/Corentyne)

Minister of Agriculture

The Hon Dr Jennifer R A Westford MP

(R# 7 - Cuyuni/Mazaruni)

Minister of the Public Service (AOL)

The Hon Kellawan Lali MP

Minister of Local Government and Regional Development

*The Hon Doodnauth Singh SC, MP

Attorney General and Minister of Legal Affairs

The Hon Dr Frank C S Anthony MP

Minister of Culture, Youth and Sport

The Hon B H Robeson Benn MP

Minister of Transport and Hydraulics

**The Hon Manzoor Nadir MP

Minister of Labour

The Hon Priya D Manickchand MP

(R# 5 - Mahaica/Berbice)

Minister of Human Services and Social Security

The Hon Dr Desrey Fox MP

Minister in the Ministry of Education

The Hon Bhcri S Ramsaran MD, MP

Minister in the Ministry of Health

NA –BUDGET DEBATE 9 FEBRUARY 2007

*Non-elected Minister **Elected Member from TUF

The Hon Jennifer I Webster MP

Minister in the Ministry of Finance

The Hon Manniram Prasad MP

Minister of Tourism, Industry and Commerce

Mr Donald Ramotar MP

The Hon Gail Teixeira MP - (AOL)

Mr Harripersaud Nokta MP

Mrs Indranie Chandarpal MP

Ms Bibi S Shadick MP - (AOL)

(R# 3 – Essequibo Is/W Demerara)

Mr Mohamed Irfaan Ali MP

Mr Albert Atkinson JP, MP

(R# 8 - Potaro/Siparuni)

Mr Komal Chand CCH, JP, MP

(R# 3 - Essequibo Is/W Demerara)

Mr Bernard C DeSantos SC, MP - (AOL)

(R# 4 - Demerara/Mahaica)

Mrs Shirley V Edwards JP, MP

(R# 4 - Demerara/Mahaica)

Mr Mohamed F Khan JP, MP

(R# 2 - Pomeroon/Supenaam)

Mr Odinga N Lumumba MP

Mr Moses V Nagamootoo JP, MP

Mr Mohabir A Nandlall MP

Mr Neendkumar JP, MP

(R# 4 - Demerara/Mahaica)

*** Mr Steve P Ninvalle MP

Parliamentary Secretary

Mr Parmanand P Persaud JP, MP

(R# 2 - Pomeroon/Supenaam)

Mrs Philomena Sahoye-Shury CCH, JP, MP

Parliamentary Secretary

***Non-elected Member

***Mrs Pauline R Sukhai MP

Parliamentary Secretary

Mr Dharamkumar Seeraj MP

Mr Norman A Whittaker MP

(R# 1 - Barima/Waini)

Members of the Opposition (28)

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

Mr Robert HO Corbin

Leader of the Opposition

Mr Winston S Murray CCH, MP

Mrs Clarissa S Riehl MP

Deputy Speaker, performing duties of Speaker of the Nat. Assembly

Mr E Lance Carberry MP - (AOL)

Chief Whip

Mrs. Deborah J. Backer MP - (AOL)

Mr Basil Williams MP

Dr George A Norton MP

Mrs Volda A Lawrence MP

Mr Keith Scott MP

Miss Amna Ally MP

Mr James K McAllister MP

Mr Dave Danny MP

(R# 4 - Demerara/Mahaica)

Mr Aubrey C Norton MP

(R# 4 - Demerara/Mahaica)

Mr Ernest B Elliot MP

(R# 4 - Demerara/Mahaica)

Miss Judith David-Blair MP

(R# 7 - Cuyuni/Mazaruni)

Mr Mervyn Williams MP

(R# 3 - Essequibo Is/W Demerara)

Ms Africo Selman MP

Dr John Austin MP

(R# 6 - East Berbice/Corentyne)

Ms Jennifer Wade MP

(R# 5 - Mahaica/Berbice)

Ms Vanessa Kissoon MP

(R# 10 - U Demerara/U Berbice)

Mr Desmond Fernandes MP

(Region No 1 – Barima/Waini)

(ii) Alliance For Change (5)

Mr Raphael G Trotman MP

Mr Khemraj Ramjattan MP

Mrs Sheila VA Holder MP

Ms Chantalle L Smith MP - (AOL)

(R# 4 - Demerara/Mahaica)

Mr David Patterson MP

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

Mr Everall N Franklin MP

OFFICERS

Mr Sherlock E Isaacs

Clerk of the National Assembly

Mrs Lilawatie Coonjah

Deputy Clerk of the National Assembly

1ST DAY – 2007 BUDGET DEBATE

PRAYERS

The Clerk reads the Prayer

ANNOUNCEMENTS BY THE SPEAKER

**PRESENTATION OF PETITIONS, PAPERS,
REPORTS ETC**

ORAL QUESTIONS WITHOUT NOTICE

QUESTIONS ON NOTICE

The Speaker: Honourable Members, there are twelve questions on the Order Paper; Questions 1 and 2 are in the name of the Honourable Member, Mrs. Debra Backer; Question Nos. 3, 4, 5, 6, and 7 are in the name of Honourable Member, Mr. James Mc Allister; Questions 8, 9, and 12 are in the name of the Honourable Member, Mrs. Judith David Blair, Question No. 10 is in the name of the Honourable Member, Mr. Keith Scott; Question No. 11 is in the name of the Honourable Member Miss. Africo Selman, and all these questions are for written replies and these answers must therefore be, in accordance with the Standing Order being circulated.

**STATEMENTS BY MINISTERS, INCLUDING
POLICY STATEMENTS; PERSONAL
EXPLANATIONS**

LEAVE

**REQUEST FOR LEAVE TO MOVE THE
ADJOURNMENT OF THE NATIONAL ASSEMBLY
ON DEFINITE MATTERS OF URGENT PUBLIC
IMPORTANCE**

**MOTIONS RELATING TO THE BUSINESS OR
SITTINGS OF THE NATIONAL ASSEMBLY AND
MOVED BY A MINISTER**

INTRODUCTION OF BILLS

PUBLIC BUSINESS

The Speaker: Honourable Members, we would now proceed with the debate on the Budget for the year 2007, and for the Budget Debate and for consideration of the estimates by the Committee of Supply. We will, in respect of these sitting times, follow our usual practice that is, we would have a break at five, instead of the usual 16:00H; 17:00 – 17:30H would be the first break and the second break at 19:30 – 20:00H. The first Speaker today is Mr. Winston Murray. Honourable Member, you may proceed.

Mr Winston S Murray: Thank you very much. Mde Speaker, on behalf of the People's National Congress 1-Guyana, I wish to congratulate the Honourable Minister of Finance, Dr Ashni Singh, on the occasion of his inaugural presentation of the National Budget. This Minister has shown a refreshing approach to openness, and in fact, prior to my coming here today, drew my attention to certain small discrepancies, which are really printers errors, and I thought that, even though small, that the fact that he should call to mention them was not an insignificant occurrence, and I hope that that same spirit will be a hallmark of his tenure as Minister of Finance.

We of the People's National Congress 1-Guyana wish him well for the future.

Mde Speaker... I had a problem with that, but I held it back. Towards the end of that Budget presentation, specifically at pages 44, 45 and 46, the Honourable Minister spoke of fiscal governance; then Mde, he spoke of the tremendous studies in expenditure policies and fiscal administration, and expenditure procedures, and he spoke of steps to strengthen the budget management process by increasing the use and functionality of the integrated financial management and accounting systems. These proposed improvements Mde, are most welcome. I wish, however, to draw to the Honourable Minister's attention his signal failure to comply with the requirements of the Law, and the Constitution. Under Section 15 of the Fiscal

Management and Accountability Act, Mde Speaker, it is stipulated that, and I quote;

Estimates of all statutory expenditures for the past relevant years, the current fiscal years, the next ensuing fiscal year and the next following three fiscal years shall be included in the Budget Proposal.

This is not an option that the Minister has, if he is to comply with the Law, but is a requirement, under what is supposed to be hallmark Legislation guiding us in the area of fiscal management and accountability; and Section 15J Mde Speaker, says that

... estimates of expenditures for investments by each Budget Agency shall be included for the next ensuing fiscal year and the next following three fiscal years ...

Mde Speaker, at 15 M it states that

... details of the fiscal relationship between the Government and the Regions, including Proposed, General and Specific Purpose Transfers to the Regions during the next ensuing fiscal year, and the following three fiscal years, shall be included in the Annual Budget Proposals ...

Mde Speaker, what is interesting, in this context, is that the Honourable Minister of Finance, at page 22 of his Budget Speech, , introduced a concept, called ‘Vision 2011, the Agenda for 2007, and the medium term,’ so he wants us to perceive of this Budget as an integral part of a five-year cycle, 2007-2011. There he spoke of, and I quote: *this vision that will drive our policy agenda over the next five years*, and my respectful submission to this Honourable Assembly is that rather, than simply speaking of that vision, in general terms, and quoting monies earmarked, he should have complied with the requirements of the Law and put greater specificity in projections for the ensuing medium-term about which he speaks; and, Mde Speaker, under the heading of Accountability for Fiscal Management and Performance, the said Act mandates, at Section 67(1) that, and I quote

The Minister shall present to the National Assembly, within sixty days after the end of the first half year of each fiscal year, a report on the year to date execution of the Annual Budget, and the prospects for the remainder for that fiscal year.

End of quote and, Mde Speaker, we all know of the requirements of Article 216 of our Constitution, which requires that, and I quote

All revenues or other monies raised or received by Guyana shall be paid into and form a consolidated fund.

[Article 216 of the Constitution] Once again' however, the revenue projections for 2007 are conspicuously missing of the Lotto Funds being accounted for. So Mde Speaker, there is a violation of our Constitution by the failure to include in the estimates of Revenue and Expenditure of the 2007 Budget the lotto funds that will be received as part of the revenue resources available to our country. Mde Speaker, like others, I have heard the argument advanced by Government that these funds are separately accounted for by the Office of the President, and that the accounts for those funds are separately and independently audited. Let us be clear on this, Mde Speaker, no separate accounting for, or auditing of these funds, can be an acceptable alternative to the constitutional requirement that those funds be deposited into the Consolidated Fund; and Mde Speaker, this is not the first occasion on which all of these matters I have alluded to, under the law and the Constitution have been raised, and the People's National Congress 1-Guyana had hoped that with the advent of a new Minister of Finance, at the very minimum, this National Assembly, which is made up of the People's representatives, would have been provided with an explanation, at the minimum- an explanation, as to why legal and constitutional requirements for fiscal management and accountability were not being fulfilled in

the 2007 Budget that we are being called upon to approve. And, Mde Speaker, when the Government treats the representatives of the people here in this National Assembly with such contempt, and when the Government fails to comply with the law, including the supreme law, our Constitution, ought we to be surprised that respect for, and compliance with the Law, within the body politic of our society is steadily diminishing? Further, Mde Speaker, it is not only the Law and our Constitutional Provisions which are violated, but even long-standing convention and practice, which have contributed to transparency and accountability in budgetary matters.

Up to the year 2005, Volume 1 of the Estimates of the Public Sector included, in respect of the staffing details for each budget agency, the number of authorised positions, alongside the number of positions filled. In 2006, the column showing the number of authorised positions was inexplicably dropped without any explanation whatsoever, and this situation has repeated itself in the 2007 estimates, although this is a matter to which alert was given in the past. I assure you, Mde Speaker, this is not a figment of my imagination because, when I raised it on the last occasion, there was a lot of murmuring on the Government benches, but I hope that by now they have familiarised themselves with the facts contained in this Budget, and this, I surmise and submit, can be no printers devil at work either.

Mde Speaker, the question that arises is why has there been no explanation to the people's representatives here? And what in the harm, or mischief, that will be done if the members of the National Assembly are made aware of the unfilled vacancies in budget agencies. Then, Mde Speaker, there was the introduction in the Estimates a few years ago, of a category of staff titled 'Contract Employees. This was perceived as a mechanism through which budget agencies could apply special terms and conditions to preferred persons, at the expense of the traditional Public Servant. At least that is a possible perception, and so, the PNC(R)1-Guyana has repeatedly requested that the details of such employees' emoluments be set out at the back of the Estimates in like manner, as is done for normal Public Service employees. This, I submit, will be in keeping with the proclaimed objectives of transparency and accountability. But despite a commitment by the previous Minister of Finance to provide this information, it continues to be conspicuously missing from the Estimates, and I trust, Mde Speaker, that this is the last occasion on which there will be need to refer to this omission. The continued omission of this information can only be interpreted as a desire, in some quarters, to compromise transparency, and further, I say not.

I wish to end this part of my presentation, Mde Speaker, by reminding this Honourable House of the President's words, when he addressed the Ninth Parliament. At page 24 of that address he said, and I quote, Mde Speaker

Mr. Speaker, on governance, my government would pursue approaches that are predicated on respect for the rule of Law.

I have just referred to Laws that are being violated in the presentation of this Budget. “ Accountability... He lists some other things; and then he goes on *accountability and transparency*.

Surely, Mde Speaker, if that is the credo, something has gone woefully awry with those aspects of the Budget presentation I had hitherto alluded to.

Mde Speaker, I now wish to turn to the context of the 2007 Budget. Page 3 of Volume 1 of the Estimates purports to set out in a table, the summary of Central Government’s Revenue and Expenditure, from which the projected deficit of \$4.8B is derived. I drew the Minister’s attention to what appeared to be a discrepancy, but I wish, at this stage, to say that he and I have resolved this matter since, and that is one of the good things about openness that some matters can be resolved by discussion outside of the framework of the National Assembly, if others would follow his cue. However, Mde Speaker, while we accept the figures in the summary table of a current account surplus of \$1.7B as being correct, we wish to observe that, as far as we are concerned, there is no capital revenue, or income, that is really earned by the Government. There are a series of monies- loans and grants which... and sometimes food

assistance and various things that are made available; but Mde Speaker, it is wrong to treat these items as though they are items of revenue. Items of revenue are earned by the Government through its imposition of taxes and various forms of imposts. These are monies that are given, so they must be treated after you shall have derived your budgetary deficit, and they form a part of the financing of that deficit, So, Mde Speaker, to tell us, in the Budget Estimates, that the Budget Deficit, overall, is \$4.8B US. It is our respectful submission, to mislead the people. For, to that, there is a surplus on the Current Account of \$1.7B, and there is a proposed Capital Expenditure of \$36.7B. The only thing available to finance that from Government's revenue, is the \$1.7B surplus on Current Accounts, and if you deduct from that the expenditure of \$36.7B proposed for Capital Expenditure, then the Budgetary Deficit is \$35B. Mde Speaker, that is the real figure with which Guyana has to grapple. This is the true Budgetary Deficit, and it is approximately thirty-five percent (35%), Mde, of what the Government proposes to spend in 2007. That condition, though somewhat better than the real revised deficit of \$42.4B, or forty percent (40%) of expenditure in 2006, continues to be ominous as a basis for planning and executing Guyana's future development.

In the Progress Report of 2005 on the Guyana Poverty Reduction Strategy- a Report supervised and prepared by the Government of Guyana, there is Chapter 10 captioned 'Risks to the Strategy' and at page 118, under that heading, this is what it says:

Given the changing modalities of debt relief, Guyana's post- HPIC status, and trends in development assistance globally, there is a possibility that external support may fall below what is required and this has been realised in the past three (3) years, as assistance has fallen below what was envisaged in the strategy in 2001.

It goes on to say

Alternative financing initiatives and new financing strategies are currently being explored by the Government, including debt relief. This effort ...

I want to read it all

... must be proactively built on, as a safeguard, against the unpredictability of international sentiment on development aid

There we have it, Mde Speaker, straight from the horse's mouth, as it were; and while we support initiatives for alternative financing and new financing strategies to obtain donor money, and additional debt relief, we must continue to hammer away at the point, that the reliance upon

external assistance, overwhelmingly, to the extent of (35%) in 2007 of the Budget Expenditure Proposals, is putting the hands of the development of Guyana outside of the control of the people and Government, including the Opposition of this country. It is known, because it is being talked about, that there is donor fatigue everywhere. We have therefore, Mde, to address how we, as a nation, harness the potential within the Private Sector here, and how we encourage foreign private sector to come and invest in our country so that we can have sustainability in development, and sustained growth and prosperity.

Mde Speaker ... *I wonder if he is even learning anything* before [*Laughter*] commenting on the Budget and the future, I crave your indulgence to make but a few comments on the review of the domestic economy, as contained in pages 6 and 7 of the Budget Speech, and I must say that I admired the Minister's skill in making what is a shaky performance sound outstanding. We were told, for example, that in 2006, sugar production grew by 5.5% to 259, 588 tonnes. What I would like us to be reminded of, Mde Speaker, is that in 2005, sugar production fell by 24.4% to 246,050 tonnes, from 375,317 tonnes in 2004. So that the 5% growth in 2006 is but a drop in the ocean compared to where we were in 2004 because in 2005 production dropped by 24.4%, this is not to deny the fact that there has been a come-back; but I believe what we have to do is put it in proper perspective and that is really what I want to point out.

We were told, Mde Speaker, that rice output surpassed 2005 production by 12.4% to reach 307- odd thousand tonnes. I wish to remind this Honourable House, and the nation, that 2005 production was some 15% below that of 2004, so once again, what we are playing here is a catch-up game in the economy. Then we were told that other sub-sectors, of the agricultural sector Mde Speaker, recorded strong performances, though the only specific sub-sector singled out for mention was forestry, which expanded by 11%, and I take the Minister's word that this was by far the highest growth in recent history, and that this was driven by global demand for forest products. Noticeably, the Honourable Minister did not provide any breakdown as to the nature of the forest products exported. The PNC(R)-1 Guyana's information is that almost all of the increased exports were in the form of logs, an achievement, I daresay of dubious distinction. We also know that species of logs in short supply, and much needed for furniture manufacture for the export market, were allowed to be exported, despite vociferous complaints by furniture manufacturers, and in this regard, Mde Speaker, we suggest that there be a policy prescription by the Government requiring that the needs of manufacturers for specific species be met before exportation of those species is permitted.

We were to that the manufacturing sector increased by 4% in 2006. Now this sector, Mde Speaker, contributes around 8% to GDP, so 4% increase means a 0.32% increase which is, I daresay infinitesimal. Then it was explained that

mining and quarrying fell by 22.4%, while overall gold declaration fell by 25.3%.

Mde Speaker, what is clear in all of this is that the economy is struggling in a catch-up situation, struggling to regain output levels of earlier more productive years. To speak, therefore, of the 4.7% growth in 2006 as reflecting underlying buoyancy, is a mammoth overstatement, and could result in the creation of false expectations and belief about the soundness of our current economic condition.

As to the future, Mde Speaker, the Honourable Minister of Finance has sought to introduce into our vocabulary and lingo, a concept entitled *Vision 2011*, which supposedly addresses the agenda for 2007, and the medium term. But, Mde Speaker, having looked at the Budget, I wish to assure you that this is no five-year blueprint, or prescription for development, but rather, in our respectful view, an amalgam, if not a hotchpotch of what is currently in train, together with policies and budgets, of wishful thinking. At page 9 of his address to the Ninth Parliament, the President mentioned the Government's policy agenda over the next five years, and perhaps the Honourable Minister, anxious to seize upon these remarks, took this as his cue to venture off into this thing called *Vision 2011*. Mde Speaker, quite recently, in a motion defeated in this National Assembly, the PNC(R)-1 Guyana sought to persuade the Government to have the National Development Strategy updated so that the country could have a well-defined overarching strategy, subscribed to by all stakeholders, as a basis for taking

Guyana forward. The response of the Government, then, was that they agreed to updating the Strategy, but objected to our procedure for achieving same. Since then, however, the Government has gone into deafening silence on what it intends to do, itself, to update this Strategy which, according to them, was their preferred approach, and they now seek to introduce this vague thing called *Vision 2011*. May I invite someone from within the Government to inform this National Assembly, during the course of this Budget Debate, on the Government's real position on the updating of the National Development Strategy? When is it, or is it all that you propose to undertake this update? If so, how and when do you propose to do so? What is the correlation between this proposed update, and this *Vision 2011* which has suddenly been inserted into our vocabulary and lingo, when there is a framework upon which we can build, and build soundly? Even more interesting, Mde Speaker, is the first statement on page 11, under the heading of this *Vision 2011* Page 11, it says there,

Mde Speaker we are embarking...

I want you to note that word *embarking...*

on a process of modernising the economy.

Mde Speaker, if logical interpretation is what should prevail, then it suggests that we have not yet begun this process of modernising the economy. It suggests that all that Minister Nadir, and others with portfolios- his being at

the time Tourism Development, which I believe to be a real cornerstone, telling us all the wonderful things that ..., that was not part, that was not yet the beginning of the process of modernising the economy, and then there were others...*(interrupting)* *(oh, you were diversifying, but not modernising. You see, you have to modernise as well but no, we are now embarking on that Sir, so be careful.)*

Now, Mde Speaker, I want to think, I don't want to believe that that is what is really intended, so maybe there is a little bit of a play over this particular word, but I want to say is that, in the content of this Budget presentation, under this 'Vision 2011,' this great vision through which this process of modernisation is to take place, what we have set out there are no more than all the things that, so far, we have been told about; and I want to go back to that, say as far back as 1993, I went back to the Budget Speech, and I read it- at page 18, this is what it stated:

Investment would be directed towards promoting rice and sugar production,

which is what, now with 'Vision 2011,' we're talking about- diversifying back in 1993, and at page 23 of the same Budget Speech it is written that, and I quote:

The broad outlines of the Government Private Sector Development will be centred on the establishment of more agro-based industries.

Alas, *Vision 2011* is now going to modernise us through telling us that those things are going to be proceeded with under this new Vision. At page 25 of the Budget Speech of 2002, reference was again made to restructuring and expanding the economic base. At Page 27 of that speech it says,

We will pursue new growth areas in traditional and non-traditional sectors

... manufacturing and tourism ... back then, agriculture and agro-processing. In 2003 the Budget then spoke about reviewing energy policies to emphasise development of alternative sources of power, including hydro and solar. By the time we came to 2005 we were talking also about wind power. Mr. Prime Minister, do you remember that one? I hope we watched the status, I mean it seemed to have dropped out of the vocabulary, winds have blown it away, and then, Mde Speaker, in 2006- as recent as then, it spoke of diversification of the economy being pivotal to reducing shocks, and forging lasting recovery and maintaining growth. The exact words, I believe, used in some sentences here, in this ‘Vision 2011’ that is talked about.

Mde Speaker, it seems to me ... *[Interruption]* (You see, the target can't get out of their heads, because they live in the past and they would die in the past.) *[Laughter]*

Mde Speaker, it seems to me that under this *Vision 2011* we may be simply putting old wine in new bottles, and describing it as process of modernising the economy. Of course, I accept that, in some cases, we are updated on progress on some of these things. In particular, for example, we are updated on the progress of the Skeldon project for sugar. On this one, Mde Speaker, the PNCR hopes, and wishes, that the expectations of the project would be realised because we know how many families are directly dependent on this industry, and we know of the long-standing contribution this commodity has made to the economy. But, Mde Speaker, I must frankly also state that, for us, the jury is out on this project. We've heard various costs of production being the end result of this project. It seems as though it now stands at 11 cents per pound, coming down from 22, to 18, to 12, and now to 11. We wish you can achieve that price level. Even if it were 11cents, it is yet unclear, Mde Speaker, given the volatility, which we all accept, of sugar prices, whether in fact 11 cents, even if we achieved, it would be a viable cost of production on which the industry could be profitable.

And Mde Speaker, in meetings of the Economic Services Committee, we had the privilege and honour of having, in our midst, the CEO, and the Chairman, of the Guyana Sugar Corporation, and we asked them, during the Eighth

Parliament, about this project, and Mde Speaker we were told, in no uncertain terms, that the objective of the Skeldon project was to maximise the profits of the sugar industry. I am saying this here so that they could correct it in the course of this debate, because I would like everything to go on the record, so that when we have to refer to it in the future, we have authenticity. And, Mde Speaker, it is clear that if maximisation of profits is the objective, then the West Demerara Estates remain under threat of closure. Mde Speaker, we must call a spade a spade. Mde Speaker, we know that, right now, there are plans afoot to expand, by some 20-odd thousand acres, the production of sugar cane in Berbice, and we know that there is good reason for expanding it in the context of this project in Berbice; because we know that the weather patterns in Berbice are more favourable to the cultivation of sugar than in Demerara, and therefore, in keeping with the profitisation maximisation philosophy of the company, that is where you are going to get your largest margin of profit.

Mde Speaker, we need to be honest with ourselves, that is going on, and if that is the objective, then let us not play 'hanky panky' with the lives of people on the West Demerara estates. Let us, early o'clock, try to look for and find alternative ways of engaging them and their skills. Mde Speaker, I wish that someone, in the course of this debate, would clarify this particular matter for us. But nevertheless, Mde Speaker, we should congratulate the Government for its prescience in preparing a strategic plan

which, according to the Minister, may have saved the sector from oblivion. Let us congratulate them for the prescience in anticipating the sugar price cuts that were to come in the EEC, and to prepare a plan, should that day come, which it did come, that would possibly save the Sector from ruin. But the question that arises in my mind is why was not the same prescience demonstrated in the case of the bauxite industry? Why is it that there was no master plan that was aimed at rescuing this industry, and Mde Speaker, I have to tell you that, in examining the Budget Speech of 1993, to which I made earlier reference, you would note...and this did not escape my attention, that the bauxite industry was not listed among the sectoral priorities at that time, and I dare anyone to go back... those priorities as listed at pages 5-7, I think ,but I am prepared to give it to any colleague - of 1993 Budget Speech. It did not even feature as a priority sector, so perhaps we ought not to be surprised that there was no master plan, as in the case of sugar.

But, Mde Speaker, as the Minister talked about this *Vision 2011*, I noticed he told us nothing about the role, or presence, of the IMF. Why did we not hear anything about this particular institution? We know, Mde Speaker that the arrangements hitherto with the IMF came to an end in September of 2006. Are we to understand that for now at any rate, this is the end of our association, formally, with the International Monetary Fund? Or are discussions going on, somewhere, but not yet thought right to be brought to our attention, to enter into another agreement? And per

chance that is the case, I think it would have been appropriate, wholly so, if you talk about *Vision 2011*, to let the country know, and the people's representatives in the National Assembly know, of the role, and place, of the International Monetary Fund in the scheme of things.

Mde Speaker, I think that is important, because it is my understanding that, from where we stand, we do not yet have the credibility on our own, and I have heard this in circles, even among Government officials; and let me say this, politicians ... so don't go head-hunting for any public servants ... *[Laughter]* Mde Speaker, we have not yet established the credibility on our own that gives us the stature to be able to venture out and woo investors. They are still looking for the Guy imprimatur of this financial institution that says,

Guyana is a country you can do business with.

We have the framework, so to speak ... and Mde Speaker, please, I invite someone in the Government to kindly update us on the relations with the IMF, and its place in the scheme of things. Our own wish, Mde Speaker, is that we can sever links with the International Monetary Fund, but to do that, Mde Speaker, what is key is that we will have devised, on our own, the kind of policies, created the kinds of institutions, and institute the kinds of measures that, by themselves, and of themselves can give ample credence to our viability as a nation, and our ability to run our affairs soundly.

Mde Speaker, through you, the Honourable Minister Mr. Rohee seems rather peeved that I am mentioning the word IMF; and Mde Speaker I would have liked the PNCR 1-Guyana ... *[Interruption]*

The Speaker: Time, Honourable Member

Mr Robert Corbin: Mde Speaker, may I ask that the Honourable Member be given (15) minutes to continue his presentation?

The Speaker: The Motion is that the Honourable Member be given (15) minutes to continue.

Motion carried

Mr Winston S Murray: Mde Speaker, it is our belief that the Tourism Sector, and I would like to hear the Minister on this, should have a very prominent... perhaps the most prominent place in this 'Vision 2011,' or any other vision that we have. For Mde Speaker, it is this sector, more than any other, apart possibly from agriculture, that really has the potential, if properly nurtured and developed, to take Guyana into the 21st Century as a developed country, but Mde Speaker, we have to expend the resources on this sector. I note the Minister mentioned the fact that \$56M... I think that was the figure, \$65M (*I had the figures inverted, thanks*) \$65M was going to be spent in 2007 in this sector. That's a mere \$300,000, and let me tell you that, if you really want to market Guyana in the

international market place to convince people to come, \$300,000 is a drop in the ocean, and Mde Speaker, we have to go out there and aggressively market Guyana. There is no alternative. We cannot sit back here and wait for investors, or only wait for investors to come. So I want to say we support... we support wholeheartedly, most fervently, most strongly, the development of the Tourism Sector, but we do not see, let me add this caveat, we do not see casino gambling as anything that is relevant to the development of this sector as we see it. *[Applause]* We believe that is eco-tourism is the area in which we have our strongest assets and our best possibilities. There are other Caribbean destinations that have casino... gambling, and when we talk about people wanting something to do in the nights, if we are going to truly invest in eco-tourism, they don't want to come to Georgetown to go into a casino because they have left their metropolis to come here to be in touch with nature. That's where they want their renewal and that's where they want to remain. They don't want to come here to do casino gambling. *[Applause]* So I do not see, nor does the PNC(R)-1 Guyana see casino gambling as having any integral place in the scheme of things for the development of tourism. And in this regard, let me say this. For all the noise that was made about casino gambling, and the great economic possibilities for the future, not a word of it in this Budget to tell us about this manna that is going to fall from Heaven in the presence of casinos in Guyana. So were you having us on? Was that simply a facilitating mechanism for a friend- a hotel, the particular hotel? Mde Speaker, I leave that there and say

no further. Mde Speaker, the annual ritual of highlighting macro-economic stability, both as an achievement and as a continued objective, is performed, dutifully, on page 22, and is now incorporated as part of *Vision 2011*, but make no mistake, Mde, the PNCR 1- Guyana acknowledges that the maintenance of such stability is a necessary condition for economic growth, but it must be understood, and accepted also, that it is far from being a sufficient condition. For example, while it supposedly existed here in Guyana, that is, macro-economic stability, between 2000 and 2005, the average economic growth during that period was zero- overall stagnation, and if nothing, I think this establishes, beyond doubt, that mere economic, macro-economic stability will not bring economic growth and development. So, while we do not mind being reminded about this great achievement of macro-economic stability. While we subscribe to it and accept it as a necessary condition for economic growth, I think we must begin to look beyond these parameters to identify the real opportunities that will allow us to bring economic development to our country.

In this regard, Mde Speaker, we repeat the advice we have persistently given to the Government: Let go of the control you want, and which you try to exercise over the Private Sector if you really wish to see Private Sector, investment truly take off including foreign private sector investment. Notwithstanding your insistence that the facilitative laws and systems are in place to encourage the private sector investment, there is still the deeply- held

view that only those who find favour, politically, are, and will be, facilitated. Additionally, the Government seems to revel in a confrontational position with this sector and, seems to apply a system of reward and punishment to ensure that the Sector is kept in line. Yes, nobody really believes you when you say that it is on economic grounds that you have withdrawn your ads from *Stabroek News*, for you have not yet put in the public domain the evidence of their smaller circulation than the other newspapers: so if you have the evidence produce it; but I am saying more than *Stabroek News*. I am saying that it is not right ... and others are looking on, listening and seeing for you to castigate the Pegasus Hotel in public forums; that it is not right for you condemn GT&T in disparaging ways in public forums when it is possible to meet behind the scenes, and in mutual discussions to resolve whatever difficulties exist. So, Mde Speaker, the point I am making is that we can have the best Laws, the most facilitating mechanisms, but if the words we utter and the acts we do, contravene, or are not consistent with those laws, then it is those words and those actions that will determine the extent to which people take us seriously and come to invest in our country. [Applause] And I urge the Government not to begin from the position that every businessman and investor is predisposed to dishonest dealings, this seems to be a mindset of the Government; and I want to call a spade a spade. No longer can we sweep these things under the carpet. We have to set up the facilitating mechanisms and when we catch someone who breaches them we'll use the full force of the Law against them, but we do not set up a

mechanism and assist them that is aimed to catch the thief, when 99% of the people are going to be burdened by the yoke of that situation and would be unable to make investments, and to have their investments bring benefits to Guyana.

And now, Mde Speaker, I want to talk about the huge sums of money that the Minister referred to as being expended in the Social Sectors, and I want sincerely to congratulate the Government on this. There can be no question that a lot of money has been expended in those sectors. There can be no question that, under the HPIC Initiative, a lot of money, which we did not have to use to repay debt, was made available so that, the Education and Health sectors could benefit: and that's a good thing, and we, as Guyanese, must be glad, must be happy for that to have happened. But Mde Speaker, what I would like to point to... In fact I would like to make a general observation here, and that is, that with the possible exception of the Youth, Culture and Sports sectors, and I hold no brief for that Minister, but it is what I observed as I went through the documents, that generally speaking, the impression is given that large sums of money are being thrown- simply thrown at problems and needs, and while we do not expect the Honourable Minister of Finance to fill in details of each Sector, we expected some effort would have been made to convey to the Guyanese public that value for money was being obtained or, at least, that this was being diligently pursued. For example, Mde Speaker, instead of simply announcing some of money for roads,

schools, sea defences, D& I works etc., it may be more useful to provide us with the cost of building a mile of road of certain specifications; the cost of building a mile of farm- to- market road; the cost of building a school of a certain square footage. We can then, Mde Speaker, compare one year with another more meaningfully, and we can see whether we are making improvements-productivity improvements, and cost improvement, in getting things done, and we will then be able also, Mde Speaker, more meaningfully, to compare the cost of doing these things in neighbouring countries. Mde Speaker, I say all of this because it is no secret that corruption is rampant in the execution of social infrastructure projects (*Who tell you that? Who told me that?* Mde Speaker, let us refer to page 3, Mde Speaker, of the President's address... I hope you will shut your mouth and listen now. Page 3, Mde Speaker, of the President's Address ... This is what he said, *I'll withdraw it man ... now he is my friend.* This is what he said:

My Government is committed to entrenching the integrity of our public institutions; this will involve continuing the relentless fight against corruption.

This is an acknowledgement of the statement that corruption is rampant within the Government in case you don't understand ... [*Applause*] and an unequivocal subscription to transparency and accountability in the

affairs of government. So Mde Speaker, it would have been helpful if the Honourable Minister of Finance, in our view, could have spared a few sentences- spared a few paragraphs, perhaps, informing us of how he would give light to the President's very serious words, but there was not a word spoken in this Budget on the subject of corruption.

I wish to suggest that, in addition to Value-for-money in Budget presentations, there is urgent need, Mr. Minister, to have established the Public Procurement Commission ... the Constitutional body, which is supposed to be ...
[Interruption]

The Speaker: Time, Honourable Member ...

Mr Robert HO Corbin: Mde Speaker, I ask that the Honourable Member be given fifteen minutes to conclude his presentation.

The Speaker: The motion is that the Honourable Member be given (15) minutes to conclude.

Motion carried

Mr Winston S Murray: The Constitutional Body, which is supposed to be at the apex of the procurement system and process is composed of persons of impeccable integrity and qualifications. We should not for much longer, Mde Speaker, have the National Tender Administration, a body

appointed and composed at the sole discretion of the Minister of Finance superintending national procurement. The Minister, although he has strong technical background and credentials is, at this stage a politician, and although I have no doubt that he is at all times well-intentioned in his appointments,” unequivocal subscription to transparency and accountability,” is said by the President, dictate the minimisation is not elimination of his role in procurement matters.

One other thing in this regard, Mde Speaker, after every Cabinet Meeting we witness the Head of the Presidential Secretariat announcing tender awards for projects, and the monetary sums involved. We have urged in the past, and we do so again, today that the names of persons or companies, to whom the awards are made should also be announced. Transparency demands this. *[Applause]* So, Mde Speaker, simply to tell us how much money, and for what project, does not give us transparency in our dealings.

And, Mde Speaker, the tax regime in any country is an important tool for economic development. In fact, back in 2003, in the Budget Speech, in addressing this issue the then Minister said

In our view such reforms should aim to accomplish four broad objectives: revenue neutrality, stimulation of investment and savings oriented toward growth and support poverty reduction.

In the 2007 Budget Speech the Honourable Minister of Finance said

In the area of Tax Reform, the Government reiterates its commitment to broaden the tax base and improve the administration, and the centrepiece of our efforts is the replacement of the consumption tax, and five other taxes, with the broader Value Added Tax.

Mde Speaker, I wish to suggest that the contemplation of Tax Reform in 2007 is much narrower than that contemplated in 2003 and I hope that the objectives of 2003, have not been abandoned. I don't have time, but I would have liked to talk about the problems that have come along with the introduction of VAT, Mde Speaker. There have been almost across- the- board increases in the prices of commodities that consumers have to buy. It may be true... and I would never defend wrongdoing, that there are some retailers out there who are in fact using the system to make additional profits but, at the end of the day, what concerns me as a politician ,and my Party as a political Party, is the effect on the people, and it is fact of life that everywhere I've gone people surround you and complain about the stress they are under with the imposition of VAT; and yes, Mr. Minister and Government, we note that you have added forty other items, but I wish to suggest to you, that until this burden-

whether fair or unfair, is hoisted off the backs of consumers, special mechanisms should be put in place to ensure that the concerns and grievances of consumers, arising from the way VAT is implemented, are addressed, and this is extremely important.

Mde Speaker, I wish to urge the Honourable Minister that, if he is serious about continued tax reform beyond the introduction of VAT, and in keeping with what was said in the 2003 Budget, that he should, on a priority basis, put together a team comprising the Government, civil society. The private sector and employee organisations to sit and review a number of things having to do with tax reform—such as the income tax threshold. It is true that you have added \$3,000 per month to that threshold at this time, but I wish to tell you that that is small, because all it does is say that \$28,000 is what you are exempted from in paying tax, and every one dollar above that, Mde Speaker, there is the burden of 33- 1/3 of any additional income being charged to tax; and who are the sitting ducks in this operation? It is teachers, it is nurses, it is policemen, it is public servants—the sitting ducks, or those who are the captives of this taxation system: So I urge, Mde Chairman, that the Minister puts together such a group, as early as is practicable so, that these matters could be looked into. And colleagues in this Honourable House, I assume that you know that all of those persons that I just spoke of are right now finding it impossible to make ends meet, and we urge that something be done, on a priority basis, to boost their incomes and their take-home pay. Even if you see

this as a special appeal coming from the People's National Congress Reform 1-Guyana, I have no problem with you so treating it.

For some time now too, Mde Speaker, it has been evident that the basket of goods used in the household income and expenditure survey needs to be updated, along with the Consumer Price Index. The figures usually provided for inflation are somewhat dubious, I daresay; and Mde Speaker, this is an urgent task. I note the Minister, in his Budget Speech, made reference to this project, and while he told us in the Budget Speech of the new building to house the Bureau of Statistics, we are also interested... and perhaps even more interested, in finding out when this project will reach the point where we can get accurate CPI numbers, and accurate household surveys, so that we can have accurate data as the basis for planning, and for assessment or results. We need to know, Mde Speaker, the true condition of our people on many fronts, and to have decisions based on accurate assessments, of analysis and information.

In conclusion Mde Speaker, I am forced to define this Budget as one that creates false and unrealistic expectations which is something I believe we should always refrain from doing. The truth is that while in some areas we may have moved forward - not without problems however, on the other fronts we have been almost at a standstill. On yet others, we may have even regressed, and as to the future, a lot remains very, very uncertain and

challenging. Mde Speaker, undoubtedly Guyana has been able to tap into massive resources from the international community, and this has created a façade of being well; I say a façade advisedly, Mde Speaker, because I do believe that, notwithstanding what has been done and achieved, corruption would have cheated the Guyanese people out of the full benefit of those resources. Additionally, we always have to keep an eye on the need for debt- sustainability. Fortunately, debt write-offs have allowed us to keep within the ceiling for a medium- level distressed country, but that will continue to be an ongoing challenge.

On the economic front we have been, undoubtedly, at a standstill. Thus no long-term well paid jobs are being created on the scale necessary, and real incomes, especially of the captive group of public servants- policemen, nurses and teachers, are wilting, resulting in real physical hardships. In terms of transparency and accountability, I believe we have retrogressed, as I have provided evidence of this during my presentation. The future is challenging because, while the Government has hopes of attracting private sector investment -local and foreign, on the scale necessary for strong economic growth, it seems blissfully unaware that there is much scepticism about investing in Guyana. We need to change our orientation, and the way we speak and act.

Mde Speaker, that is not to say that Guyana cannot do well, in terms of both economic and social development. In our respectful view we believe that, if the Government listens

to and heeds advice, and stretches out its hands for true partnership with all stakeholders, no challenge is beyond our collective conquest, and we, of the People National Congress Reform – 1 Guyana, already have outstretched hands. We are ready to work with all stakeholders including the Government, to achieve for our citizens, their long-awaited- for rendezvous with prosperity. Mde Speaker, I thank you. *[Applause]*.

THE Speaker: The Honourable Prime Minister.

Hon Prime Minister Samuel Hinds: Mde Speaker, Honourable Members, I rise to support our Government's 2007 Budget, so ably composed and presented by our young Minister of Finance, so full of energy and ability, and free of guile and sleight- of- hand. There is no guile and sleight- of- hand in this Budget, Honourable Member. Budget 2007 is another step, albeit an important step, in a journey of our number of decades yet, to the material levels of the developed nations of today. Budget 2007 finds direction, cohesion, and continuity in our vision of building a modern, strong Guyana, a prosperous Guyana, as rapidly as possible, but a caring and kind Guyana, doing as much as we can today to meet the needs and concerns of children, women, youths, the elderly, and the less fortunate. Internally, we continue to work for development with a human face, human development without a loss of humanity. In the international arena we continue to work for a *New Global Human Order* which recognises the

special and differentiated needs of small and developing countries such as ours.

In Budget 2007, we believe that we are making the best set of spending choices within our means, striking a good balance between consuming, and saving, and investing in our people in social and physical infrastructure. We believe that we have struck a good balance in garnering revenues internally, and in seeking grants, and concessionary loans, with all their covenants and conditionalities. There are a number of people who say that we should have discarded the World Bank and the IMF a long time ago, and they have expressed surprise that we are continuing to work with these multilateral institutions, but we think that their talk is just hot air. Many of the alternatives they suggest are preposterous, or conflicting, like the suggestion to find money for development, in ending all the concessions to investors whilst, at the same time, clamoring that not enough is being done to attract investors and investments both foreign and local. In continuing to work with the financial institutions we are continuing the pragmatic approach of Dr. Cheddi Jagan, who was prepared to work with many, for the mutual benefit of themselves and Guyana and who, at such times when people ask such questions, would ask to be shown their realistic and better alternatives.

Mde Speaker, Honourable Members, we are pursuing, at the same time, a path as our Founder, who was an advocate, and practitioner, of paddling our own canoe of much as we could, wherever we could, doing as much as

we could do for ourselves. As individuals and as a nation, we may not be saving enough as the countries of Asia, but perhaps more troubling, we are not investing all that we are saving, at least not directly. We seek protection through lower-risk intermediaries, which inevitably raises the cost of borrowing, and the burden on the investments. We don't yet have the experiences, we are yet to establish the successful practices and traditions of us financing, directly, significant infrastructure, which we need. Many are still frightened by the high failure rates of the past decades, of local borrowings and investments. This is one of the heritages that we, in Guyana, received from a period when financial discipline was not followed.

Investments are necessary in creating jobs. When we acknowledge, Mde Speaker, that the Private Sector is the leading sector, we recognise that the Private Sector or, more fundamentally, the private enterprise in each one of us to save, mobilise savings, invest and create jobs. The Honourable Member before me spoke about the need for us to look to the day when we would not be receiving such huge amounts of concessionary loans and grants, to the tune of about 30-35% of our total budget. I want to tell him that we too are looking to that time. We are aware that that time would come. The Berbice Bridge that Government promoted, Private Sector investment must be seen, in this regard, as an instance... and maybe the first instance in these times, of mobilising our savings; doing something big for ourselves, creating a large number of short-term jobs during construction; and a number of

longer-term jobs whilst it's operating and, at the same time, providing the improved service which people have been longing for, for some time.

The Berbice Bridge, when it opens in May 2008, would not only be a tangible piece of material-infrastructure, but it would also- maybe more significantly, represent an intangible- for us, an example of an investment from our own financing paving the way for the day day when the very multilateral institutions who support us now would be wanting to wean us off of their concessional financing, and that day, we recognise, may not be long in coming. Let us give up the talking about getting out of the World Bank and the IMF and start doing a number of things for ourselves. I would be much more impressed if the Honourable Member would start telling us about how we could do things ourselves, and how we could put the World Bank and the IMF behind us today, and start doing things for ourselves.

Mde Speaker, Honourable Members, we at this beginning of this Government's Fourth Term, and its fifteenth year in office, are at a time when our vision is clear, and our basic and fundamental policy in matters of the Budget are well-developed and matured. We have been clearly advocating, and continue to advocate- no matter the Honourable Speaker seems to make little of it...We would continue to advocate the primacy of maintaining the macro-economic fundamentals within which we have carefully crafted medium-term sectoral strategies. These spell out our

vision, where we have set our sights, looking to the horizon, looking out 5, 10, 20, 30, and even more years. Annual Budgets such as this are not to be looked at for monumental changes in course; the programmes we are laying in our Budgets take from 5-10 years, and for a whole generation to be played out. The Annual Budget should be seen as firstly an occasion for reporting and reviewing how we've been doing so far; looking to the next steps to take; taking account of the more recent developments within and without our country, and putting greater detail in the plans for the year.

Mde Speaker, if we look at our Budgets, we would see that there is movement in our allocations over the years. As an example, in education, we at first hurried to repair and replace school buildings- mostly primary school buildings, with the most lean, Spartan, low-cost design, so that we could attend to every school building as early as possible, and then we moved on, putting more resources in stages into school books, teacher training, secondary schools, uniforms, meals at schools, and distance learning. So, Mde Speaker, the Budget framework has been set, but from year- to- year as our programmes develop, we can see shifts in the allocations that we make. Today, a number of our school buildings, especially some secondary school buildings, are more imposing and pleasing to the eye and I am pleased to call to mind our school building in Amelia's Ward, the rehabilitated building in Canvass City, and the new building being put up in Wisroc. Those are examples of three buildings which are imposing to the eye; and Mde

Speaker, we haven't looked at who started a particular school building in order to pay attention to it, and to add to it. The Canvass City School building there was started very hurriedly in 1990 ... I recall, in the area where the dust from the stacks fell, and it was put there because that was the only open area, that was put there hurriedly, but we have continued to develop and improve that building.

Mde Speaker, people say at times... I think there was some article about the VAT building, that this Government does not lack an eye for beauty. I want to say that this Government does not have an eye for beauty when we can afford it, and what we can afford. *[Applause]* Mde Speaker, looking at the allocations, and the particular projects each year, we can see advance. Another good example is, in health, where we are now facilitating the provision of medical services in Guyana, which were only available outside of Guyana ... *[Applause]* cancer treatments, cardiac interventions; hip replacements, and we are doing this working, in many instances, with our fellow Guyanese who have gone abroad and benefited from training and experience, and who want to come back and find a way to contribute to their native land. We are doing it in partnership with such Guyanese. At the same time we are continuing to expand basic medical services- the training of nurses, CHWs, medexes and doctors. Similarly, Mde Speaker, our programme in housing and water has been developing from, stage to stage. I recall, initially, that people were critical of us for laying out and assigning undeveloped house lots in unserved and abandoned land;

but since then we have been laying in the services as funds became available-funds from those same multilaterals that the Honourable Member seems to be so critical about, I don't know if he wants to tell the people that we should have thrown away those offers of assistance and stayed without satisfying their needs.

Mde Speaker, Honourable Members, we just have to look to Sophia today, and look at pictures and drawings of Sophia ten years ago, *[Applause]* and see the steady, incremental, step-by-step progress that is embedded in our Annual Budgets... and let me tell you, if you want to... Honourable Member, Leader of the Opposition, sometime ago, a decade ago- or so, one of the persons living in Sophia making his living ... I think , much to be commended, was making his living doing drawings and bringing them around for sale and he brought a drawing of Sophia at that time- about 1994/95 and I bought it because, I thought it could become a good historical piece, and I would like to bring it and maybe present it to those people who say that they don't see progress; those people who don't see the number of vehicles in the roads in Georgetown, or who don't go into the hinterland and see the number of vehicles, as some of us saw when we went to Matthew's Ridge, Aracaca, Port Kaituma last weekend. When we first went into Matthews Ridge in 1990-91 time there was one (1) broken-down Land Rover in Matthews Ridge, but today there are at least about two-three dozen vehicles and mini-bus service in the area; *[Applause]* and much the same in Lethem, in Linden, and all around

Guyana. So those who bemoan and lament that there has been no progress, either in their eyes are closed, or they are discriminating in what they say. They are discriminating in what they say.

Mde Speaker, Honourable Members, let us now consider the question of standard of living- the material standard of living of our people. This year we have increased the Personal Income Tax Threshold from G\$25,000 a month to G\$28,000 a month *[Applause]* a 12% increase. This is not insignificant, because this is the second successive year that the threshold has been increased. Over the last two 2 years this Government has moved the threshold from \$20,000 a month to \$25,000, then to \$28,000- a fantastic 40% increase over two years. *[Applause]* Addressing the threshold should not be seen as the only, or the main action of this Government in safeguarding and protecting income and purchasing power, particularly of lower-income persons, but we should see in our control of inflation and foreign exchange evaluation, we should see in that too, protection of income and purchasing power and we have been doing that in the face of severe external shocks, such as the rise in petroleum prices. Whilst in 2006 the effects of oil price rise... oil price rises were largely offset by improved prices for gold, bauxite and other exports. Recently, in the last few weeks, this Government has contracted to receive half of our imports- our fuel imports, from May, on the Petro-Caribe Agreement so that we can have a bit more freedom- a bit more elbowroom in our

balance –of- payments to cushion against any adverse changes in the prices of our exports and imports.

Mde Speaker, Honourable Members, this Government has also set the protection of purchasing power of citizens as a task for a number of public sector companies and that task is second only to that of sustaining the company. Indeed, protection of purchasing power is the justification for the government maintaining ownership positions in such companies as GUYOIL, GPL, GUYWA, Lethem Power Inc., Kwakwani Utilities Inc. and public corporations such as GPOC, Guyana Gold Board, T&HD and the DHB. These are conscious decisions of this Government to protect the purchasing power of the people.

Mde Speaker, Honourable Members, it is traditional for Guyanese to heap lots of criticisms on the GPL, and for me as the Minister responsible I agree that too much of that criticism is justifiable. When I say that too much here, Honourable Member Mr. Murray, I am allowing that there may be just a few, and not hundreds and thousands, because I am thinking of your reinterpretation of your interpretation of what the President had said, with respect to corruption- a relentless struggle against corruption is not the same thing as saying that corruption is rampant and pervasive ... *[Applause]*

The Government has been demanding ... and GPL has been tightening its operations. Reducing commercial losses of electricity is important and necessary and we are

working on it so that the cost of power can come down. We make no bones about that. Many people complain about the high tariffs of GPL, but few can self-generate at lower sustainable cost, and many people find that the costs are higher when they self-generate, and this is no surprise. This should not be a surprise, because electricity tariffs by GPL would have been higher were it not for this Government carrying on the earlier policy of relieving GPL of all duties and taxes on equipment, spares and fuel, and so more now, foregoing all dividend returns on its holdings, and also relieving GPL of other lease and loans payments. By foregoing its dividend returns and leases, this Government is consciously reducing electricity tariffs by 15 to 20%.

In a similar way, the services supplied by GPOC are kept low by foregoing returns on the properties that the GPOC uses. In this regard, however, or in addition, the drive continues for improved performance, and improved reliability of the GPOC within the current tariff structure, for the benefit for all who use its services.

Mde Speaker, Honourable Members, the protection of income of our many small gold miners was very much in the mind of the Government when it reconsidered the role of the Guyana Gold Board. In these days when the black-market is no more, when we have now an open exchange system and there is no premium, as it used to be, on foreign exchange which the Government would have received on the sale of gold, there is no economic reason to maintain the GGB, the Guyana Gold Board. However, historically,

the GGB buys gold at the London Fix for refined bullion, with a negligible charge for processing. The financing of purchases is provided at no charge, no interest charge on working capital, and there is no charge for insurance and the risk of price changes. If GGB were a normal commercial operation, these unmet charges would require discounts of 6-10%; so small and medium-sized gold producers are benefiting from the GGB by as much, and more than is retained for royalty payment and in lieu of corporate income tax; and, too, we see maintaining the Guyana Gold Board as an act for social piece, and avoidance of the contentions, when smaller miners would have been having to sell their gold to larger miners and to gold buyers, and coming to complain that they were being exploited.

Mde Speaker, Honourable Members, this Government has been consistent in its Budgets, in its commitment to quality of life issues for all Guyanese. Our commitment to continue to pursue an improved quality of life for all Guyanese is a striking feature that pervades this Budget. In 2006, we had electricity networks extended, making electricity available to 12,500 new households on the UAE programme, 2,300 on SIMAP programmes, and 14,000 from expenditures directly from the Treasury in new housing areas, such as Diamond, Grove and Tuschen. Thousands of households in tens of villages along our populated coastal areas who were living in the dark ages, and not just proverbially, now have light. *[Applause]* The residents in 11,000 households, newly connected, legally,

to the grid in 2006, would have had their lives transformed in so many ways, vaulting into the 21st century from lanterns and speak-easies to low-energy, compact fluorescent lamps, TVs, and computers. The possibilities are limitless. With the extension of electricity, one piece is in place for a wave of internet connections, and we look to the day when the 'green computer' becomes available to the majority of our homes, and even our low-income homes having computers and internet connections.
[Applause]

Mde Speaker, Honourable Members, this Government has not forgotten our fellow citizens in the hinterland. They may be out of sight but not out of our minds. We have had a hinterland electrification strategy written and approved, and it is available on the website: www.electricity.gov.gh. This pilot programme would provide experience in providing electricity, preferably utilising locally available, renewable energy resources, and would require arrangements to sustain the provision of electricity so that there should be no relapse, no relapse back to flambeaux and fire-sticks.

The Speaker: Time, Hon Prime Minister.

Hon Clement Rohee: Mde Speaker, I would like to request that the Honourable Prime Minister be given fifteen minutes to continue.

The Speaker: It is proposed that the Honourable Member be given fifteen minutes to continue.

Motion carried

Hon Samuel A A Hinds: Thank you, Mde Speaker, Honourable Members ... My colleagues would speak in much more detail about the programmes to advance the supply of water on the coastland and in the hinterland in efforts to advance the provision of site services, particularly in regularised and other low-income housing areas. This Government cannot be faulted in its track record, past and present, of working hard with all its heart and soul to improve the lives of all Guyanese ...
[Applause]

Mde Speaker, we have been addressing quality-of-life issues, but quality of life and services are predicated on employment and steadily increasing real earnings. In this Budget 2007, one would see the Government proceeding along its two-pronged approach, and Honourable Member Winston Murray, I think we have said this from time to time, a two pronged approach to provide opportunities for employment and self-employment, for jobs and more jobs. One prong of this policy is to reshape and modernise our traditional major economic enterprises – sugar, rice, timber and mining of gold, diamond and bauxite, as well as ... and this is the other prong ... promoting new areas of economic activity - wood processing, furniture, non-timber and other handicraft, non-traditional crops, including meats,

vegetables, fruits, aqua-culture, agro-processing also tourism with a variety of focus, out-sourced jobs such as in call centres, garment making and other assembly jobs. My colleagues would speak to sugar, rice, timber and other crops. But allow me now to say a few words on mining (bauxite), energy, electricity and telecommunication, the activities for which I carry ministerial responsibility. Before I proceed, I want to ... I cannot help but question one of the observations of my Honourable colleague on the other side. He was speaking about forestry, and suggesting ... postulating, maybe, that the only increases happening in forestry must be increases in log exports. If we take it that logs, as it is said, are a very cheap form of exports, then how does he explain what we have on Page (8) - 3.10 *Timber earnings in 2006 rose by an impressive 42% to US\$70.3M reflecting both price and volume increase?* [Applause] I would like him to ... *Interruption: ... "Yes sir, well, I don't think you guys are in contact with what is happening in the timber industry; I'm from Linden and therefore I am in contact with what's happening in the timber industry ... and one can see a phenomenal increase in containers of hardwood flooring material, one can see tremendous increases in hardwood flooring material"*]

Mde Speaker, Honourable Members, as we know, the rapid growth of the large, newly-industrialising countries of China and India has sparked the demand for raw materials, including energy, and at the same time, though, there is reducing tolerance for negative environmental impacts, linked with growing concern and anxiety about global

warming. With respect to bauxite it is many decades since we were Number 1 in the world- whether for metallurgical bauxite or calcined bauxite; but at the current time there are interests, and the question now is *can we have a second spring? and if so, will we have a second spring?* If so, this second spring could not be like the first, when we enjoyed a sure ride on natural advantage. Now we are at a natural disadvantage, compared with the leading producing countries of today. When four otherwise good operators - the latter days of DEMBA, our own LINMINE and GUYMINE, MINPROC was manager, and now CAMBIOR, I AM Gold, when four successive, otherwise good operators lament and succumb to difficulties in making the Linden bauxite operation profitable, it is time for us to sit up, take notice and discard our traditional notions that our natural resources are bonanzas, just waiting for the taking. If our natural resources were ever there just for the taking, you can be sure that they would have already been taken, developed, and not be remaining just as potential.

This Government is cautiously optimistic that we can encourage both RUSAL and BOSAI to pursue aluminium plants, hydro-power and smelter developments in Guyana, *[Applause]* and BOSAI to bring at last to market the diversified refractory and other bauxite products which have been under consideration since the days of DEMBA. There are thousands of jobs in the offing, and we must do all we can to land and keep those jobs here. This is the answer to the question raised by the Honourable Member,

who spoke before me, about this Government not having any thoughts about bauxite, not paying attention to bauxite, and not giving bauxite a second chance and so on. This is our answer to those questions he raised. We have today, Mde Speaker, in the offing, a great likelihood that we can see both RUSAL and BOSAI proceeding to aluminium plants, hydropower plants, and aluminium smelters ... *[Applause]* investments of billions of dollars.

Mde Speaker, we would have read, or would have seen, the report by His Excellency the President on his meetings with the investor and with the government officials- with the RUSAL investor and government officials in Russia. With respect to CAMBIOR, IAM Gold and Bosai, this Government is hoping for and working for an amicable and honourable solution to the problems which have appeared. This Government believes and is working for a cordial partnership with 'I AM Gold' and BOSAI - as cordial a partnership as this Government developed with CAMBIOR; and I think ... I want to refer to the other postulate from the Honourable Member who preceded me - that this Government has not developed close relations with Private Sector people, and has not developed credibility with people in the Private Sector. CAMBIOR would not have come forward and offered to take a leading position in LINMINE unless we would have developed that credibility with them ... *[Applause]*

Let's talk about making money. I am going on to talk about making money right now. I'm talking about making money. Mde Speaker, I will acknowledge that there has

been some tension over the sale of CAMBIOR/IAM GOLD interests in OBMI-OSI to BOSAI. This matter is not yet settled, but there is growing understanding of each side's concern, and I am cautiously hopeful of an agreement being reached before this Budget Debate is concluded. It was unfortunate ...

And here I come to the question of making money and windfall, Honourable Member. It was unfortunate that the first public news of this proposed sale spoke of a transaction benefiting CAMBIOR/IAM GOLD by US\$46M, when the media in Guyana, and most people in the public, knew only of a US\$10M investment. Our media reported their unhappiness that CAMBIOR/ IAM GOLD seemed to be walking away with a huge windfall, but I am relieved that CAMBIOR/IAM GOLD has disclosed recently, that they have put additional monies into OBMI and are walking away from OBMI, about... *[Interruption]* Honourable Member, we knew, but it was not for us to say. It was not for us to say ... For a good number of reasons it was not for us to say.

Mde Speaker, Honourable Members, it would also be natural for everyone in Guyana who have been associated with our bauxite industry, particularly workers of OBMI and the Linden community, to be apprehensive about BOSAI buying the controlling interest in OBMI. Globalisation in the consolidation of competing enterprises, through amicable and hostile take-overs, has come to Guyana. Government is hopeful that adequate agreements will be reached on safeguards in the interest of

OBMI, Linden and Guyana. We are working now to have clauses that would provide adequate safeguards against BOSAI as the controlling managing partner taking decisions that are more in the interests of its other plants, its other businesses, and not in the interest of OBMI, Linden, and Guyana.

Mde Speaker, moving on to other mining in Guyana, whilst I am always aware that in exploration and prospecting you shouldn't count your chickens before they are hatched, nevertheless share the growing enthusiasm about the prospects of commercial gold mines being developed at a number of location- Aurora on the Cuyuni, Takawini, Million Mountain, Noseno, and an underground extension of OMAI, and perhaps at Marudi on some smaller scale. There is a lot of prospecting going on in our hinterland, and not only for gold, but also for iron ore. GGMC expects a number of prospecting licences will be applied for iron ore, for manganese, for uranium. These major prospecting activities in themselves bring a certain number of jobs, opportunities for training, some extension of available infrastructure, and generally add to the sustainability of activities and quality of life in our sparsely populated hinterland. I want to assure this House, and people of Guyana, that the GGMC is very much aware of... it is not turning a blind eye, to the negative effects of mining including those of a social nature. GGMC is pursuing various programmes within a frame of full respect for everyone.

The Speaker: Time, Honourable Prime Minister

Hon Clement Rohee: Mde Speaker, I beg to move that the Honourable Member be given (15) minutes to conclude.

The Speaker: The motion is that the Honourable Prime Minister be given 15 minutes to conclude.

Motion carried

Hon Samuel Hinds: GGMC is pursuing various programmes, Mde Speaker, within a framework of full respect for everyone, and maximum collaboration for all-round development in the hinterland. In this regard, this year, a prohibition against releasing muddy waters into the environment is being gradually emphasised through technical assistance and advice to miners and continuing demonstrations. There is no truth ... there is no truth to the rumours peddled ... and I wonder who have been peddling such rumours that this Government wants to shut down local miners, as I was told at Arakaka last weekend. Rather, this Government is seeking a sustainable, more rewarding and satisfying life for every one of the 10,000 persons directly involved in mining in the hinterland. This Mining Minister and the GGMC have not been reluctant in calling on miners to be active in ending various health and social ills which are being associated with their camps - malaria, STDs, HIV/AIDS, drugs, guns, lawlessness, and violence. In this regard, both the GGMC and GGDMA are working with the Ministry of Health and the Guyana Police Force.

Mde Speaker, exploration for petroleum and gas is also livening up in preparation for the expected decision on our boundary line at sea with Suriname and as the disappointments with the negative result of a few years ago from the near on-shore drilling in Berbice recedes. This year we expect to see on-shore drilling in the Sagna-Mahaica-Mahaicony Lease, on the CGX on Berbice Lease and on the Ground Star Takatu-Rupununi Lease. There is excitement also in the GGMC's petroleum section, where their own surface drillings to 125 feet has confirmed local reports about gas bubbling up in swampy areas in Leguan and Wakenaam. Samples are being analysed to help determine the significance of this, whether it is just local swamp gas, or indicative of a deeper and more abundant source.

With respect to energy there is a saying, Mde Speaker, that it is an ill wind that doesn't blow someone any good. Ill winds often bring some good, and the ill winds of high oil prices and global warming have brought us much interest, and a number of visits pursuing the development of energy sources in Guyana - hydro-power and green energy, fuel ethanol, bio-diesel as commodities for export and for local use. All of these are potentially big projects. Again, though, I must say that we have to be realistic. Such developments are not likely to happen or to be successful if we approach these as resource bonanzas. Bio-fuel projects would be realized in the establishment of profitable plantations of cane, sweet potato or cassava, palm oil,

Soya-bean, or some other oil crops. If they happen, these will be basically new plantations with all the attending issues and difficulties.

Our hydro-power sites have not been developed to this day because of early appraisals where it wasn't found to develop them and utilize the power profitably. There are a number of natural disadvantages compared with sites which have been developed before, and our challenge is to compensate by working hard with our hands and heads, and in great harmony, and out of a realistic assessment of the mutual benefits to all parties. In hydro-power, we recall the interest of both RUSAL and BOSAI to get to hydro-power development and smelter here in Guyana, and there have been additional interests. The Miners' Prospectus at Aurora has only, in the last week, applied for ... and we have granted them, a MOU for the development, for them to study, for them to bring experts and to study whether they would meet their power requirements when they become a mine from the Devil's Hole site a few miles upstream.

Mde Speaker, our telecommunication sector continues to grow, even in an environment of the existing monopoly on landlines and international transmissions. In late 2006 Digicel, the emerging cellular giant in the Caribbean moved into Guyana through the acquisition of CELLSTAR Guyana Inc. This is a big investment which at last puts question to the point being delivered by the preceding speaker about this Government not being credible with

investors. In late 2000 DIGICEL has been actively involved in building out their network that has promised to expand service offerings in a very significant way early this year. Regulatory action has been supportive of competition in this sector that is cellular sector, the mobile sector while recognising the parameters of the existing aspects of exclusivity granted to GT&T by its 1990 licence. From February 16th, we have witnessed the introduction of per second billing and that reduces the cost to the consumer, it improves its purchasing power and we will see as well introduction of pricing flexibility for cellular service by the reduction of carpet floors and the PUC has put out a cap. And I think that the period for challenge by the providers has passed. They have put out a cap which has significantly reduced, maybe some 15% lower on the present cap or the present effective cap, on cellular calls.

Government recognises that this sector has the potential of significantly changing the economic landscape of Guyana. We recognise that the experience of many countries in the world has proven that telecommunication infrastructure and services offered thereby, provide the means for accessing and distributing information that permits societies to advance and become economically competitive.

Mde Speaker, let me conclude. Let me reiterate in conclusion that this Government has our country Guyana on a good course for sustainable development. Growth and

development can be seen in every place and we have been paying attention to ensuring that everyone ... everyone benefits a little so that there is a growing harmony in our country. Last year, we achieved a GDP increase of 4.7% and for 2007 we are projecting a growth rate of 4.9%. But with the framework that we have, it can be more and we want to get to 7 and 10% as those other countries, China and India are doing. We recognised that since 1997 we have been having a seesawing in our growth rates, holding out promise one 1 year and enduring disappointment the next. It would be irresponsible, however, if we were to just focus on these numbers and not look at the specific causes behind them. Acknowledging that growth has been irregular since 1997, we should not underestimate the difficulties that we have passed through, subsequently, in the domestic environment, with our society, and hence our economy, virtually on pause, until the 2001 elections, and then continued dissatisfaction and disturbances after the 2001 elections. We've also had, more recently, the floods of 2005 and 2006, and surging oil prices. It is to the resounding credit of this Government, and our annual budgets, that despite those severe challenges, we've been able to contain the negative consequences. In particular, we have been able to maintain macro-economic stability, low inflation and a stable exchange rate.

It is, Mde Speaker, an achievement that real growth over this period has been positive, and we believe, even more so, as it has been argued, that as our national economy has been maturing, the new sectors are not sufficiently rated in

our GDP calculation, that is, that we may be doing even better than our traditional measures have been showing.

Mde Speaker, Honourable Members, more than anything, we can look to the results of our last elections - not the numbers, not the numbers won by each of us, but the fact of the peace and quiet which astonished us all, and we believe that this holds a suggestion and a promise that we could be on a better road ... a better road where we leave see-sawing growth behind us and get on to decades of steady growth which we need. This is our vision, and this is what we present in our Budget 2007, and we look to and welcome support from all sides of the House; critical support, no doubt, from the other side of the House. I thank you. *[Applause]*

The Speaker: Honourable Member, Mr. Aubrey Norton.

Hon. Aubrey Norton: Mde Speaker, I join my colleague, Mr. Winston Murray, in congratulating the young Minister in presenting his first Budget to this Assembly. Mde Speaker, the Budget was presented under the theme 'Building a Modern and Prosperous Guyana.' No one will doubt, Mde Speaker that this is a wonderful ideal; however, if one is to judge from the measures stated in the Budget, it would remain merely an ideal.

Mde Speaker, a review of excessive Budgets reveals a laziness that seems endemic. I refer here to what purports to be, and I quote, *A Review of the International Economy*

The last 5 Budgets, inclusive of this one- a page and a half was written on the issue... and it appears as though the world is static, and no real analyses of the international forces that are at play are undertaken. I believe, Mde Speaker, that the role of a review of the international economy is to outline the international context in which Guyana has to operate; to identify those factors that auger well for Guyana's development, those that militate against our development- and point the direction in which the Guyana economy will proceed. In this regard, Mde Speaker, the Budget Speech is an abysmal failure. It is a compendium of platitudes that does not point the way forward, and I will illustrate this as I look at the Ministry of Foreign Affairs, and at the debt question.

Mde Speaker, let me underscore an obvious contradiction in the speech. The Honourable Minister of Finance states at page 4 that, and I quote,

Euro-area economies showed signs of recovery with a growth rate of 2.4%, while the Japanese, with a rate of 2.7%, has gradually regained its vitality after emerging from a downturn." It goes on "A few large developing economies, especially China- 10%, and India- 8.3%, are consolidating their growth in the performance of the world economy.

Having done this, he concluded that, and I quote

We are cautiously optimistic that the external environment will remain positive this year.

By this, he is suggesting that the international economy is perpetuous to Guyana's interests. But having said that the Minister then went on to say,

Guyana maintains its position that a fair and multilateral trading system that takes account of the special circumstances of an economy like ours can boost world trade and redound to the benefit of all countries.

Implied in that is that the situation internationally is not conducive to what Guyana needs to do, and therefore one has to be careful. If one is suggesting that the international economy can benefit us in this regard. What is the truth? The truth is that the external environment in which Guyana operates is hostile to small developing countries such as Guyana. While it is suitable to the developed countries, we must be careful to recognise that, while the developed world is achieving growth, and that we are better off when they are doing so, the fact remains that we have got to undertake initiatives to ensure that our interest is promoted;

and I believe, Mde Speaker, that can only be so, if we do a proper analysis of the international economy; understand where the developed world stands, understand where we stand, and then we carve the strategies that would ensure efficacy.

Mde Speaker, in this regard therefore, Guyana needs to be part of an initiative to do at least two 2 things:

- i) coordinate the activities of small states in the WTO, with the aim of satisfying our interests. We might probably need to even consider a Mission in Switzerland, because there is where a lot of the activities occur etc. Of course, I know its costly, but one has to look at it properly;
- ii) develop a strategy to work with countries such as India, Brazil, China and other emerging states to forge an alliance aimed at developing an international economy that is more responsive to the concerns of small states such as Guyana.

Mde Speaker, we cannot miss that our interest lies ,in a large measure, with our solidarity with developing countries. We must also recognise that, as countries like India and China advance, they are heading in the direction of the developed world, and we have got to take the measures to ensure that our interests form part of their interests and thatwe can progress together.

Mde Speaker, such an approach seems not possible in Guyana today. It is the first time, in a long time that we have a budget that is bereft of a section dealing with foreign policy. If you go through the Budgets, you would see before that there was this tendency to have the foreign policy section to put the role of the Ministry of Foreign Affairs in context vis-à-vis the speech. This, I submit, is missing on this occasion. I ask the question, is it that this Government still does not understand the importance of foreign policy to Guyana? Are we in that old era, Clement? I want to make this point, Professor Hill in his book 'The Changing Politics of Foreign Policy,' this is the book here, 'The Changing Politics of Foreign Policy' ... noted ,at page 15, that, and I quote

Much of foreign policy for modern states is about promoting prosperity as much as security, and indeed, about blurring the two concepts together.

It is therefore inconceivable in this modern world, that a Finance Minister can produce a Budget that omits to address the foreign policy framework. This omission takes on a new dimension when it is noted by the Finance Minister that, and I quote

The Government is heartened by the number of investors who continue to show interest in Guyana's oil potential. Four companies will begin oil exploration in the second half of 2007,

while a fifth will commence seismic work offshore.

Mde Speaker, the PNCR - 1Guyana welcomes these developments, but notes that there are domestic issues with foreign policy ramifications. In this regard, Mde Speaker, it is mind-boggling that the Minister, in the Budget Speech, did not see it fit to address the foreign policy concerns. I believe that the international and regional political situation is propitiously disposed to Guyana attenuating, if not resolving, its border and territorial problems. However, there is need for a clear frontage policy. The injection of the required resources and expertise into the Foreign Ministry, and a well-thought-out coordinated diplomatic effort, aimed at securing our national interests, and the widening of the Government's vision of the role foreign policy can play in the development of Guyana. We need to note that we not only have potential in oil but, as Luis Savage noted in an article *it is oil and troubled waters*. We must intensify the diplomatic efforts to rid our oil of troubled waters. To do otherwise will result in a repeat of what happened to CGX a few years ago, and Minister Rohee will remember that well, though in a different portfolio.

Mde Speaker, I believe, from my readings, that on all sides of the political spectrum, there is the belief that there is a symbiotic relationship between domestic policy and foreign policy. In fact, Minister Rohee in a speech made

that point. Of course, with less elegant language, but nevertheless, it was made. As we seek to develop relations with our Brazilian neighbours, the relationship would dictate elements of our domestic agenda.

Mr. Mc Allister, in a motion to this Honourable House, noted something that should be restated here, and I quote:

Whereas the Guyana Shield Holi of which Guyana is a part, has a number of projects, including bridging the Takutu River, the Boa Vista-Bon Fin-Lethem-Linden-Georgetown Highwa, Venezuela-Trinidad-Guyana, Guyana-Georgetown- Suriname-Parimaribo Highway and a deep- water port in Guyana, which projects would allow for the full integration of the Guyana Shield Hob territories, and result in the creation of massive volumes of trans-national, high pay load containerised road traffic.

Mde Speaker, it does appear to me that these considerations should influence us. It should influence, at minimum, the roads we build here in Guyana -at the level of highways, of course, I am talking. The Minister of Finance in his Budget Speech stated at pages 12 to 13 the following:

Government will commence work on Lot 1 of the New Amsterdam-Moieson Creek Road Project. From New Amsterdam Ferry Stelling to Number 34, Village Corentyne over \$1.2B was expended... Completed the Ithaca Road extension and Drill Bypass Road at the cost of \$294M ... Completed final works on the four-lane highway stretching from the Demerara Harbour Bridge to Mandela Avenue ... (laughable but should be mentioned)... Completed the design for the approach road to the Berbice River Bridge and tendered for supervision and construction services.

While we, in the PNCR 1-Guyana welcome these roads, we believe, in the context of the developing relations with Brazil and the new opportunities that the Brazil-Guyana road will open, that we believe to have Soesdyke-Linden Highway in its present state of disrepair, where parts of it are like when you are sailing on the high seas, this will create a serious bottleneck in the movement from Brazil to Guyana ... [Interruption: ... Oh, you're going to stop them at Linden? I see. Okay. Anything to keep Linden out, Sam ... As a visitor, I'm going to question your citizenship'] Mde Speaker, I say this specifically for the Prime Minister. Mde Speaker, it defies logic as to why the Soesdyke-Linden Highway has not been slated for rehabilitation, this is, even more so, when it is well known that the PNC, before it demitted office had procured a loan for this particular purpose. Mde Speaker, in the interests of

the people of Linden, of all those who use the highway, in the interests of the people of Guyana, and the potential that exists for trade with Brazil, the PNCR 1-Guyana believes that the non-slating of the Soesdyke-Linden Highway for rehabilitation is one of the greatest omissions of this Budget. The Soesdyke-Linden Highway must be rehabilitated and possibly expanded, to cater for the development that is envisaged by those in Latin America with foresight. Even if the PPP Government lacks the foresight, at least you must show the political will and take action now ... [Interruption: ... "That's why they keep you at Freedom House and nowhere else"]. Mde Speaker, if the Ministry of Foreign Affairs is to achieve its objectives, it must hurtle to implement the 2005 Ministry of Foreign Affairs Strategic Plan, of which *I have a copy here*, which has been developed by the Ministry because, as the former Minister of Finance noted in the 2005 Budget Speech, at the time when they used to deal with Foreign Affairs, I quote,

As a slow country, Guyana must necessarily rely on diplomacy, and its relations with other countries in the international community to maximise development.

I thought, when in 2005 that was placed, that, it was an indication as to the direction the country will go in general, and the Ministry of Foreign Affairs in particular. But, Mde Speaker, while the foregoing is true, it is well-known that

two things are needed: First, Government needs to change its perception of foreign policy. To this end, the Ministry's Strategic Plan noted, and I quote- not my words but from the Ministry's Plan

The Ministry of Foreign Affairs is sometimes presented at diverting resources away from the social sector. However, the Ministry of Foreign Affairs should rather be perceived and treated as an important component of the defence and development establishment of the State.

What the Strategic Plan is suggesting, Mde Speaker, is that we cannot treat the Ministry of Foreign Affairs as an entity that is removing resources from the social sector programme, we all believe the social sector programmes is important. But it must be made clear that the Ministry of Foreign Affairs has a crucial role to play, and therefore, it has to be given the tools and the capacity to do so, and what one sees in this Budget is a continuation of the old approach in which, as opposed to seeing the Ministry as an integral part of the Development Strategy, and contributing to the development of this country by its actions overseas, particularly being a good image of Guyana, I believe that is how we must see the Ministry of Foreign Affairs. We must not see it as removing from the social sector. When we plan, we must plan for it as an integral part of the State apparatus.

Mde Speaker, I must submit that this Budget seems not to acknowledge this fact, or the existence of the Strategic Plan. The Ministry of Foreign Affairs Strategic Plan 2005-2009 calls for capacity- building of the Ministry of Foreign Affairs. Unfortunately, Mde Speaker, at the level of the senior staff... and you can go through the figures and you will see it the Ministry's situation has not changed. Just as in 2006, it continues to have nine senior technical staff members. As it relates to other technical and craft skill, it has moved from 19 to 20 but while that is the case, one sees a penchant for the employment of contract employees, in that it increased from (13) to (17) while the broad nomenclature contract employees obfuscates the professional competence, or absence of it of those employees, what is clear is that, at the level of human resources, there has been little or no capacity building. I must lament the fact here, Mde Speaker, that the Budget did not provide us the opportunity to see, in any detail, what the establishment should be, and how many people are there- and the Honourable Mr. Murray pointed this out, and it is something that should be rectified, because I am sure that if the data was available, we would have not only seen that there is no increase in capacity, we would have seen that there still exists a lot of vacancies that should be filled, and you know, I saw an interesting thing. When I was going through a lot of documents on HPIC etcetera, they regularly referred to the freezing of employment in the ministries and therefore you must tell us, if you have taken that decision on the one hand. Who then, on the other hand in the Strategic Plan, you are saying that you must increase

capacity etcetera. If that is the case, then another contradiction has just been cited.

Mde Speaker, the Ministry of Foreign Affairs Strategic Plan calls for increased pay, promotions, rotations, improving of morale, training and development. Again, there seems to be little or no action in these areas. As it relates to pay, the 2006 Budget catered for \$511,761M for wages and salaries, while in the 2007 Budget it is \$546,894M an increase of a paltry \$35,133M. Again, the Budget seems not to have been influenced by the Ministry of Foreign Affairs Strategic Plan. Training, as well, has suffered. I believe, Mde Speaker, that if the Ministry of Foreign Affairs is going to perform its role, we have to remove from foreign policy on the ‘cheap.’ There is no foreign policy on the ‘cheap.’ In foreign policy, you pay, you have a professional group, and the benefits are returned, based on the work they do in the diplomatic world. Good foreign policy and diplomacy on the ‘cheap,’ - never. There is need to take a holistic approach in which the Ministry’s capacity is developed, and the work of the Ministry of Foreign is seen as being a significant contributor to the development of Guyana.

Mde Speaker, while it is true that, according to the Minister of Finance that and I quote:

Guyana’s national profile in the global arena will be substantially elevated when we play host

to three important international events this year. The first is the Summit of the Rio Group of Countries, which takes place in early March; the second is the historic Cricket World Cup, which will be held during March and April and in addition, in September, Guyana will be hosting the Meeting of Commonwealth Ministers of Finance.

Our profile will always be high, and Guyana will be respected if we have a well-trained, a well-paid and a well-equipped foreign service, with clear-cut policy directions and objectives ... [Interjection: 'We have that' "This is what the Budget should have offered. But unfortunately, it does not... Sometimes, in this world, when idiocy transcends the normal, it's not useful to respond"] [Laughter]

Mde Speaker, when you read this Budget, and you listen to the President, one sometimes gains the impression that the HPIC Agreement, with its concomitant debt write-off, are a panacea for the problems of Guyana. It is apposite to note here that the Independent Evaluation Group, in its study HPIC countries, in its report entitled 'Debt Relief for the Poorest, and Evaluation Update of the HPIC Initiative,' noted the following at page 13, and I quote,

... that enhanced HPIC Initiative has as its central objective providing a base from which to achieve debt sustainability, and exit the rescheduling cycle ...

Mde Speaker, this Budget seems only to be concerned with debt sustainability, an issue to which I will return, but it fails to address the fundamental issue of exiting the rescheduling cycle. The Budget Speech has a lacuna; it has a job as it relates to this issue; the Budget is void of a strategy to exit the rescheduling cycle; it offers no hope.

[Interruption: ... Well then you must show me. You must show me when it is your turn to speak, if you could ... [Laughter]; show me it and I will willingly acknowledge the exit strategy, but for now, there is none].

It offers no hope that there will be the generation of the wealth that is necessary to do this. In this regard, it does nothing to give hope to the youth and people of Guyana.

As it relates to the question of debt-sustainability, it is noted by the Independent Evaluation Group in the same report, at page 21, and I quote

The HPIC experience shows that debt relief, by itself, cannot assure sustainable levels of debt, no matter what the threshold. It needs to be accompanied by significant efforts to improve repayment capacity.

Mde Speaker, all rational persons in this Honourable House will agree that a perusal of the Budget reveals that it has nothing in it that suggests efforts, much less significant

efforts to improve repayment capacity. None is in the making, Mde Speaker. All the Budget does

The Speaker: Time, Honourable Member.

Mr Robert Corbin: Mde Speaker, I wish to move that the Honourable Member be given (15) minutes to conclude his presentation.

The Speaker: The proposal is that the Honourable Member be given 15 minutes to conclude.

Mr Aubrey Norton: Donald says *gaff*. Well, you know we always enjoy a good *gaff*, but this is *gaff* with substance.

Mde Speaker, as I was saying, all the rational persons in this Honourable House will agree that a perusal of the Budget reveals that it has nothing in it that suggests efforts, much less significant efforts. All the Budget does is pin hopes on debt relief, and makes debt relief an end in itself when, in fact, it is a means towards an end. It would have been nice if our intelligent Finance Minister could have broken the political shackles or an archaic political culture, and offer us new and innovative ideas and projects that would have placed us on the threshold of exiting this vicious circle of debt write-offs and rescheduling.

Mde Speaker, the time is nigh when the Government of Guyana must bring before this Honourable House, a plan

which aims to see Guyana exiting this vicious rescheduling cycle in particular and the IMF in general.

[Interruption: 'What is vicious about it?' "Let it be recorded... well the IMF described it like that and I am only repeating their words"]

Let it be recorded that Hoyte's ERP was intended to do just that. However, the PPP/C is caught in an ideological cul-de-sac. It is unprepared to turn around and embrace a strategy which is based on a genuine commitment to make the Private Sector the real engine of growth, while the Government takes the measures to ensure that growth transforms into genuine development for the people of Guyana.

Mde Speaker, I do believe that that is a fundamental problem facing this Government. It is caught in an ideological cul-de-sac, and it has failed, in its own mind, to decide whether it wants to be free enterprise, or public enterprise-oriented, and confusion exists as it dances between the two.

Mde Speaker, I want to respond, briefly, to some of the ramblings, and 'ranting,' and circumlocutions of the Honourable Prime Minister ... *[Laughter]* Mde Speaker, the Honourable Prime Minister was trying to suggest that the Honourable Winston Murray was suggesting that you should come out of the World Bank and the IMF, but: he is not. The call is for a proper exit strategy so that Guyana could become a viable nation, and stand on its own by

generating the wealth needed to ensure prosperity. That is, in essence what the Honourable Member Mr. Murray was suggesting.

Mde Speaker, the Prime Minister, by his utterances, probably confirmed the dilemma that exists, as it relates to the Private Sector, when he spoke about the bridge, and mentioned that it was going to be financed by the Government. It also is a manifestation of your willingness, or your lack of ability, to meet with the Private Sector, and to influence them to invest in projects in this country; and therefore, in that circumstance, you were forced to resort to the NIS.

Mde Speaker, the Prime Minister identified a set of buildings that will be built in Linden, but what Linden needs is employment. You can build all the schools, you can put a customs building, but there isn't a generation of employment in Linden, then Linden would continue to be a problem. And when the Minister celebrates that they had given a stipend to Lindeners, 'shame' should be the cry, because what people want is not a stipend while they are not working, they want jobs ... *[Applause]*

Mde Speaker, I thought as one who knew Linden well... and incidentally I was in Linden at the time, that the Honourable Prime Minister would not have made the statement he made on the Canvass City School. If age is not a barrier, and retainance is good, you will recall, Honourable Prime Minister, that water used to come

tumbling down from Wismar Hill into the Johnson High School, and there were serious problems, and a decision was taken that the school will be built in Canvass City, and it was done; but when you say *you hastily put together*, then you are creating the impression that we just hastily did it and put it there. The people in that area wanted the school moved, in addition to which, the school was too small for the population. So, I would suggest that you check the records, and confirm the reality, rather than peddle that. As to water, I was in Amelia's Ward two weeks ago - Well Road. You know which is Well Road? The road with the well ... There is no water ... I invite you to go and check it ... *[Applause]*

Mde Speaker, the Honourable Prime Minister spoke about developments in Sophia and electrification. I invite him to go to Sophia, and do a count of the people who cannot afford to take the electricity because of the level of poverty... *[Applause]* then tell me what purpose does your electification serve them. There is little or no sense, Mde Speaker, in telling us that you put ... *[Interruption: ... "If I was sharing blows you would have been the first child to get some. You would be first child to get some. It is men like you who make corporal punishment necessary ..."]*... *[Noisy Interruption and Laughter]*

Mde Speaker, the Honourable Prime Minister sought to rationalise why they are keeping State enterprise and he mentioned GUYOIL. The Honourable Prime Minister, Mde Speaker, pointed out that we are keeping these State

enterprises so as to protect the purchasing power of the people. Well then you would not have brought VAT, which has eroded the purchasing power of the people because, in a large measure, your poor wages, VAT, they have all contributed to the erosion of the purchasing power of the people.

Mde Speaker, I want to point out the real reason why you want to keep public enterprises. You want to keep public enterprises because of the ideological hang over from the past. That is the reality.

I want to make it clear, Mde Speaker, that this Budget- this Budget is a budget that could have gone much further, in terms of putting in place the requisite programmes for us to generate wealth, and for us to offer the people of Guyana hope and, finally, prosperity. Thank you. *[Applause]*

The Speaker: The Honourable Minister, Manzoor Nadir.

Hon. Manzoor Nadir: Thank you Mde Speaker. I rise here, on the fifteenth occasion to make a contribution to a Budget Debate in this National Assembly. *[Interruption: ... 'It's a long time']*

Mde Speaker, first, on behalf of his colleagues on this side of the House, and on my own behalf, I extend to Dr. Ashni Kumar Singh, the Honourable Minister of Finance, our admirable congratulations *[Applause]*

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National Assembly Debates

13th Sitting

14:00h

Friday, 9 February 2007

PART II (cont'd from PART I of III, Page 80 of 229)

On his first Budget, and also commend him for his eloquence, and the erudite presentation done here last Friday. *[Applause]*

Mde Speaker as if Fridays bring milestones to this Honourable gentleman, today he celebrates the anniversary of his birth, and we want to wish him all the best. *[Applause]* I not only extend good wishes for today, but also pray that he will meet many more milestones, not only on Fridays, but also many other days of his life.

Mde Speaker, I listened with rapt attention to the presentations made by Honourable Member Mr. Winston Murray, and the Honourable Member Mr. Aubrey Nothing-Aubrey Norton, sorry, *[Applause and Laughter]* and found that those presentations were well-delivered but reflected emptiness in content. *[Applause]* I am thus finding it very easy, very simple, to deal with some of the comments made by these two honourable gentlemen.

Over the past few sittings and debates here, the Opposition has over, and over again, been accusing the Government of waking up from a slumber- this Rip Van Winkle slumber, and realising many things, and actually what I found in

both presentations today. All of a sudden, the Honourable Member Mr. Murray wakes up and find that how we treat with capital revenues is different than how the entire world deals with it. We don't establish these classifications. These are international accounting ways of dealing with revenues, and while he is accurate, in that a lot of financing has to be done by some borrowing, it is not to the extent of the 35% deficit he tried to conclude. In fact, if you look in the specific part of the Budget that deals ... *[Interruption: 'Which part?'* "I can send you to a page if you give me back my time"] Mde Speaker, if you go to Page 20 the specific part of the Financing for Capital is \$21B that is being sought. \$15B of that is our own local revenue - *[Applause]* right there, laid out in front of you; so \$21B of \$99.9B can never be 35% deficit financing and, in fact, thanks to some of the records, which we have ... I quickly computed what was 90, 91 and 92, and you know, he said that, because 35% of the Budget - the financing, is outside of our hands. We are dancing to the tune of people outside of Guyana. Well, let us see what happened in 90, 91 and 92.

In 1990, current revenues which is what our taxes generate, our licencing fees and so, was \$5.3B, our current revenues. Our capital expenditure was \$3.6B, and our current expenditure was \$8.3B. Our total expenditure in the 1990 Budget was \$11.9B. The deficit financing there was a

124% of current revenues – 124% external control versus your 35%. Look at that ... you were playing with a different band; you had an orchestra that you were dancing to ... [Laughter] - not a band. Okay, let us look at 91 ... 1990 was a hard time. Finance Minister Greenidge used to complain that he tried since 89 to get the ERP going but he couldn't get on with his financing and loans. You know why? It was because they didn't want to make the changes. They didn't want to have democratic reforms; and they didn't want to have financial accountability, so the international institution that was playing ... this big orchestra that was playing this tune was really holding them.

In 1991 current revenues were \$11.8B. Total Expenditure in 91 was \$24.8B. You know what the deficit financing was? - 110% of current revenues.

The orchestra was big, [Laughter] and in 1992, when they were agreeable to change, \$17.8B was our current revenues. Our total expenditure, capital and current, was 17.8, current revenue, and 30.8 was our expenditure, and the deficit financing there was 73% of current revenue. Right now, we are just about 22% and he says that we are dancing to other people's tune. Well, he was masquerading to somebody else's tune then.

Mde Speaker, I thought that the Honourable Member Winston Murray really had to struggle to find something to criticise, -not the Budget, but the Administration on, but he

'bark up' the wrong tree. He stood on the wrong limb- a rotten one at that. That argument fell through. Mde Speaker, he also said that we are not seeing this economy as productive as previous years, and he basically only used the traditional sectors, and he said that the ... he uses the traditional sectors to say that the economy is struggling to keep up with more productive years. This economy has undergone ... [Interruption:] I would deal with them.

The economy... You can't pick three out of thirteen sectors and say *this is bad*. Let us go ... [Interruption: ... '*Only chubby chicken can do that. Mac, you got your Budget Speech Mac, turn to page 55 of your Budget Speech, Appendix II... Gross Domestic Product at 1998 Prices by Industrial Origin*'] There are seventeen categories, sectors there, that are computed at 1988 prices - our GDP, seventeen categories - but he picked, three. He picked sugar that has shown from 2001-2007 at \$888M, and then, if you really check, the economy has changed. When you look at things like manufacturing the Index there was 309 in 2001. In 2007 that had shot up to 375 over five years; that is significant. That is significant over five years. If you look at distribution- the retail sector; and we note our merchandising trade deficit growing we note that. That sector has moved from 427 to 553. That is almost a 25% increase. Every year- over the last five years there has been 5%, real increase. Let us go down to Transportation and

Communication under which Tourism is captured – it was 506, and today it is 761- over 50% increase. Let us look at engineering and construction, something the Honourable Member Mr. McAllister should have an idea about - if he doesn't know, well, about 461 in 2001 and 627 today. Again, over 20% increase and he is picking on sugar which is steady at 800. He is also picking on rice which is steady at 198 ... *[Interruption]*

The Speaker: Honourable Members, it is a good time to take the suspension. The Sitting is suspended for half an hour.

17:00H - SUSPENSION OF SITTING

17:35H - RESUMPTION OF SITTING

The Speaker: Honourable Minister, Mr. Nadir.

Hon. Manzoor Nadir: Thank you Mde Speaker. Mde Speaker, I want to deal with this point that is being lamely made, about the economy and stagnation. I know, like many of the qualified accountants and economists in this House... and I am not among them, that GDP, up to now, is still seen as perhaps the primary indicator of the success of an economy. But where we are coming ... *[Interruption]* Yes, primary I said and we have gross national income, gross national product, and we have gross

national disposable income now and a number of others ...
[Interruption: ... 'I am doing some reading, thank you very much ... '] Yes, Mde Speaker, I said let me try and track current revenues, because the current revenue, as I was making the point earlier, demonstrates one's ability- either in the home, or in the, nation, to meet its or his daily needs- current revenue, and I went back to 94 because I didn't want to go to the pre-1992 period. I said that was unfair, because we were starting from a very low base, where we have been taken, previously, by the past administration, so I said let me start with 1994, after one full year of the PPP in office, and Mde Speaker, if you do the analysis, you would see that current revenue grew from \$17.8B to \$63.4B. *[Applause]* Now that is in excess of 200% ...
[Interruption: ... 'Hold on, hold on, hold on...'] and I also said, to be fair to the Honourable Member, Winston Murray whom I know would throw in this point. I said I would calculate it in terms of US\$ value, using the exchange rate then, of 126:1, and then the current revenue stood at US\$141M Winston, and today, the current revenue is US\$312M. Now, the point here is that whether you use the current value of the increases, from G\$17B to G\$63B, or whether you use, Mde Speaker, the US\$141M to US\$312 there was an annualised real growth in current revenue which is the taxes of 6% over the past fifteen years; and yes, that is taxation, but that taxation was

collected on the output of a growing economy over the last fifteen years ... *[Applause]* a growing economy.

Mde Speaker, the Honourable Prime Minister was making the point, that if we go and use only the crude form of economic indicators, then we cannot explain why today in Lethem, when fifteen years ago they only had two Land Rovers, they today have over two dozen private pick-ups in Lethem. *[Applause]* If you look at the crude growth rates alone, you cannot explain why, in 1990, forty-three babies born out of every thousand died, and today, it is only twenty ... *[Applause]* So, Mde Speaker, no one ... *[Interruption: 'Only twenty?' "We are not saying only twenty because every loss of life or limb, every disease that impairs the development of a child is a concern for this Government- every single one"]*

Mde Speaker, one has to look objectively at this whole issue of growth in the economy, and I want to agree with the Honourable Winston Murray, that if we can deal with the decisions, based on scientific, objective, professional of acquisition of empirical data, and also the analysis of it, we are going to be making very informed decisions with respect to how the economy grows, and that is exactly what the Government is doing. We are not managing by guess, but we are managing today, as the Finance Minister said, modern way- and modern is not a static word. Modern is a

dynamic word, what is modern tomorrow is not going to be modern today. Modern is ever-changing, that dynamic word *modern*.

Mde Speaker, I want to use one example. In 2004, October 15th under the PESTACK Programme, the Guyana Labour Market Study was done. The Guyana Labour Market Study was done just over two years ago, and this is guiding the work of the Ministry of Labour- long before my time. It spoke here of labour market information system, but I will go more in -depth into that shortly; but today, thanks to the work of my predecessors, we are at the point of putting out the first National Employment Report for the country, and this is the draft. *[Applause]* This is not management by guess.. You can have this Honourable Member McAllister, we have another copy. But what it is showing ... and he is right, if we use informed positions, and we use the professional skills at our disposal ... and we have seen many of them assisting the Finance Minister, we can get better value for the dollar that we spend - better value for the dollar which we spend. There are two areas in this particular study that has guided our work over the past few years. I said that both Speakers from the Opposition, so far, were in that slumber that they accused the Government of, and I want to deal quickly with two comments which the Honourable Member Mr. Norton made. He called on the Government to be the coordinating mechanism for small

island developing states, and he said that we should go and open an office in Switzerland. Well, today, with a virtual office, you could stay at Kaieteur and run the ward - with virtual office, and I want to thank, Mde Speaker, the efforts to make the National Assembly a hotspot so that, when hot air is being produced, we can go on the hotspot and see informed positions. Honorable Member Norton said we must go to Switzerland and set up this office where Guyana will be the coordinating, mechanism for small island developing states. Guyana has the position of coordinating on behalf of CARICOM, the position at the World Trade Organisation. It is almost similar, and we are already doing that in the WTO. We are already doing that. And then he said that we should look at the developing economies. We should look at India, China, Brazil, and, over the past three years, Guyana has emerged as a giant among developing nations. *[Applause]* In fact, it is to the credit of the former Minister of International Trade, who was included in WTO discussions in the 'Green Room.' The 'Green Room' is where the big countries are making the decisions. He, the Honourable Minister of Home Affairs, Mr Clement Rohee, was in the *Green Room*. *[Interruption: 'I never read that anywhere... Never went anywhere, because you are still sleeping']* *[Applause]* And so, Mde Speaker, what he is calling for, Guyana has already achieved. I mentioned our efforts in terms of promoting even stronger linkages with India. We had no

less than two presidential visits to India, and I understand Minister Prashad will take off, shortly after he speaks, to attend another important Industry and Commerce meeting to be held in India. This weekend, on behalf of the country. We have recently seen our President meet at Cochabamba with the heads, and the Prime Minister two weeks after in Rio at Mercicor; Not only India, Brazil, and China, but Guyana has also stepped on to the African continent, and we are good friends with South Africa. We are, well, entrenched with the developing world, and so, within four weeks, Guyana will host the members of the Rio Group - one of the biggest international gatherings of the most powerful leaders in the developing world. That only happened because of the efforts, which are ongoing, and which, somehow, in four weeks. The Honourable Member Mr. Norton has just realised what we need to do. I don't know the Chairperson of the Foreign Relations Committee, but certainly, we would need to ensure that they are well-informed.

Mde Speaker, there are two other issues I want to touch on. The Honourable Member, Mr. Murray, made mention of the \$65M which the Guyana Tourism Authority was allocated in this Budget, and I know Minister Prashad can amply and quite ably deal with it, but I want to make the point that, in terms of the development of our tourism product, we cannot look at the allocation in the Budget

alone, we have to look at the expenditure, in terms of infrastructure development- when we build stadiums, when we build conference centres, when we build hotels, when we build first- world standard highways, when we improve our air transport system at the airport- all of those. In fact, if you go on the World Travel and Tourism Council website, they have assessed our investment in tourism infrastructure development at in excess of \$7.5B for 2007. Mde Speaker, these are the realities. These are not dreams, but indicators of good things happening and, as the Finance Minister said, these are laying the foundation for building a modern and prosperous Guyana. Honourable Member Mr. Murray spoke of our rendezvous with prosperity, but the journey began, not only with this Budget, since long before this Budget as the Government changed more than fifteen years ago.

Mde Speaker, as I close on this review of the economy ...
[Interruption: 'The TUF joined them'. "We joined them because they have a good programme and we are pleased to be here again] [Applause]

Mde Speaker, the Opposition has found it very difficult to deal with this Budget, because one of the features of the Budgets of the Finance Ministers, under this Government, is that the management- the scientific and professional management of the economy allowed the Government to increase their revenues without increasing taxes. Every

time, when I was young, that I heard about Budget I wanted to hear what was going up, so that I could pre-buy certain things and save a little bit of money; but over the past ... [*Interruption: 'I am only twenty-five with twenty-five years experience'*]. The mini-bus sector today, Mde Speaker, employs eighteen thousand people directly ... [*Applause*] - as big as sugar, and somebody is going to criticise the mini-bus people. The mini-bus people move two hundred thousand children to school every day, and two hundred and forty-thousand workers to their jobs. Some person can only speak on *commentary* about the mini-bus in a denigrating manner. So, Mde Speaker, we have had a good five years under the previous Finance Minister, and I want to express our appreciation to the former Finance Minister, Mr. Sasenarine Kowlessar, for steadying the ship of the economy [*Applause*] because he had it thrown at him from all directions ... [*Interruption: ... 'I am going for an hour... '*] ...from all directions - high fuel prices and how fuel prices move from \$15 a barrel to over \$80 a barrel, floods, El Nino, etcera; so we want to especially, now, pay national recognition to the efforts of the Honourable Former Finance Minister, Mr. Sasenarine Kowlessar ... [*Interjection: You are Labour Minister*]

Mde Speaker, I now want to turn, briefly, to reviewing the sector for which I now hold portfolio responsibility, and under the Ministry of Labour, Human Services and Social

Security. The Labour portfolio specifically identifies as that of yours truly, with the Honourable Member, Ms. Priya Manickchand, having responsibility for Human Services and Social Security. *[Interruption: “When I am under her I will be proud to be serving with this intelligent, professional, and very able young lady ...”]*

Mde Speaker, under the labour portfolio we have the issue of Industrial Relations, Occupational Safety and Health, Recruitment and Manpower Agency, along with some responsibility for Co-ops and Friendly Societies and ,as we peruse the efforts of the Labour portfolio, one has to give credit to the staff. Following the fire in 2001, the Ministry had its operations separated in three different locations, and the conditions were not of the best. Today we are aware that the Ministry of Labour, Human Services and Social Security will be housed in a new, very modern facility by the end of the year. Mde Speaker, when we looked at reviewing the Industrial Relations Portfolio, 2006 was an improving year for our department. In all areas there were improvements in the outputs of the division. During the period 2001-2005 strikes declined, from two hundred and forty-three to one hundred and sixty-five. Over eighty-three thousand working days were lost, per annum, over the years 2004-2005. In 2006 we had a deterioration to two hundred and six strikes, and in the sugar sector we had two hundred and four. Workdays lost in 2006 were one

hundred and twenty thousand - a 50% increase, Mde Speaker, but there were other encouraging signs. The staff of the department concluded, in negotiations with the unions and employers, over forty collective bargaining agreements. In 2005 that output was twenty-two, and we saw- this year, two signal achievements: The Demerara Distillers Limited signing a three-year collective bargaining agreement, and the Guyana Teachers' Union signing a five-year labour agreement.

During 2006, Mde Speaker, there were seventy-six requests for conciliation by the Department of Labour- sixteen more than in 2005, and sixty of these were successfully concluded by the staff of the Ministry.

Mde Speaker, in terms of complaints received- last year, 2006, seven hundred and thirty-seven complaints were received. That is almost three complaints- for every working day and they came from people who own television stations and make commentaries, the complaints. Yeah, that is where they came from. It is in the records of the Ministry of Labour. These complaints were forty-four more than in 2005- forty-four. There were two-hundred and eight brought forward to 2005, but the department has a completion ratio of dealing with these complaints by unscrupulous employers of settling eighty percent 80% just across the table-80% was settled. In monetary terms, Mde

Speaker, the Department of Labour collected over \$12.2M on behalf of workers from employers who didn't want to pay, and \$10.6M of these were settled in-house. Only 1.6M was settled through the courts. That shows the importance of having a good labour department. Labour has been very busy, as I said, despite the five years, and they...
[Interruption:]

The Speaker: Time, Honourable Member.

Hon. Samuel Hinds: Mde Speaker, I move that the Honourable Member be given another 15 minutes to continue his presentation.

The Speaker: The proposal is that the Honourable Member be given another 15 minutes to continue.

Hon. Manzoor Nadir: Thank you, Mde Speaker ... and so, the department has been very, very active. There were over five hundred and one labour inspections, and during these labour inspections we go out ... almost twice a day for every working day, the officers are out there. There were over two hundred and thirty-three breaches that were identified. Mde Speaker, it was the same for the Occupational Health and Safety Department which saw an almost ... *[Interruption: "You want... Occupational Okay, we'll put it in the Annual Report ... Okay I'll*

condense this.”] Mde Speaker, we would provide this in the Annual Report which is due shortly. *[Laughter]*

Department of Safety and Health ... This Government passed, in 1997, the Occupational Safety and Health Act, and we started tracking the statistics from 2000. Accidents have declined. Since we put this Act in place, and the mechanism to police the Act, accidents at workplaces have declined from an average, Mde Speaker, of twenty-five hundred in 2000, to twelve hundred today – accidents at workplaces. Why it is necessary to demonstrate this, is that today, out of those twelve hundred, , nine hundred incidents are because of people not wearing proper safety boots, helmets, and so forth, and this, Honourable Member Mr. Murray, is the scientific management with which we are using the data the scientific management we use in the data, because it is pointing to us that we have to go on these work- sites in order to ensure that we have proper workplace policies to deal with this, and this is exactly what we are going to be doing- exactly what we’re going to be doing. Mde Speaker, we have those breakdowns in all sections.

Recruitment and Manpower Division

The other area which is of great interest to us is the Recruitment and Manpower Division, and this Division, in its hey-day, when people had to take a Party card to the

Labour Exchange down in Brickdam, they placed twelve thousand persons per annum – with party cards; and if you had a vacancy, you had to make sure it was listed, and then only a set of people could have filled it. Today, voluntarily ... and it is a service - we are still placing twelve hundred people in jobs -1200 without party cards. We are listing about eighteen hundred vacancies; and shortly, Mde Speaker, part of the programme of Labour will be to promote the service so that we can have a labour exchange that is voluntary, in line with best practices in four countries, because we're part of a CARICOM initiative; and not only that, we are designing a website, Mde Speaker, and all those vacancies will be listed, so even if you are a resident overseas and want to come back, you can see what the opportunities are. We are going now to do that [*Applause*] Modern management ... [*Interruption: "Winston, I didn't point to you, I pointed to Robert ... modern management!"*] Mde Speaker, I don't want to paint a picture that all is well in the land of gold. Today, we know that good times are to come. The Chinese will shortly be celebrating their New Year, and this is, I understand, the *Year of the Golden Pig* [*Interruption: 'You are a hog!' 'Year of the Golden Pig.'*] This is the 'Year of the Golden Pig,' which brings in prosperity. The 'Year of the Golden Pig' comes every sixty years, and persons like London School of Economics graduates know that we are in cycles of 30- and 60- year periods of 'boom and

bust.' So, Mde Speaker, we have a lot to be optimistic about, and the Finance Minister, as he was closing, talked about this Budget being *cautiously and carefully crafted*... and he had to do that, because we have introduced, in 2007, the most revolutionary tinkering with the tax system - the VAT, and after four weeks, and after introduction of two sets of zero-rated items - in December and in January, we have to approach the revenues cautiously. When we computed the revenue expectations under VAT all of these items were included in December, and just recently, were not part of the computation of the revenues. So we have to be cautious, and he said so. That was not trying to hoodwink anyone; and what he has done is ensure that all of us could have a fair allocation. We are pleased with the allocation for Labour and, in particular, the non-budget... we are supposed to be going into a new facility, but what we have today is, with the advent of technology... and there are now DSL services in almost everyone of the Labour Divisions- every single entity has DSL services, where you can cut down- cut down on travelling. You can cut down on paper transmission and the time taken for paper transmission. We have been modernising the management, and so, Mde Speaker, with the resources that we have within Labour, we are well-poised, now, we are well poised to make maximum use of it. Not only that, we have also increased the complement of staff. Today, just after the Budget submissions were made, we had six new

officers in the Labour and Occupational Safety and health- six of them. They were hired through the Public Service Commission- six of them coming through the Public Service Commission. Today, we have a Labour Officer in Essequibo. We have two Labour Officers now in Region 6 that services Region 6 and Region 5, and we service Regions 2, 4, 7, 10 right here, and we're developing programmes to deal with 1, 8 and 9 so here it's not only the Ministry of Labour looking at efficient management, but we are now putting the persons in place. With these new persons, what we did was start a training programme, and in the next five weeks four of them would be going overseas for ILO training- four of them; so we are now renewing the personnel in Labour. Mde Speaker, the position, and the allocation provided by the Honourable Finance Minister in this Budget, will more than amply serve the Labour portfolio of the Ministry of Labour.

Mde Speaker, there is another area that requires a lot of attention, and that is the area of Cooperatives and Friendly Societies. Today, there are just about 1000 Cooperatives on the books of the Co-ops Division, and about eleven hundred Friendly Societies, but what is significant is that these twenty one hundred institutions, they have assets of over \$15B dollars, and most of it is idle. If we could, at the end of this year, put 20% of them into productive work, then we would have achieved a lot- 20% of \$15B in

working capital- \$3B working for the betterment of rural communities, consumer and producers' organisations and then increasing that every year by 20% Mde Speaker, we are going to keep the PPC/C Manifesto promise to revitalise the Co-operative Sector. That, Mde Speaker, is included in this Budget. It is included here in this Budget, and we are not going to shut down any productive entity. Those, after objective analysis, that can't survive, that we can't deal with... and this is not going back to Socialism. This is introducing the market system- the market system so that Cooperatives can have an important place. Mde Speaker, many persons are under the false illusion that Cooperatives were an invention in 1970, when we had the Cooperative Republic. They are under false illusion. Many of the Cooperatives, like the Linden Utility Service Co-op, predate that to the late 1950s. Many of the Farmers' Co/ops all over the country go back to 1960/ 1962. In fact, on Saturday we visited one in Port Mourant that just recently, Mde Speaker - first half year, issued \$29M in dividends, to members - a farmers' Coop in Port Mourant - \$29M to over two hundred members. Those when are producing, we want to ensure that they have good governance. They comply with their own rules, and that they comply with the Laws of Guyana, also that they can manage better,so that they can serve their members and their communities. Those that can't come up to scratch, and are sitting on valuable state assets, we're going to have to make

decisions on them- and we have been signalling that. In the PPC-C Manifesto at 2006, there was a strong commitment towards revitalising Co-ops, and with that mandate, Mde Speaker, we are going to work tirelessly to ensure that these entities produce, and that the \$15B in assets that they have right now-at the end of five years can come to \$150B- working for the poor people, in particular, of this country. *[Applause]*

Mde Speaker, as I looked in the Budget... and I listened very ... *[Interruption]*

The Speaker: Time, Honourable Member.

Hon. Samuel AA Hinds: Mde Speaker, I would like to ask that the Honourable Member be given another 15 minutes to conclude his presentation.

The Speaker: The motion is that the Honourable Member be given 15 minutes to conclude.

Motion carried

Hon. Manzoor Nadir: Thank You, Mde Speaker, Honourable Members, the Honourable Finance Minister, as he presented his three-hour Budget last Friday... I hastened quite keenly as this young... and we ought to be very

proud of this young son of Guyana. Guyana's scholar... and I was making the point recently, Mde Speaker, that he could have been our Auditor General today, sitting in a constitutional office, reporting directly to the Parliament, and going through an important function, but also mechanically but left there. I don't know a person today in our land who has the academic qualifications and the exposure as our current Minister of Finance ... *[Applause]* He went on to become Director of Budget and today he is dealing more with the policies, and that is why I have faith. I have faith, and we are willing to work diligently in support of him. He is very young, I don't want to say how young he is but he is a proud example, because here is a young man, who could have stepped out of Guyana for material gains, and is paying this homage to his country, serving in this very high office of the land..

Mde Speaker, as I listened to the criticisms of the Budget in the House, I couldn't find much, so I said let me quickly, during the break, look for some of the criticisms that happened outside of the House. There are some people who feel that they have the answer to every issue in the country - some accountants, who might be studying law right now. So here are the comments - the Budget is silent on the casinos; the Budget is silent on VAT; the Budget should have more measures. These are the criticisms, that the Budget should be ... was a silent one. We had a full

debate in the House on the casino issue- very full and exhaustive. We had a full debate on VAT, and not only on VAT, the debate on VAT, extended over twenty-four months and, we are continually reviewing that, and in terms of the Budget measures, persons criticised the gains, in terms of the threshold, and as Minister Ramsammy last night said on one the programmes, it is simple= \$3,000 increase on the threshold. This simple \$3,000 increase on the threshold will cost us in excess of G \$1B in revenue- this simple \$3,000 ... *[Interruption: "You're saying something Mr. Viera?" ... 'Yes let us hear about tourism' "You want to hear about Tourism?" "Minister Prashad is coming after me, well prepared for battle. I have long left that sector, Mde Speaker ..."*

So Mde Speaker, we have produced today ... the Honourable Finance Minister hasn't made a complete century. He is batting, 99.9 not out, and he is still at the crease; 99.9 not out and still at the crease. He has played some conservative strokes as he now builds a foundation for making century after century, as he comes with Budget after Budget over the next five years, and with this, Mde Speaker, I have great honour and pleasure of supporting this Budget. Thank you very much. *[Applause]*

The Speaker: Honourable Mr. Khemraj Ramjattan.

Hon Khemraj Ramjattan: Mde Speaker, let me just state, before I go on to make my address on this Budget, that some thirty-five years ago, as a PYO member, we used to be told, when Mirror was being denied of newsprint, that we must go to public places and tell the PNC that the Mirror must get newsprint. Today, in this Honourable House, I want to state this - and it's what *Stabroek News* is putting up in that red there, that this Government is misusing taxpayers funds in an effort to suppress this newspaper. I am very saddened that what I used to do thirty-five years ago in the Village Council, today we see that, in almost an identical fashion, occurring with an administration that I fought with to ensure freedom of expression. That's a preamble I wish to make and to emphasize, because I know that it would be recorded.

I want to congratulate the Minister for presenting this first Budget of his, and also for having the endurance, for some three hours - rather on a very sticky wicket, in this World Cup year, presenting to us an outline of how the country's resources should be allocated, what are some of the policies and principles that should govern us in relation to next year, and even longer, and also, in a sense, to cater for the amelioration of the needs of the larger masses of the country. I know it wasn't an easy task, and it will never be an easy task, especially when he would have to advocate and address lots of people who are very cynical about our

economic circumstances, who are very sceptical about our economic circumstances and very many others, who are pretty much indifferent today. But I intend to be critical, as the Prime Minister, Honourable Mr Samuel Hinds indicated, but I also intend to be constructive with criticism, and on that score, let me endorse and concur with what I rather believe should go down as a very brilliant critique by Mr Winston Murray whom I would like to congratulate. I have always been impressed by his presentations here because, quite frankly, the quality of his economic knowledge, and the immensity of it, in almost all areas, is something that we should be proud about ... our Parliament ... *[Applause]* ... and that is also a thing that I know many over there also appreciate. Mr Ashni Singh, you would come to realise that. I noticed that even you appreciated that from the last time you got up to speak.

Now I want to begin, Mde Speaker, by stating that this Budget, like all other Budgets, must have this underlying core set of principles and policies designed to effect more economic, institutional and social transformation for this country, and the people who live in it, and those appropriate principles and policies which are to be effected to see, first of all, that ordinary people - the larger masses of Guyana, can have improved standard of living for the next year, and also, very importantly, whereby the professional class and the not-so-wealthy, and even the

very wealthy, can further be facilitated in ensuring the efficiencies with which they can carry out their work - whether it be business, industrial, merchandise or professional. I must say the Honourable Minister went at great lengths to advocate that his budget contained these principles and policies; and I want to say, to some extent, it did, but not wholly. I want to say that, to do something major, to do a great piece in a first endeavour requires certain individuality and, quite frankly, I do not see that brilliance here. Rather I see characteristics of a former Minister of Finance, using this brilliant man to make this Budget saleable. *[Applause]* This kind of arrangement must not be the basis for the designing of our economic and financial architecture. It must not be the basis for the designing of a Budget. Like any good builder, Mde Speaker, our economic czars must test the foundation first, before commencing the construction of the structure, and they must inform all Guyanese- the middle class, the poorer class, the rich people - all and sundry, as to what that foundation is, so as to give a reason as to the kind of structure we must then build. This Budget fails miserably in informing us about those foundations - our existing reality, and our state of affairs. It is a Budget which seeks to play politics with our economics. This is its biggest weakness. When it comes to an important matter as the financing of our country for the year - the allocating of resources for that year, the remedying of earlier defects and

deficit situations, we must transcend political gravitations. Now, if we had done that in this Budget, what would we have realised? And here, I am talking about what should have informed all and sundry. The Government is in a difficult place because we are a Third World country and I can appreciate that, but we must also be told and appreciate that which is the true scenario; and I must say this, Mde Speaker, that Guyana is an extremely difficult place for people to create wealth, except in indulging in criminal activities, notwithstanding the huge resources in almost everything, including now, it appears, uranium ...

[Interruption: ... ' I am a lawyer, I will even defend you when you will be charged. Ask Clement how I got him off']

[Laughter and Applause] The climate for wealth generation in this country is non-existent. Our big businessmen say so, but when they say so they are Correias. They are beaten up, in a sense - verbally. That's what happened to the President of the Private Sector Commission, but the Government seems not to listen, and that's my plea, because, Mr. Minister, I would wish to state that I have seen you as someone who is a little different from them. They probably can listen ... and it is extremely important that you listen to the voices of the people. I want to state this *[Interruption]* I want to quote, Mde Speaker, from what is to be a very important document. The World Bank group, I understand, in March 2006 - it's a Poverty Reduction Strategy Paper, Second Annual Progress Report.

I managed to get it, but please don't ask me where I got it' but indeed - March 29, 2006... and one of the Appendices that is regarded as, of course, very important information, as Table I where it says *Guyana's investment Climate At a Glance*; and of course I appreciate that the macro-economic indicators that were spoken of have been maintained by this Government, by and large, but, as I agree case, macro-economic indicators are not the only thing that we must pay attention to. What we must pay attention to are some of the things they mention here that have to do with bribes and government contracts - a percentage of contract value. In Guyana, it is 15.3% of the contract value payment, as they said, to get things done. Percentage of Annual Sales –3.5% of Annual Sales; percentage of firms that do not trust the judicial system – 15%; percentage of firms that do not trust the Government – you add five 5 to that fifteen and it is 20%; days to clear Customs for imports – 20 days; days to clear Customs for exports – 14 days and then it goes on to give a whole lot of other indicators - indicators which my learned friend Manzoor didn't talk about, but it has to do ... and of course the Honourable Prime Minister didn't talk about - percentage of firms that experience black outs –73%; sales lost due to power outages, as a percentage of annual sales – 3.8% as a result, and days to obtain an electricity connection – 42 days. These are some of the information that we must get everybody to know about before we can

start creating a construct, or start building the foundations. But this Budget, like so many other Budgets ... and I am now coming across these reports, because I am now a parliamentarian, as they can say now, in my own right, and I can meet these World Bank officials/ in my own right and I can get certain information from them - and it is these kinds of information that are very important for us to be grounded as to what are the things that we can create. I want to even add that there is another Table II – *Guyana's Performance in the International Investment Climate Rankings*. This had come out sometime in 2005, if I am not mistaken, and this is what it says - because this is very important information for all, parliamentarians especially, to know about:- Under Ease of Doing Business, we are ranked 105 out of 155; for Growth Competitive Index, we are ranked 115 out of 117 countries; the Macro Economic Environment Index... although we are doing good, and I can see that, but when compared to other countries... because we love to make the comparisons with what used to happen under the PNC; but I want to say, as an AFC member, that it is not necessarily a very good comparison to me. Look what it is, although it might be good. At the Macro-Economic Environment Index, out of 117 countries, we rank 113; Brain Drain Rank - 117 out of 117... *[Laughter]*; Pervasiveness of Money Laundering through banks - 117 out of 117 ... we bring last space; Reliability of Police Service - 116 out of 117; and there is another one

here, Centralisation of the Economic Policymaking - 115 out of 117 countries. [*Interruption: 'All right, I am going to come to that'*]; Irregular Payments in Public Contracts ... 114 out of 117 countries. Now we are either bringing last all around, or else we are bringing second to last or third to last.; and I am stating Mde Speaker, that these are some of the important index-rankings that we ought to know, so that we can ensure that the foundation that we are going to build is going to be proper a foundation, and so it is important then, that we appreciate that this Budget - this presentation - 'doll it up' plenty on the positive side, but the true reality that exists at the base of it is these facts ... and if I may just state the very last one that is part and parcel of that, at a glance from this document, 'Corruption, Perceptions Index', and, the Honourable Member, Donald would always say that this is but a perception, this is not reality – here we ranked 117 out of a 159 countries; and they would say, like my good friend, Robert Persaud - perceptions. But let's go to the reality. Mr. Winston Murray and myself, who were on the Public Accounts Committee for very many years - I, then, as a PPP member, knew what was going on in very many of the State agencies, and we have had cause on several occasions to make recommendations, even to urge the 'blacklisting' of people that sometimes split contracts and all of that so as to give their friends. They are all reported. The PPP Government is always very proud to say - as against the

PNC 'Well, we get the Auditor General's Reports now,' and I commend that, because that's a movement forward; but what happens when the reports come out. We still do have the recommendations not being listened to, and so yes, we can have all the macro-economic facilitators and indicators there - that we are doing well, but when it comes to that which I am talking about, Mde Speaker, we could have been doing a lot better if we had gotten these things, as part and parcel of this year's Budget, so that we could rectify, and remedy, and rehabilitate. That is the big weakness of this Budget, because it is not focussing on these attributes and characteristics of our economy but, as I indicated, 'dolling' it a little and giving it the veneer that it is a grand situation, and that we will move on. And a little more 'dolling up' because when we say that we're going to have economic growth ... Whatever economic growth we had last year - 4.7%, largely came as a result, Mde Speaker, of the Providence Stadium, because of one or two projects that lots of money went into, like the Skeldon Estate, but when we compare prior to 2006 right down, I don't think we were making 1% economic growth per annum. We were not doing that, and so, just to give the impression that we had 4.7 last year ... and that we are going to have some more this year because of two major projects, is not doing justice to the statistics. It's not doing justice to the facts and figures. We are indeed an economy that is doing badly.

Mde Speaker, it is important that we notice around us lots more people - lots more people begging in the streets. More criminals in the ambush - you just read the newspapers; more white-collar crimes, and the propagation of a casino gambling ethic and culture on the part of our Cabinet members. That's what they are propagating. We would become rich because of casino gambling, and when some of the voices of the nation would stand up and say *that's wrong*, we would have some rather nasty words uttered back to them - directed to them.

I want to urge, Mde Speaker, that that's not the basis for creating the conditions for moving this country forward; but we have, today, more than merely the macro-economic indicators that would move us forward; we have to start dealing with questions of good governance. We have to start thinking about human resources that are going to be trained in order to ensure that their perspectives on things are fresh and that they are not polluted by a certain democratic centralism that would direct how they should think and work. That is what has been happening, and that was my biggest problem over there. [*Interruption: 'You always have a problem'*] The problem was that they like to direct how you think, and that is what has happened, and it goes back to quite a while, and I am not going to be one who would simply say that things didn't happen because

... things have happened. There has been movement, but it is not the kind of movement that we ought to see, had we paid attention to these matters, good governance issues, rather than come down heavily on people who are constructive critics of the Government - dissenting voices. It is not the way to move a country to the modernity that you talk about over there. What is required is an acceptance and an understanding that these people's voices also matter; that the voices of all Guyanese matter - whether they are Mike Correia, or even if they are David De Caires, if they are Kamini Persaud, or whomever they are - Kellowan from Wildlife with the Dolphin issue - whatever they are, please listen to them. It must be understood that whatever the personalities here, they mean well for this country. *[Laughter]* 'What about Goumattie?' "Yes, she means well but you don't listen to her" ... *[Laughter]* So it is an important aspect, Mde Speaker, that we pay attention to these, amongst other things.

When it comes to the good governance issue we are seeing what I mentioned on my last address - a creeping authoritarianism ... *[Interruption: 'What is it?'* "You better believe that it is happening, but you might not be conscious of it because you have gotten so arrogant"] Your arrogance and pomposity are so great now that you don't even notice that you are denying people their rights,

sometimes even to express themselves. Sometimes it comes unwittingly and unconsciously - imperceptibly is the word, because sometimes you don't even realise it is happening to you, and you've got to be careful about that; and that is my caution – listen, please, to all that persons like Christopher Ram has to say. You treat it as if Mr Christopher Ram is not making very vital points about this Budget. You know, you give the impression that he knows not what he says. Mde Speaker, the learned Minister who spoke before me gave the impression that he is a man who knows everything. Well, the whole idea is that he is very good at economics and accounts and policies and these areas, and he has come out with words; he has come out with a set of criticisms that we must pay attention to, because that is what the President came here and talked about. He wants us to deliberate and debate. He wants us to listen to everybody, but you know that is just rhetoric. It comes down back to this thing, that, you know, *we can say that but we are not going to do it. We're going to preach it, but we are not going to practice it.* It is important that we appreciate the voices of all.

I want to state, additionally, Mde Speaker, that another aspect ... and it is an observation that ought to be made, has to do with the fact, you know, that we proudly state that we are doing well with our external borrowing, and lots of write-offs, but we are not talking about how much

we are doing with domestic borrowings going to the Central Bank. From what has happened since 1992- nothing wrong with that. Apparently nothing is wrong with borrowing. Well, let me say that, if we can avoid it ... and you know that, when you deal with your households, if it is something that can be avoided it should be; but this Administration takes great pride in saying that we are minimising external borrowing, but we, as a matter of fact, have gone up to almost 300% from the 1999 levels of internal, that is, domestic borrowing. So we are borrowing from another source, but we proudly state that we are doing fantastically well.. The trouble is that we must not be that dishonest about it, it is important that, even if he be an Anil or a Clement or whosoever, that they appreciate that honesty must be first and foremost and if he comes next, nothing ain't wrong with dah. *[Laughter]*

I also want to make another observation in relation to taxation. Taxation to fund this Budget largely comes from the salary - earners. We have been doing so badly with the business class - the manufacturing class to the extent that corporate tax now is less than the taxes we get from salary earners; and this is important ... *[Interruption: ... 'Business gets Concessions'. "Well that's another point. You are granting concessions here, there, and everywhere, and you are saying that it's a good thing"]* Mde Speaker, It is something that makes you now go back to the ordinary

salary class to ensure that you get the monies to fund ... and every Budget, for some 5-6 years now, we have had to ensure that there is this kind of taxation... and even through that taxation we are not even making the set of monies that could offset what we spend. There is always a deficit. I want those who are over there, like Mr. Rohee, to appreciate that this is not 'voodoo economics' I know that they perform 'phantom economics' but this 'voodoo economics' it is not.

We have had so many bad businesses over the years... *[Interruption: 'Idi Amin Economics, and that is what you are performing. You want to perform it to perfection by shutting up all those who are critical of it']* Mde Speaker, I want to say this, that this Government conveniently can find monies, when it wants, to deliver to those who it wants, generally. It can do that, and we have seen it with the Buddy's Hotel. We have also seen it for the other hotel. I think it's Cacique - whatever it is. It's the one behind Buddys. And I understand that they can deliver, whenever they want, certain increase. It all depends on their choice. If you want 5% then we can give you five... *[Interruption: 'Who are they?']* ... But Mde Speaker, one point I want to bring out here is that there are certain other sectors that ought to be given that kind of support in order to ensure that the wheels of this economy can be better oiled and lubricated and it is important that we do that. The engine

of growth, we say, is the Private Sector ,but when you compare what the Private Sector has been getting, as against the taxation burdens, and all that I just mentioned from this survey, at a glance, that you just see - monies that they got to pay out bribes to this body - the corruption levels and all of that ... and on top of that ... and Mr. Manzoor Nadir ain't know plenty of it, because he is part and parcel of this competitiveness support, nah ... bureaucracy and red tape, the licensing arrangements, the regulations, which the Ministers love to have at their whims and fancies now, all of that cramp and confine businesses to the extent that they are not in a position to make themselves profitable at the maximum level. We have to realise that these things are some of the sore points about this Budget. Some of these things are what are going to create, in the minds of business people especially, that unpatriotism which, in a sense, is going to cause them to be refugees to Canada.

The Speaker: Time, Honourable Member.

Hon. Raphael Trotman: Mde, I rise to ask that the Honourable Member be given 15 minutes to conclude his presentation.

The Speaker: It is proposed that the Honourable Member be given 15 minutes to conclude.

Motion carried

Hon. Khemraj Ramjattan: ... Yes, I was trying to take it out because I wanted to tell you that I got it before you. These things somehow come to me, I don't know how. How they print out? That's GINA. GINA should have done a better job. You would have got a wider circulation if you had put it in the *Stabroek News*. [*Laughter and Applause*]

Mde Speaker, I want to also say, as an aspect of what does this good governance have to do with what was recently unearthed by the *Stabroek News*, too - the assent by the President. We pass Laws here and they come sometimes requesting that we hustle them through, that we hustle through and then they go to the Office of the President and then what happens to them? They become defunct. They are not being assented to. Why is that? And now we understand that, from the highest individual of the land the highest office - the President himself, that there might be veto power inherent in him. Well I would like to urge that is not so. This is a parliamentary democracy, and he must not consider himself like a George Bush, who was elected duly. This one here is a list of candidates, and they love to make that when they talk about throwing out and expelling members, that this system is different from other systems. Well you must appreciate the difference. He must assent,

but we are not going to have that kind of criticism forthcoming from that side - that quarter, for them to say here, *Mr. President, you have to do that which we have passed. It is important. Otherwise we would have that which will make this Parliament emasculated of the powers. It is going to be deguttled of those powers.* They said another big aspect of the survey, at a glance, is that crime is also killing out our people who want wealth and create employment, and we have passed the Mutual Assistance Criminal Law Bill. It went up, but up to now we can't get it. Isn't this Administration wanting to help a scenario, where we can probably get the criminals in a more efficient way by seeking the assistance of other people? That is what that Bill did. But it was not assented to and we are not being given any reason why. This is the reason for me making the statements I am now making. We are now, in a sense, in a democracy that is being eroded by attitudes and the process towards it by an Administration ... probably unconsciously - not aware of it. Well, from the Alliance for Change, you are going to get that jolt every now and again - to please stop it! If you cease doing that, then you are going to have this country moving apace like Trinidad, like Mauritius, like Singapore. You better believe it, and that is what the Alliance for Change wants. It wants the movement of this country forward. Not very many people want to go as refugees to Canada, not many people want to just withhold their

investments, watching for a better deal in some other country, like so many Guyanese. No!. We want better for this country. [*Interruption: 'Let us come to the Budget' ... "That is what I am talking about. This Budget is what I am talking about"*]

But Mde Speaker, you see, that is the problem here. They feel that they could just give you the statistics, and then we must accept it, because that is the arrogance that is now breathing the air ... We are saying that these things must not be happening, and that is what is going to open up this country into the investment climate - that we would see lots of other persons wanting to invest, lots of other foreign direct investments coming in that can take us to the heights that we dream about, especially since 1992.

I want to urge, Mde Speaker that those are some of the things that they must take into consideration. And we must not say like a certain Minister over there that we do not have corruption, and when we have it we don't bring the evidence. I have brought some questions to this Parliament and I could now understand why this VAT implementation had the difficulties it had. I understand there was some money I understand given by the IDB to implement VAT so that it could have been a seamless transition and, all the IT equipment... I understand people were stating that we have to split certain contracts, but I would need the

answers to those questions, and we must not be critical of those who bring the information out. I have here a letter from one Tony Ming, which was sent to Dr. Luncheon, Mr. Singh, Webster, Sattaur, Xavier Reas, Clyde Roopchand, Winston Jordan, Clement Sealey, Hema Khan, and what is inherent in its passage, and its text, is not nice. I want to read it, and it says... and I am not going to read all of it, because I want to be fair, because the questions would have to be answered later on. Based on a certain advice given by this consultant by someone, the procurement of IT equipment to support the implementation of the VAT could not have been tendered ...for; and you know what, Mde Speaker, it had to do with the larger sum of money- not being tendered, the larger sum of money, the Procurement Manager wanted to split the contract so that you could not have an international tender. On October 19, during a meeting with Ms. Shreeram, I was advised that IT equipment ordered for the implementation of VAT could not be procured in time. I was advised to submit a revised request and keep the number of critical Locations to four or five sites, so they wanted to split the sites- not one grand contract that would then go all over the place, no. They wanted to split it up, so if it was US\$500,000 they would split up five one hundred thousand dollars, and then this officer just couldn't get it because of all this mismanagement there. That that's the modern management Mr. Nadir is talking about. This is

probably it. They then go to literally put the blame on that individual. It's reminiscent of what happened to Mr. Goolsarran. His deputy didn't do a deal with the correct things in the dolphin issue. He comes back from vacation, or where ever he was, and said that he I would now review it. Then Roger Luncheon and the rest got on his back. That is what happened, and we must appreciate that these things occur. I am very passionate about erasing and deleting these things from our economy, and that is my focus here. And what did he go on to say? *Your letter is in an effort to blame me for delays the in procuring the IT equipment in an attempt to hide the inefficiencies of your department.* This type of vicious politics and character assassination over the last two months has created a significant distraction on my timely objective to implement VAT on time. It has become increasingly difficult to discharge my duties and responsibilities effectively under this poisonous atmosphere, and with a great deal of reluctance I wish to inform you, and the Commissioner General, that I am hereby terminating my contract, effective January 31st, 2007. Here it is that we are talking in the Public Accounts Committee about all these things. The Auditor General is talking about it, and we have it in the Ministry- somewhere in the Finance Ministry. I am urging ... because that's my plea. I want that to be brought to a halt, and they we mustn't hide it. They must bring it out- just like what happened with Mr. Goolsarran. I was very fortunate to

have had his letter. Mr. Goolsarran is a very honourable man. Today he is an Auditor General for a Department of the United Nations. All he did was to say thatb he wanted to review. He was the boss andhe wanted to review, and that Dr Roger Luncheon, the honourable man from the Office of the President, indicate...What did he indicate? He said..., and let me get it

Luncheon dismisses Goolsarran's interference charge. Goolsarran calls Jagdeo's comments out of line,

and then we have the response from the Honourable ... I have kept these and most of them will be kept. *[Interruption: 'Mde Speaker, I wish to move on a point of order' "What's the Order? I will tell you what the order is. In our debates and discussions we were cautioned that we should not refer to persons who are not here and cannot defend themselves. That's a point of order and he can't be abusing Dr. Luncheon's name when he is not here and does not have the opportunity to defend Himself. That's my point of order"]*.

Hon. Kemraj Ramjattan: I am quoting from Dr. Luncheon

The Speaker: Honourable Member Mr Ramjattan sit down. You would be given back your time ... sit down. What's the Standing Order you are moving? Could you point me directly? I think I know ... *[Noisy Interruption]*
... Rules of debate - yes.

I think, Honourable Members, it may be Standing Order 41 on 'Contents of Speeches,' but I am trying to find it here - Yes. "*Reference should not be made to any matter under sub judice.*" Honourable Member, I cannot see anything that is ... It specifies different categories, but I cannot find any category - *shall be out of order, use offensive or insulting language to MPs and ... You know - No member should impute improper motive to any other member. Precedent shall not be used to influence Assembly.* But I don't see anything about any Member here talking about an outsider, calling a name outside of the Parliament - a functionary who doesn't fall within the category. It speaks about Judges, MPs, the President, and things like that. I can't find anything specific. If you would point me to a specific Standing Order, or some Rule under any specific ... *[Interruption]*

Hon. Robert Persaud: With your permission, Mde Speaker, I wish to recall - about three weeks ago, or thereabouts, the substantive Speaker had issued a caution that once we are referring to persons who cannot defend

themselves, we should not do that. That is what I am referring to in my Point of Order, and we all accepted it at that point in time. No one objected.

Thank you very much.

The Speaker: All right. I can't find it, and that's why I am saying that if you know it or if you could point to it, or any member, from your side, because I can't find any specifics ...

Hon. Khemraj Ramjattan: That is exactly what I am speaking about.

The Speaker: All right, Mr. Ramjattan. If you're reading, please confine yourself to ...

Hon. Khemraj Ramjattan: I am confining myself to an incident of bad governance that is going to ...
[Interruption]

Hon. Clement Rohee: Mde Speaker, I think that under Standing Order 41 ...

The Speaker: Which subsection?

Hon. Clement Rohee: Under Standing Order 41(1), where it points out that, subject to these standing Orders,

debate upon any Motion, or Bill, or Amendment shall be relevant to such Motion, and that the Member shall confine himself to the observations of the subject under discussion. We're discussing the Budget, Mde Speaker - the Speech [Laughter] We are discussing the speech. Mde Speaker, we are discussing a speech. I think the Honourable Member is seeking to introduce a matter which has no relevance to the issue. Thank you.

The Speaker: Mr. Rohee, this is the Budget Debate, in which the widest possible breadth, encompassing all aspects of the Budget - the Budget is very wide and comprehensive and includes good governance and so on and I think it's in that vein that the learned - the Honourable Member is pursuing. Budget Debates are very, very wide, so I would permit him to continue, but Mr. Ramjattan, please, if you are using references, don't say that you just have him here.

Hon. Khemraj Ramjattan: Thank you very much, Mde Speaker. I just wanted to mention that on Page 45 of the Budget they talked about governance and the Public Sector Reform, so I don't know how governance, all of a sudden, is not an aspect of this Budget Debate ... [Interruption: ... 'You hear him?' "But that is exactly the point I am making. The minute you start throwing out to public domain certain facts here, they want to censor you"].

I just want to conclude by stating that my points about this bad governance is must be a focus, and it has to do with what, this very honourable person - very noble man, Mr. Anand Goolsarran, wrote, and he wrote to the the Speaker, and Mr. Murray, and, of course, to the President, and it is dated 18 October 2004:

Your administration's record of support for the work of private auditors in preference to the Audit Office is indeed unfortunate. That support, in my view, is due mainly to the tendency of private auditors to give relatively clean reports, compared with the Audit Office. In fairness to them, private auditors do not have the level of expertise necessary to effectively audit Government programmes.

Now this was in the context of where, because of a certain person being critical of your administration in a certain issue - The 'Dolphin Deal' they started giving away auditing to certain private people, and that is what I am saying is the bone of contention here. Not when you have your critics - be they in Government through constitutional agencies, that you are going to get vex with them. Our modern democracy demands that we respect all the criticisms that we can have, and especially when they come from people like these. That is what is going to take us

places, and it is in that context that I urge that, after we would have passed it... because they have the majority to pass this Budget, that we start paying attention to matters like these. Thank you very much Mde Speaker.

[Applause]

The Speaker: Honourable Minister, Maniram Prashad

Hon. Maniram Prashad: Mde Speaker, I rise in support of the motion of the Honourable Minister of Finance to approve the estimates of the 2007 Budget, 'Building Modern and Prosperous Guyana.' I would like to compliment the Honourable Minister of Finance, Dr. Ashni Sigh, for presenting a truly people's budget, where there is something for everyone. I would like to say that the Honourable Member, Mr. Winston Murray, in his presentation, spoke at length about the Private Sector, and I would like to tell the Honourable Member, and this House, that this Government- this PPP/ Civic Administration, has had a better relationship, and have done more for the Private Sector than any other previous administration.

[Applause] Let's talk about it and I'll prove it ...

[Interruption : 'Prove it' "From 1975 to 1990 the Private Sector was deliberately marginalised"] The flirting with cooperative socialism during that period led to massive unemployment *[Laughter]*, food shortages ... but I don't want to go back into the past about what happened during

that period. I would confine myself to show how the Private Sector was deliberately marginalised - and we had to go underground. We had to go underground - the Private Sector. Mention was made of Customs earlier. I remembered being in Regent Street and seeing truckloads of police with Custom Officers walking into stores and seizing goods ... and we have to go back, because everything was illegal in those days; to eat food was illegal ... *[Interruption: ... 'You are illegal. To eat bread was illegal. Everything was illegal in those days. You are illegal']* I don't want to call the name, but at the end of the week, we had to go to a certain place and you had to buy back our own goods. So, so much for Private Sector and what this Government is doing for Private Sector. The Honourable Khemraj Ramjattan spoke about lack of investment, and I would like to tell this House that, as far as investment is concerned, I would just give you a few facts of what happened year 2006. In 2006 investment in the information, communication and technology sector- There were twelve projects in this sector: six were local investors, and six were FDI (Foreign Direct Investment). Three of those were new projects, and nine were expansion projects. In other words they were existing projects in which they invested more because of their confidence in this country, and this economy. *[Applause]* At the end of 2006 all twelve projects are operating- with investments totalling G\$11B, and about four hundred new direct

jobs, and here, I am not taking into account the nine who expanded. These 400 are new jobs, of and I could just mention a few of those that are operating -just in case you don't believe. You can check: Qualfun Call Centre from Mexico, Decipher Medical Transcription, Digicel, E-Networks and Broadband, Telecoms Solutions, G T & T- with the expansion of net and cell Network, and Nand Persaud International Communications Call Centre expansion at Tain in Berbice. In 2006, in the light manufacturing sector... because these are very important sectors for us to talk about, because people forget about these sectors. I am not going to the obvious, I just want to tell you about the light manufacturing sector, which some of you may not have heard about. There were fifteen projects in this sector- eight of which were local investors, and three are joint investors, which we are promoting. That is why we have these Trade Fairs all over- in Trinidad, Barbados, Antigua, New York, Orlando, Toronto, and when you go to these Trade Fairs and exhibit our products, people don't believe that these products come from Guyana. Especially Guyanese who have live overseas for a long time. Once when we were in Antigua, a gentleman from Linden had some leather slippers. If you see these leather slippers - like they come out of a Macy's store. The guy in Antigua actually cried when he heard that Guyanese made these products, because he was in the same industry before he migrated to Antigua twenty years ago, so that is

how far we have achieved. At the end of 2006 thirteen of the projects were in operation, and two would be launched in 2007. Investment in this sector for 2006 was over \$2B, with new direct jobs being two hundred and fifty. Some examples of these investments are ... because I don't want to just quote figures without giving you some examples. TCL (Trinidad Cement Limited), and that's a joint-venture with GNIC; Denmor Garments will be opening a new factory in Berbice this month; Premium National Tin Sets, which is a joint venture between National Hardware and some Costa Rican investors; Torginol Paints have upgraded their factory; Essential Supplies, and a few others. I don't want to name all at this point- like Goodwill Industries, and then, too Ventures that's producing coco-peat fertilizer. In 2006, in the Tourism Sector *[Interruption: ... 'When is the Main Big Lime? "December 26"] [Laughter]* There were fifty projects. We'll talk about Main Big Lime just now, Honourable Member Robert Corbin. There were fifty projects in this sector. That's tourism investment in 2006 – 45 hotels and 5 resorts. Forty two were local investors, 8 were FDIs (Foreign Direct Investments) (28 were new projects, and overall twenty-two are expansion projects... and it is interesting to note the expansion projects, because these are existing businesses which are expanding ... *[Interruption: ... 'You know them?']*

Hon. Maniram Prashad: Obviously. Oh, I'll give you them just now: You'll get them. You'll get them just now, Honourable Member McAllister.) There are thirty-nine of the hotels in Georgetown, and forty-two of these hotels have twenty-two rooms or less. At the end of 2006 thirty-one projects were already operating, and the other nineteen would be completed by March 2007. Investment in this sector was over \$7B, and new direct jobs was seven hundred.

To answer the Honourable Member's question or to clarify his point ... The investment projects-the new hotels, Honourable Member McAllister - the one that you like to talk about, which is very popular – Buddy's International. That's Buddy Shivraj; Casique Palace Hotel. All of these are new hotels. Beverley Arshur and George Smith; Kanuku Suites; Megan; Urbayne Oasis, in Region 2. That's a beautiful hotel. Francis Fortune; Double Day Resort - Region 3-Hariram Bhola; Sunset View Hotel - Aubrey Bettencourt; Blue Water Resort – Region 3-Godfrey Bess; Ocean Spray Hotel - Shameer Mohamed; Imataka Hotel – Mr Forde; Tropical View Hotel – Navin Doodnauth; Durban Hotel – Dennis Adams; Mikel Plaza Hotel – Hussain Pooran; Atlantic Inn – Deryck Khan; Ease Chalet – Joseph Earl; Resources Suite – Singh; [Interruption: '*How many rooms?*' I had mentioned earlier that some of these are twenty-two rooms and less. El-Dorado Inn-Da

Silva Sleepi Hotel – Bacchus; Lodge – Richmond Lambert; Zoom Inn – Terry Singh; Hotel Penthouse – Randolph Baichandeen; Splashmin’s Resort Hotel – Lennox John; Little Rock Suites in New Amsterdam – Rockliffe Christy ...] Honourable Member, Leader of the opposition, your colleague has asked me to expand on these points ... but let me say, also, that expanded and upgraded hotels ... and this is very important because those just now were new hotels which are, of course, of very high standard. If you check the rooms of those hotels, I must say I am proud of the Guyanese craftsmen, and what they are building with all local materials - the beds, the chairs, everything local, and of exceptionally high quality; which is creating employment for so many people in the industry, and related industries. Zenon Hotel at Charity, Pomeroon – Alfro Alphonso. He has expanded and, Honorable Member Tony knows that; Hotel Tower – R.N. Singh; King’s Plaza Hotel – Stanford Solomon; Regency Suites Hotel – Ramanand Shivraj; Ocean View International Hotel – George Lord; Grand Coastal Inn – Mukesh Dabi, where a new wing has just been completed; Bransville Apartment – expansion – Wilfred Bradford; Don Carie Hotel – Griffith; Roraima Residence Inn – Jerry Gouveia; Blue Wave Apartments – Eddie Grant; Prairie International Hotel – Joyce Moi Tuksung, Friends Hotel – Joan Greene; Ariante Hotel – Cathy Hughes; Woodbine Hotel – Clyde Johnson; Water Chris Hotel – Gregory

Lewis; Wind Jammer Hotel – Griffith; Radisson Suites - Ian Wilson; Cara Inn – J. Dow; Cara Suites; Herdmanston Lodge; Church View Hotel; Platinum Inn – Wayne Heaven and Zen’s Plaza Hotel - Mr. Belle. These are expanded hotels which, as usual, show us the confidence for more investments in this industry. There are more, but I wouldn’t go into those in detail. I wouldn’t go into more details. I’ll save them for another time.

The Honourable Member spoke about VAT, but let me say that, with every major tax reform you must have an uneasy population. People want to know about what is happened and I would just like to give you a report from the Consumer Division for the Ministry of Tourism, Industry and Commerce because we have a Consumer Division Section; and let me give you some facts. I am not saying all the prices have gone down and everything is in order at this stage on the 9th of February but let me just tell you what is happened since the introduction of VAT, and you can check these information also, Honourable Member Mc Allister wants information, so I’ll give him exactly where to go.

White Rice: In December, white rice was selling for \$260, and January 10th- the first ten days, when there was a little chaos and confusion. On January the 10th, the price went up to \$400. On February 7th, it was down. On February 7th

it was down below even the December figures- from \$260 to \$240, and you can check that at the Mon Repos Market

Sugar: Sugar , in December 2006, was selling for \$40 a pound. On January 10th 2007, it went up to \$60. Two days ago- February the 7th, the price is now down to \$45. You can get that at Mattai and Bourda Market.

Salt: In December 2006 it was \$40. On January the 10th, it went to \$120. It's now down to \$80; and similar situations exist with garlic, split peas, onion, blackeye peas, eggs, chicken, beef, pork. So that would give you an example.

Casino Gambling: Honourable Member Winston Murray spoke about casino gambling, tourism, nature tourism, and eco-tourism etc. I would like to say that... and I think I had said this before, that for us to compete in eco-tourism, our main competitors are Costa Rica and Belize, and both of those countries have several casinos. The market survey shows that for us to compete effectively we must have something, Honourable Winston Murray. After the nature tours and nature walks, we must have something for tourists to do in the evening, if we're to compete. People are not going to come to a country that does not provide adequate entertainment. It is out of respect for the church leaders and other stakeholders that we introduced the Bahamian model of Casino Gambling. It is out of total

respect for them. So all patriotic members, who want to see tourism develop, would support casino gambling- the legislation.

Mde Speaker, before I address the various areas of my Ministry, that is- Tourism, Industry, Commerce, Consumer Affairs, and Standards, I would like to address the National Competitive Strategy. Mde Speaker, I believe, sincerely, that we can build a modern and prosperous Guyana through the implementation of this Strategy. The rationale of the National Competitive Strategy comes from the need to deliver on the goals of the National Development Strategy, within the context of the new globalised economic environment. It is necessary to chart a new way forward in order to generate a new momentum of growth and prosperity that is consistent with these more challenging competitive realities, with the ultimate objective of delivering a better quality of life for all Guyanese.

Mde Speaker, on the 4th of May 2006, a historic Memorandum of Understanding was signed between the Private Sector Commission, and the Government of Guyana, and this was followed up shortly, four days later, with the historic Private Sector Summit, which was attended by over business leaders- key business leaders, and Public Sector leaders. This partnership between the

Public and Private Sectors and the thrust necessary to move our country forward, is seen by the Private Sector... and Honourable Member Khemraj Ramjattan quoted Michael Correia several times - Chairman of the Private Sector Commission. During that period he was Vice-Chairman, but he had this to say

It is a historic agreement, and it is in our view a true recognition by the Administration that for the Private Sector to do its job of wealth - creation, the Private Sector must take centre stage.

We recognise that. This Government, this Administration recognises the importance of the Private Sector and that is why we are working so closely with them.

Mde Speaker, this realistic Budget, which was carefully crafted by our young Finance Minister, who is respected-not only by his peers, but even by members of the Opposition. There is no doubt about that. The Public Private Sector partnership is the key to unlocking Guyana's potential, as it relates to building a modern and prosperous Guyana, and is for this reason that the National Competitive Strategy is so crucial to Guyana's development. The 122 actions and planned activities

outlined in the Strategy are now being supported by US\$27M Private Sector Development Loan by the IDB, which was approved in June of last year, and the Ministry is now finalising plans with CIDA to fund another Can\$10M to ensure that the Private Sector is able to tap into the international markets and take advantage, with increasingly capital and technology flows, which can lead... the aim of the National Competitive Strategy is that at the end of it we should have more exports, more jobs, more incomes, and more investments.

Mde Speaker, nine action teams were formed as a result of this Summit; These teams were established to look at key issues like aqua-culture, contract manufacturing, call-centres, Cricket World Cup, financing, creating brain-gain. The Honourable Member Khemraj Ramjattan referred to the brain-drain, but this is a special area we are talking about- creating brain-gain and tapping in on diaspora resources, opportunities from CSME, and the five-year Tourism Development Plan.

Mde Speaker, another outcome of the process was the formation of the National Competitive Council- Guyana's highest level private-public advisory council, established to provide strategic economic policy advice, policy coordination, and leadership to the Government in collaboration with the Private Sector, and other relevant

stakeholders, with the aim of uncovering where the most significant obstacles to our economic development and competitiveness lie, and determining what type of interventions are most likely needed to remove them.

Mde Speaker, His Excellency, President Bharat Jagdeo himself, will to chair the National Competitive Council, and this Council will comprise of the Ministers of Finance, the Minister of Agriculture, the Minister of Tourism, Industry and Commerce, the Minister of Transport and Hydraulics, the Minister of Foreign Trade and International Cooperation, and the CEO of GO-INVEST. That is six members there. It's a twelve-member Council. The other six members would comprise of the Chairman of the Private Sector Commission and another representative from the Private Sector Commission, one from the Association of Regional Chambers of Commerce, one from the Guyana Small Business Association... and incidentally, in the Private Sector Commission there is a sub-committee- a Trade and Investment Sub-Committee, where ARC, the Association of Regional Chambers, and the Small Business Association are represented, so that's four from the key areas, and that is the Regional Chambers, Small Business, and the Private Sector Commission, and the other two would come from organised labour- one from the Guyana Trade Unions Council, and one from FITUG.

Mde Speaker, I am happy to report that there is a Council-The National Competitive Council, which met for the first time on January 23rd. The meeting was chaired by His Excellency himself, with other stakeholders - among whom was the Chairman of the Private Sector Commission, and we had our first meeting. This new partnership, Mde Speaker, will help to fast-track development of the process, and you have already seen tangible results. If we look at aqua-culture, there is a newly formed Aqua-culture Association, which was born from this process, and this Association has already made significant strides in the development of the sector. Maybe the Honourable Minister of Agriculture would expand more on this.

Mde Speaker, the Consumer and Fair Trading Act was passed in Parliament last year, and the Commission would support the operation. Regulations of the Act would be established this year and funding would be provided by the IDB, through the Support for Competitiveness Loan. Guyana would now have an institution to deal justly with unfair business practices, as we strive to achieve a competitive free-market economy.

Mde Speaker, the Tourism Sector has recorded significant growth in 2006 whilst, understandably, there was a drop in arrivals during the period of July and August... and this

was mainly because of Elections when people were reluctant to come to Guyana during their Summer vacations. We saw, in November-December, record arrivals -surpassing 2005. If one were to measure the mood of people after elections, and the progressive efforts that the Government is making to move the economy forward, it could be said that it was reflected at GUYEXPO in October 2006, which was the biggest and most successful expo event in the history of this country- over 40,000 persons participated ... [*Interruption : 'You're doing better than Manzoor'*] Honourable Member, Leader of the Opposition Mr. Corbin, Main Big Lime was the most successful event of its kind ever held in Guyana - with over 27,000 persons participating. Main Street has become too small for this event ... and let me mention, Mde Speaker, that we have planned for this event - for the end of March - the 29th, 30th, 31st, and 1st of April, on the first weekend of World Cup, the first Gift and Craft Show ever to be held in Guyana. We will be having the Guyana Gift and Craft Show. There is a Caribbean Gift and Craft Show which is held every year- sometimes in Barbados, Antigua, St. Vincent.

last year it was held in St. Kitts, and most of the exhibitors there-45% of the exhibitors to the Caribbean Gift and Craft Show are Guyanese, so they have been clamouring for this show for over a period of time, and we have facilitated them. We have over 100 exhibitors already

booked for this Guyana Gift and Craft Show, which will be held at the end of March/early April in Guyana, and you would be specially invited, Honourable Leader of the Opposition, Mr. Corbin.

Mde Speaker, I mentioned the success of these events to show... not to brag about arrivals and what happened and how well they did, but to show how sound marketing policies can help to promote tourism as a major foreign exchange earner, and if we continue to build on the five-year Tourism Development Plan, then by 2010, tourism will surpass all the other sectors in its contribution to the economy.

In the area of birding... there are two types of tourism that we are looking at right now, apart from the traditional sectors- birding and yachting. Right now there is a 12-member team here, and in November we had the Organisation come here, and they were so impressed that they are back here again, and they are having a press conference and a debriefing tomorrow, but the Organisation has recognised Guyana, and they said that we would become of the leading birding destinations in the world, and that we are already listed in the Birding Magazine. This is something new. We've got ...
[Interruption]

The Speaker: Honourable Members, I think we will take the suspension now. Honourable Minister you will continue when we return.

19:35H - SUSPENSION OF SITTING

20:07H - RESUMPTION OF SITTING

Honourable Members, the sitting is resumed. Honourable Minister, at the suspension you just had about three minutes to go [Laughter] before you asked for the extension. I don't know if ...*[Interruption]*

Hon. Maniram Prashad: Mde Speaker, I will continue with this important topic of birding. A Three-Year Birding Tourism Plan was developed, and it has already been implemented at the Ministry. The Birding programme was launched in March 2006 at the Botanical Gardens, and it was done in collaboration with Guyana Trade and Investment Support, and USAID funding agency. We have developed new collaterals for the birding shows, and the Guyana/ Amazon Tropical Birding Society continues to work with the Authority on information gathering. As I was saying earlier, it is amazing to know that we have over 200 species of birds in Georgetown, and this is significant, because there are very few capitals in the world that could boast 200 species of birds in the capital, and in the country as a whole we have over 800 species. As I said before we

are recognised by the VENT organisation, and they have us in their magazine. I was speaking to the leader of the team and she was saying... I was asking her about infrastructure and she said that they don't need infrastructure. That it should be just natural, because that's what birds want—a natural environment. So that sector of tourism is set to take off.

Another area, Mde Speaker, is yachting. You would be surprised to know that we have already had several yachts coming to Guyana, but the problem was clearance—Customs clearance, doing with the formalities for them to come in and dock: so we have made Bartica a port-of-entry, and at the end of February we are going up there to set up the Customs and Immigration Port and Health. Chris Doyle, who is authority on yachting....He has just printed in his magazine, dedicated forty-six pages to Guyana, and a team will be coming down at the end of the month, and a larger team later in the year, providing we have all the infrastructure in place. They'll get to Bartica. And a lot of employment will be generated there. Mariners will be built and so on. There are thousands of yachts that are in Chaguaramas, and during the hurricane season they want to come down to Guyana, because they want to get away from the hurricane season, and they want to come to a safe harbour in Bartica. Apart from the hurricane season, they feel that Guyana has got better security for them

because, in Chaguaramas, they have to do vigilante on their yachts. There is a lot of theft and robbery in Chaguaramas Bay so, hopefully, if we do everything right, we would see this form of tourism developing.

Mde Speaker, The Heritage Site are being upgraded, and the Guyana Tourism Authority is continuing to work with the National Trust in Guyana in order to ensure that there is sufficient information on these sites and images for all to view because, what most of us see as ordinary- those wooden buildings- St. George's Cathedral, City Hall and even private dwellings in Georgetown visitors are fascinated by these buildings. That is., why we are working close by with the National Trust, and we want to upgrade these buildings so that they could be...

The Speaker: Time, Honourable Member.

Hon. Samuel Hinds: Mde Speaker, I move that the Honourable Member be given another 15 minutes to conclude his presentation.

The Speaker: The motion is that the Honourable Member be given another 15 minutes to conclude.

Motion carried

Proceed Honourable Member.

Hon. Maniram Prashad : Thank You, Mde Speaker. It is important to note that the Tourism Sector is expected to become a significant contributor to the GDP. In support of the private sector investment and the tourism industry, the Ministry intends to bring to the Parliament regulations that would facilitate improved standards in tourism infrastructure, which includes hotel accommodation, resorts and lodgings. The Ministry will continue to be alert and vigilant in the areas of safety and security. We must adhere to international standards to be able to compete effectively.

Mde Speaker, to keep pace with the demands for more skilled and trained human resource in order to service the tourism sector, the Guyana Tourism Authority, with support from Guyana Trade and Investment/ USAID Project has embarked on hospitality training in preparation for CWC (Cricket World Cup) 2007, where we expect over 35 – 40,000 visitors during this period. And, Mde Speaker, during this period, after the West Indies would have won the World Cup, which we have no doubt about, we want to make sure that spectators, and tourists alike, would be so impressed with Guyana, and what we do, that they would want to come back, and that is why the Ministry of Tourism, Industry and Commerce is organising Fan Tours to take important people around like journalists, television

crews to make sure that they get a good impression about Guyana because, if we get one good write up in a foreign paper, we can't pay for that advertisement. So we are looking to capitalise on that because we have a captive market here during this season, and I am urging every citizen, all Members of Parliament, to help encourage others to keep their surrounding clean so that we could create a good impression- not only just for World Cup but we must be clean because cleanliness is next godliness. We want a healthy nation, and we want to inculcate and develop, we have a culture of cleanliness, so we're asking everybody to stop littering and work to clean up for World-Cup and beyond.

Mde Speaker this year it is anticipated that airport staff- customs and immigration officers, airline staff, baggage handlers, taxi drivers, ground handlers staff, among others, would be targeted for training. Media and tour operators for fan tours are also expected to expand. We have already reorganised the taxi drivers at the airport. The cars are in one colour, they have to be dressed properly, all the cars would be air-conditioned, and they have to adhere to certain standards, and we had them in training. For the first time they were trained, so... We had a good feedback. One person was telling me that the taxi driver was speaking well of the country and promoting tourism and talking about resorts, so it shows that we are getting there, because

we Guyanese sometimes, 'we like to bad talk our country. We like to bad mouth our country'. If you see ... A Jamaican would never bad - talk their country. You go to Jamaica and they would tell you that Jamaica is the nicest country in the world so we must also get into the habit of speaking well about our country and promoting our country.

Mde Speaker, the Ministry benefited tremendously from the exposure received from the media. This year the intention is to further strengthen the relationship with the media in an effort to educate members of the public about our tourism industry.

Mde Speaker, the value of the investments on the industrial sites in Guyana is over \$3B, and these businesses employ about 1,631 persons in eight areas. In support of the industrial development, the Ministry has commenced preparation of the industrial site in Belvedere- Region No. 6, and the site would be ready for investors in another two months. Two weeks ago I was opening a warehousing facility for Geddes Grant in Berbice, and they are interested in two plots of land there. We have already built a bridge, and they want to invest at the Belvedere Industrial Site Estate. In an effort to meet the high demands for these sites, especially in Eccles and Coldigen, we have begun to reassign plots from defaulting leasers, to those investors

that would facilitate the creation of more jobs for our people. We have distributed over 2,500 copies of our business directory- local and overseas, in an effort to promote investment opportunities in Guyana. 'The Pride of our Industry' campaign was launched last year. These are all in an effort to support business, development in Guyana. These businesses will be given assistance to improve the quality and packaging of their products this year.

Mde Speaker, at the Conference of CARICOM Association for Small and Medium Enterprises, I am happy to relate that Guyana is the only CARICOM country that has its Small Business Act being implemented. The Small Business Council is fully constituted, and is functioning effectively. The Small Business Bureau will be established this year, and this Bureau will implement the proposal made by the Small Business Council. A state agency that comes under the purview of our Ministry is the Guyana National Bureau of Standards. It is in the forefront of formulating and implementing standards, which are a prerequisite for a modern and prosperous Guyana. Dr. Chatterpaul and his hard working staff have implemented standards and regulations for enterprise and industry, for which the general public was able to benefit. There is now an increased acceptance and utilisation of the metric system by local manufacturers as a result of continued

metric sensitisation, and awareness of stakeholders, dealers, vendors, shopkeepers and others to facilitate the conversion of imperial devices to metric.

Mde Speaker, there has been increased compliance rates by business and verification exercises conducted during 2006. A total of eight hundred and eighty-nine scales, two thousand one hundred and ninety-eight weights, and eight hundred and six measures were initially verified. During this year the Guyana National Bureau of Standards will continue to intensify inspection at the ports- of- entry and sale outlets to ensure that devices imported, and offered for sale, are verified by the Bureau, as is required. This year, the Ministry will bring to this House the Metrication Bill that will provide the enabling legislation for Guyana's full advancement of the metric system, and equalling our international counterparts in the usage of the metric system for all transactions -locally and globally.

Mde Speaker, the Ministry continues to champion the rights of consumers. We meet regularly, and have an excellent relationship with the various consumer rights bodies, including the Consumer Movement of Guyana, Guyana Consumers Association, and the Consumer Advisory Bureau. Consumer Legislation was passed in Parliament last year, and like the Competition and Fair Trading Act, the commission to facilitate the

implementation of the Act will be operational this year, and will be funded by the IDB.

The Ministry was successful in its endeavours to regulate prices for public transportation, ensure proper labelling and standards marks for electrical appliances, hire purchase agreements, and tips for consumers, to name a few.

Mde Speaker, the PPP/ Civic Government can be justifiably proud of its achievements in 2006. Most of the promises that were made in our 2001 Manifesto were achieved. In our 2006 Manifesto we would achieve our goals and promises we made to the electorate. In the tourism sector, we are already on track with strengthening and expanding tourism education and training, implementing tourism regulations, catalysing tourism development; and further improving facilities at tourism sites and attractions.

Mde Speaker, I know all patriotic members of the Opposition support this positive Budget, which will raise the living standards of our people, and propel us further on the road for building a modern and prosperous Guyana. Thank You. *[Applause]*

The Speaker: The Honourable Member, Mr. Desmond Fernandes.

Hon. Desmond Fernandes: Thank you, Mde Speaker. Mde Speaker, I rise to make my contribution to this Budget Debate. I listened to the Honourable Prime Minister earlier, where he had given a glorious picture about water and power. He also mentioned that he had visited Region 1 last weekend, but apparently he didn't go to Mabaruma, the centre of administration in Region No. 1.

Mde Speaker, in Mabaruma, which is the centre of administration the government administration, he talked about power. We have four hours of power -like from 6 to 10 in the night- on a good night. On a not-so- good night, we have two hours from - 6-8; and another community- from 8-10. That's on a reasonable night; then we go back to basics - the same flambeaux he is talking about, that's what we get - or a lantern. So when we talk about development and water and lights, and you visit some regions, it is important that we see what's happening within the various underdeveloped regions our hinterland communities. He did mention water, and of course we have one hour of water per day. Although we have one hour of water, we are happy for the hinterland water programme because, in some communities, although we have water for one hour, there is some amount of discrimination. When I was there on the 27th of last month, an old man with a group came to me- to a place called

Mabaruma settlement. He talked like Martin Luther King- *'I had a Dream' that one day I would get water and lights in my house.* He said that last year, on the 22nd of February, they turned on a switch: the Government turned on a switch, so they have water in Mabaruma Settlement, and he is proud. He said, *well now we have water, I looked forward to it for a very long time. It didn't happen in y' all time, but it happen in this time and I am very happy.* We too, are happy, but here is what is happening.

From then to now, we've been by the Administration on a number of occasions to find out... the water runs by my yard, and my neighbour is getting water, people further down the line is getting water, but I am not getting water. There seems to be a problem, a few selected people are getting water. Another person said. *"We have nine houses in my area that are not getting water and lights."* This old man, who had a dream, was hoping to get water since the 22nd of February last year. He said *"the lights came just a few metres away from my house and my neighbours have lights I don't have."* I want to bring this to the attention to the Honourable House and of course, to the Honourable Prime Minister- to look into those issues where they may be small but they affect people within the society, affect people within the communities, and Mabaruma Settlement is a predominantly Amerindian community, and they are happy that they have got some amount of water supply, and I just thought that, I should mention that so therefore the

Honourable Prime Minister should not give the impression that all over Guyana is bright and beautiful, because that is the state of administration in Region 1, Honourable Members.

As I look at the area of agriculture, I don't know what is the thinking of the Government but to me, agriculture in Region 1 needs some more support. It need a lot more support. There was a time in Region 1 when there was a functioning agricultural extension centre. We had extension servicing officers who used to go into the river-rain areas, to the farmers, and I am sure that they gave the necessary support to the farming community. Today, the Agriculture Centre at Mabaruma is in a bad state of disrepair. We have one officer working there. There was a time when there was river transportation. There was a time when you had land transportation but today, the sole officer does not even have a bicycle. If something happens in one of the communities and the services of the officer is required in one of the river-rain areas, the farmers have to come down to Mabaruma and say ,that the crops have some problems so when they come to Mabaruma, they would thentake back the officer to the region... to the area, to let him see what the problem is and bring him back there and he would recommend whether you have to get insecticide, whether you have to get pesticide, or whatever is the problem, but all I am saying is that... and you don't

find it in the Region easily because the Region doesn't have that kind of supplies within the area.

Mde Speaker, there is also the Hossororo Agricultural Station. This is one of the stations that used to supply planting materials for the whole of the Region and farther afield. Today, the Hosororo Agricultural Station is in a bad state. So the only thing you could find in that area is this cocoa plant. The whole thing... the houses have fallen apart. There is no support within the area, and I feel to myself that it's important, if you talk about developing a community, developing a region of which agriculture is the backbone for that area, then you need the support from the Agricultural Research Centre. I also want to mention that we should look again at the Wauna Oil Palm Project. Wauna Oil Palm Project is a project that will give service, such as employment, for four communities: Kamwata, White Water, Wauna and Ajalfa areas. It doesn't seem that the Government is giving a good thought, at this time, to the Wauna Oil Palm Project, but that is one of the areas where the Government should review and see how you can put the necessary inputs in the Wauna Oil Farm Project and revitalize that project.

I notice that the Budget has only \$4M for agricultural development in Region 1. Of course I am happy to say that one of the Amerindian communities would benefit from

that project- a community called Kamwata, where they will have a nursery, but what about the other nurseries that we have in Hosororo. It is wise that we look at those areas.

Mde Speaker, the Honourable Minister Nokta... I guess he smiled earlier when the Honourable Member, the Honourable Minister of Finance Minister was speaking about this roll- on Ferry- two roll on and roll off ferries, because he, in his presentation, and his campaign issue during 1992 was talking about the M.V. Kimbia, and he called the 'Kimbias' a 'slave ship.' He also said that cuirass would bore the 'slave ship, *and that if you support the PPP/C we are going to ensure that we give you a modern ferry.* Mde Speaker, in the Minister of Finance's presentation he mentioned the two ferries, but this roll-on thing is not for the North-West. That's for up the Coast; so after all the years we still have the *Northwest-Kimbias* ferry- the same 'slave ship'; and up to this time it hasn't been bored yet by 'cuirass' *[Applause]* And I am very happy. I am very happy, because the Finance Minister said that we have to get the boat. I don't have anything with the... Mde Speaker, I don't have anything with the Northwest Ferry. I feel that the only change that the Northwest Ferry had recently is that it used to take about 16-18 hours, but now it takes like 26-30 hours. *[Laughter and Applause]* Mde Speaker, I believe that the ferry is a good ferry for Region 1. It is still giving a good service to Region 1. The only

recommendation I would like to make is that the Honourable Member, Minister Benn should ensure that we have more regular service. Rather than a fortnightly service, we should have a weekly service, because, as you know, if you think about developing the farming communities then you need more access to markets- more regular access to market. If a farmer wants to come down here and spend one fortnight, when he goes back to the region a lot of things could happen to his farm. There are some farmers who live on the Coast who are able to come every day, but with a fortnightly service- which I think is good, but I think we should have a weekly service, and I hope that the Honourable Member responsible would give it a thought, in terms of having a weekly service to the Northwest.

Mde Speaker, in both His Excellency the President's address to the Parliament on 28th of September, and Minister of Finance's presentation, they talked about telecommunications, information technology, internet. I love that, especially for the hinterland, because it could create a lot of jobs for the young people. Mde Speaker, allow me to read from His Excellency, the President's address to the Parliament. He said that

*My Government will liberalize
telecommunication sector. That's Page 15*

We will work to connect some eighty percent of our households to the Internet, and to make every Guyanese computer literate.

Yes, that's wonderful; and let me say this here now, Mde Speaker, that if all this... every Guyanese become computer literate, or 80% ...If this Government could ensure that that really happens, I would tell the Honourable Opposition Leader that breaking crowd I. *[Laughter]*. I would do like Lamumba *[Laughter]*. I am going over to the other side. But Mde Speaker, all this here have to do with power- electricity. If you don't have power for this telecommunication, for these computers, for these internet services,, we really are not going anywhere. We have to ensure that, with that four hours of power we have to get at Mabaruma, we have those people from Wauna, Hatakwai and Hobodai to come down there at night time to ensure that they have access to the internet. *[Laughter]* Unless, Mde Speaker, there is some other plan. Unless there is some other plan, where there is solar system, to give every community, and that would be wonderful but, so far, I haven't heard anything about that solar system yet, but that would be wise, because if you talk about 80% literacy, then we're talking about every Guyanese computer literate- that's power, electricity. We can't have those people in the communities travelling miles and miles just to be with central administration to get four hours of

power in the night time. In the night time, not in the day time ...

Mde Speaker, a good vision, a good foresight, that's a good plan but we have to ensure that we put the necessary things- The Government has to ensure that it puts the necessary things in place, to ensure they have adequate power so that the Region would indeed benefit from advanced science and technology. Therefore, we would have access to other land. We have a sense of comparing what's happening within our communities, and what's happening further afield, and I would have to commend the Government if that should happen.

I would like to take this opportunity, Mde Speaker, to congratulate the Minister of Sports, and, of course, the Government, in getting the all- clear with Cricket World Cup, because we all love cricket. We want to see the best for our nation at this time. The other Honourable Member mentioned the West Indies team earlier but, of course, Guyanese would feel proud that our stadium is in order- and on that same note, I wish to commend the... I should say, in our term, we say 'give Jack he jacket', but I know in this Honourable House we would say 'Give unto Caesar what is Casear's.' Mde Speaker, I wish to say 'Give unto Caroline what is Caroline's; I wish to mention the Honourable Member, Miss Caroline Rodrigues.

[Applause] I want to say that, in the area of Amerindian Heritage... you know there have one month of Amerindian celebration, the Honourable Minister introduced sports, where Region 1 competes against Region 9- and every year, you know, it has become more like a tradition, where the young people of Region 9 would come and compete with Region 1, and they have so much support come out, because we have talent in the hinterland, and she recognises that, but that's only in the area of football.

Mde Speaker, we all feel happy to hear that \$100M will be spent on sports, and within the next five years \$1.5B. We will also be happy when we hear Cleveland Forde doing well out there. He is from the hinterland. Gwendoline O'Neil went the other day to fight in South Africa. She lost the fight, but if she had won we would have felt so happy. Gwendoline O'Neil is also from the hinterland. In 1996, an under-17 team came out here. Honourable Member, Mr. Whittaker, can vouch for that This came out here for the very first time and got support from the Private Sector - an under-17 team and they won the championship in Georgetown. Immediately after, four of them went and played in Trinidad. When they came back here four members made the national team, and they were in the national team for a number of years.

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National Assembly Debates

13th Sitting

14:00h

Friday, 9 February 2007

PART III (cont'd from PART II of III, Page 161 of 232)

The point I want to establish here is that we talk about sports- and \$100M in sports. Let's get about thinking to the people from the hinterland- the young people from the hinterland because it is important that they also participate and benefit from these activities. Apotoro in the Mabaruma District in Region 1 is a community that loves sports. They are always participating in sports, but you know, the Government, in their wisdom, built a school on the sports ground. But in this 83,000 square miles they didn't give Hosororo another piece of land for sporting activities. We know that we must have entertainment. Our people have so much talent. We would like to have a part of this \$100M, if the Minister could donate some sports facility in Hosororo so that the young people would also benefit from this large amount of money.

Mde Speaker, it is important that, as we think for the development of our young people, let us not only concentrate on those from the coastal belt, or the urban areas, let us also include those from the hinterland ...

[Applause]

Mde Speaker, I want to talk about this Petro-Caribe, the Venezuelan deal, talk about oil. I also wish to talk about border trade. You know, the President did make mention of this in his speech when he was addressing the Parliament. On page 24 His Excellency the President said

My Government would also strengthen its engagement with Latin American and other neighbouring countries in order to promote trade and resolve long-standing border issues

I don't want to talk about the border part; I want talk about the trade part.

Mde Speaker, when the Honourable Minister of Finance was making his presentation he talked about Lethem, and that they are putting up some facilities to ensure that you have accomodation for Customs, Immigration, for trade in Lethem. I know also they have some amount of trade between the Corentyne area and Suriname- but in Region 1 we don't have that kind of activity. We don't have that trade. I want to encourage the Government to give a thought, to consider setting up an area that can have border trade from Region 1 to Venezuela. The reason being, Mde Speaker, is that there is a lot of smuggling going across the border. A lot of fuel comes across from Venezuela to Guyana. GUYOIL does not have enough fuel to supply the businesses within the area. And hear what happens, the Government fuel from GUYOIL is about \$42,000 per

drum, the fuel that comes from Venezuela is in the range of \$21 – 22,000 a drum, so you find people very close to the border, even if they have to go through the bush and fetch it across- they fetching it in 5 gallon containers and all those kinds of things like that. They bring across all kinds of goods security and the people run behind them all around the place. But you don't really hear of people getting prosecuted and all sorts of things, because business happens down there. If I bring 50 drums and I give you a \$1,000 for each drum the business is finished. *[Laughter]*

Mde Speaker, we are talking about building this thing at Lethem to house Customs and Immigration, but at Morawhana they already have the Customs House, and Immigration House. They already have infrastructure there. I am talking about border trade between Guyana and Venezuela ... *[Laughter]* Mde Speaker, I am saying that in Lethem they are now building, the facilities, but at Mabaruma you already have facilities, so therefore we don't have to close off the border. I am saying that the Government should give a thought to open the border trade with Venezuela and Guyana so that the goods would come through the Morawhana area; because from Morawhana to over the border is like three miles to four miles, and some areas are closer. I am saying legalise it rather than have people smuggle the goods to come across. Let us pay duty so that the young people in the area don't have to hide, but they have opportunities to get jobs- to earn decent wages, and to ensure that they wouldn't be breaching the law. I am further saying that rather than

bringing the fuel till to Georgetown here, when we're so close to Venezuela ... and you are talking about this Petro-Caribe deal. Why don't you let the Northwest fuel come through Northwest and let us use that portion in Northwest ... you don't want that portion to come to Georgetown because it's closer and it's cheaper. *[Applause]*

All I am saying is that I would like the Honourable Members from the Government side to give it a thought, because it may be wise ... *[Interruption: ... 'We will look at it'. 'Thank you very much Mr Prime Minister. 'Thank you very much']*

As we talk about fuel, in the presentation we heard about hydro-power in Barima. For me that's good, because that's bringing power into the far-reaching communities. I support that. All I want to know, Mde Speaker, is which part of Barima River. Barima River starts in Venezuela- in Orinco, and it comes all the way Matakai and going back to Venezuela. I support hydro-power, but then, as a member of this Honourable House, I would like to go back to the Region and advise the communities when this thing will be happening, and where it will be happening, because we really want to clock in on this telecommunications, you know. *[Laughter]* We want to ensure that we're a part of this computer literacy and all those sorts of things you talked about earlier.

You see, Mde Speaker, it is important that when you talk about developing you talk about developing in totality. The Honourable Prime Minister mentioned earlier that we

have access to the computers you know, all over the place. I want to know, in those communities, what kind of computers you are going to get. But Mde Speaker, it's a good programme. I support it. I never had a good conversation with the Honourable Member Lumumba, but I may have to join him and then these things may happen.

Mde Speaker, I listened to the Budget, and something in there looked so very flashy, but good- that the Government would resurface the Yarakita Road this year. The Honourable Member Mr. Nokta... I let he smile when he saw this part again, because he was talking about this Yarakita Road for so many years- that the Yarakita Road wasn't resurfaced until this Government took office. Vehicles can't go in the area. They have to use boats, but I would want to suggest that as you are resurfacing the road, why not put a little fund as well into the river, the creek that the people use. Clean the creek, so that farmers can have more access to the agricultural lands. You see, then people, would have easy access to markets and come out and sell their goods- and you are a caring Government. *[Applause]* Also, the Honourable Prime Minister talked about Matakai and Arakakai, but if you see the condition of those roads there. Some money should also go to resurfacing of those roads because I think it's only wise. But an area of concern, Mde Speaker is an Amerindian community called Barakima. As far as we know people live there and last year, members of the local administration decided that they would block the Barakima Creek. It is called Kumaka Creek. Now you have two ways

to go into Barakima: one is by road, and one is by this creek. The poorer classes of the community because they don't have the finance to pay minibus, or van, or truck, or whatever, they would paddle down the creek market their goods. They would sell off what they have to sell; paddle back using their own energy and go back to the community, and this way it was easy for them. I mean although they are in a minority, and it's a kind of a novelty now to jump in the minibus and go down to the market, but you have to have the money, so of course the poorer ones would paddle down there.

Mde Speaker, the point I want to establish here now is that the local administrators, in their wisdom- although I don't know what kind of wisdom, is that, block up this creek, and those who are left outside – left outside-those who are left inside, left inside. *[Laughter]* Mde Speaker, these people stick this wood across the river and blocked it. *[Laughter]* Now, why would we want our people to endure this? Why would we want that to happen? After the people from Bakarima protested about it they said *alright, hear what we are going to do: We going to take of the door off the culvert. We going to take off the door off the culvert* Mde Speaker, these boats are now passing through the culvert, so what is the use of the culvert. Why did you put a culvert there and then take off the door? *[Laughter]* This may sound like a joke but, it's true. But the poor Amerindians from Barakima-my relatives, they are suffering at the back there. I want to encourage the Government to talk to these young administrators and see

whether they could remove that culvert and if necessary build a higher bridge so that more boats would pass, because we have reached to a stage where... Some of the persons within the area only use paddle boats, but they want boats with engine now; so build a higher bridge because they will move faster. I want to encourage the Government to review this situation and ensure that you don't punish the people in Barakima? What you punishing them for? I can't do what they are doing and you know when elections done ...

Mde Speaker, I want to encourage the members of Government's, side of the House to do this very quickly, because we have the May-June rains coming and the lower lands will be flooded because of the culvert that they put in the place there, because it is blocking the water, so I hope a very early review will be done of that area. Mde Speaker... *[Interruption: ... 'Tell us about Carolyn' 'She is doing a wonderful job']*

Mde Speaker, we talk about empowering Amerindians, about employing the people of the hinterlands. One of the more important ways of empowering people is to give them jobs so that they can work. I know that the Government give them handouts- like an engine there, or a boat there, or a power saw there, you know? That's good, but they would prefer to, work for their own, and buy their own engine, and buy their own standby, and buy whatever else they need. When the Honourable Prime Minister talk of powerless telecommunication and all those kind of

things, they will buy their own standby and work it but they need access to resources. Look, there are some communities... when the Government has contracts within the area the contracts are put in such a way that the Amerindian man can't get the contract, because it is set up in a way that other persons would get the contract, who they identify to get the contract, but in these communities, if the people get the smaller Contracts, then it means that they would have an opportunity to earn for themselves. [Applause] They want to earn right within the area so that they will cut wood right within the area and build for themselves. They can fend for themselves. [Applause]

Mde Speaker, to my mind, in that way you will create employment, and at the same time, you're empowering the people in the area.

Mde Speaker, those were some of the concerns that I wished to raise at this forum here, and I wish to say thank you very much. [Applause]

The Speaker: Honourable Member Mrs. Sheila Holder.

Hon. Sheila Holder: Thank you very much Mde. Coming after that very spirited, amusing, but to rather serious presentation by the Honourable Member Desmond Fernandes, I regret to say that I have to confess that it took me a great effort to muster some semblance of interest in the presentation of this year's Annual Budget.

If the truth were to be told, this exercise has lost its true meaning for a substantial number of people in our country.

Not where they have no confidence in the ability of the Honourable Minister of Finance, but I believe that, to some extent, like this new Party of which I am a part- The Alliance for Change, he is coming into an environment that has already been sullied by what has transpired over the past number of years.

Mde Speaker, I believe that, in going back to basics, the purpose of a Budget ought to be an exercise in stocktaking of the social, political, and economic problems facing our country. The fiscal and economic measures proposed thereafter, should seek to ameliorate those problems. A Budget that doesn't pass that test is therefore a Budget of futility. This, Mde Speaker, is a litmus test that ought to be used in assessing this year's Budget presentation, and whether or not they have met those parameters. The first order therefore, I believe, is to identify what are the social, political, economic problems facing this country. From our perspective, the pivotal problems are a national economy that has been in recession close to a decade. The next is Government's failure to grasp the fact that economic development can only occur within an enabling environment, where a culture of investor friendliness exists; where a worker can get a fair day's wage for a fair day's work; where the judicial system is perceived to be timely in dispensing justice; where crime is under control; where the education system produces a workforce with the skills that are needed by the business community, and where, politically, there is stability, governmental

responsiveness, transparency and accountability, and a willingness to acknowledge when criticism is deserving.

Mde Speaker, in looking at how this years' Budget proposes to deal with these issues it is my intention to focus broadly on the areas I have been assigned, namely- the health sector, the tourism sector and the public utilities sector. Mde, let me say, at the outset, that it was heartening to hear the new Honourable Minister of Finance locate Government's vision within a process of modernising the economy, utilising the tools and techniques that are best suited and adaptable to our local situation. May I remind the Honourable Minister that it was only a week before his Budget presentation that Government ignored that very objective when it forced upon this nation the introduction of Casino Gambling, without even an offer of an opinion from the Tourism and Hospitality Association. Mde, while Government is making the claim that legalised gambling will enhance tourism and boost the economy, they have refused to offer one iota of supporting data of how, when, where, and why this would materialise. In fact, the Minister, in his Budget presentation, made absolutely no mention of the projected economic targets envisaged, that will accrue from legalising gambling in this country. It is such anomalies that betray the very trust that the Minister said he hopes to secure in building a modern and prosperous Guyana. Instead, tourism is hinged to a stronger growth of the economy, and great emphasis is placed on promoting that which has been allocated - \$65.6M, to execute the

development of a recognisable image of Guyana as a unique destination, we were told.

On page 27 of his presentation, the Honourable Minister describes development of this Sector as... and I quote:

It combines business with tourism products such as leisure, events and sports tourism, and nature-based tourism.

Mde, while this Government experiments with new tourism products of that sort, countries like Belize and Costa Rica, little known destinations up to a few years ago, forged ahead of Guyana in cornering the ecotourist market with meaningful governmental support, as was noted in the *Ram and Mc Rae Report on Budget Focus 2007*.

Former Finance Minister, Kowlessar, in his 2001 Budget presentation for President's Jadgeo Government, said and I quote

That the Government has developed a comprehensive Development Strategy for implementation over the last five years." He noted that the Government envisaged that, by 2006, we will have a very robust, diversified economy that is both capable of withstanding adverse external shocks, and competing effectively with the new globalized environment.

Five years have passed, and as the new Minister, in a new term in office, for the People Progressive Party Civic Government rose to present to present the 2007 Budget under the Theme '*Building a Modern and Prosperous Guyana*' it became clear that the development targets were not achieved. The floods of 2005 and 2006 have, no doubt, tested our ability to withstand shocks, but the annualised growth of 0.93% from the years 2001-2006, Guyana is not where it should have been. Yet, in the midst of resource-sapping brain drain, this Minister believes that the stage has been set for *accelerated development in Guyana over the next five years*- from the end of quotation in the introduction of this focus on page 5.

Mde Speaker, I want to make the point here that successive People's Progressive Party Civic Governments have earned the reputation for excluding expertise that is perceived to be politically non-supportive. Mde, this is by no means peculiar to this Government, but has been, nonetheless, very detrimental to the Government-stated development objectives, as the practice has been very discouraging to their nation-building efforts.

Mde Speaker, no amount of complaints about the practice of sidelining professionals who are not closely aligned with the governing political party and indeed, outright blacklisting of many perceived to be supportive of the Opposition, have brought an end to this intimidatory practice. Today, we are witnessing the claims by *Stabroek*

News that this Administration is misusing taxpayers' funds in an effort to suppress the newspaper. International opinion is fast building against the Government, leading one to believe that one day soon, the penny would drop, and Government will come to realise that it is foolhardy to pursue such a policy, in light of the fact that it rebounds to the detriment of the Administration, in the final analysis.

Mde Speaker, take, for instance, GUYSUYCO, that has the Booker- Tate Management contract. There has been a systematic programme of laying off experienced Guyanese field and factory professionals. Some, we're told, have been laid off supposedly because they have reached retirement age, yet they are quickly replaced by highly-paid expatriates. It has now become evident that negotiators of the GUYSUCO Booker- Tate contract have undermined local professional expertise from the sugar industry by providing opportunity for the contractor to benefit financially from sidelining locals, while doing little or nothing to retain young professionals in the industry.

Mde Speaker, for an Administration that claims to be interested in the welfare of Guyanese, that state of affairs is reprehensible. Be warned, we are taking a close look at developments in the Skeldon project to see whether this trend will continue. Meanwhile, the Minister made no mention of the situation with regards to the Demerara Estates, which continue to be a financial drain on the industry. How does the Government plan to deal with the

loss making estates is an explanation, I believe, the Finance Minister owes this National Assembly.

Mde, with respect to Bauxite, we are hopeful that the investment initiatives currently developing will accrue to the benefit of the long- term viability of the industry, and for the large number of workers who earn their living from bauxite production. The Alliance for Change would like to see Government investigating the possibility of economic opportunities in the mined out areas. For example, we suggest that the lakes that were created where bauxite was once mined could possibly be used for aquaculture, and swimming for recreational purposes, if so, will the fish reared in those lakes be fit for human consumption? We would like to see the Government encouraging the University to get involved in such scientific investigations in order to alleviate the high unemployment in that Region, and also to encourage local entrepreneurs in the Region.

Mde Speaker, conspicuously absent from the Budget, for the umpteenth time, is any reference to the time state of unemployment in the country. I was pleased to hear the Honourable Minister indicate in today's presentation that such a study is in the making. It is long overdue. In fact, it has been promised by this Administration for most of its existence. Maybe because it's a great concern of this Party, the unemployment rate, we believe, is threateningly high but, more importantly, how can Government begin to effectively begin to propose solutions for the social and

economic difficulties confronting the country, if there is no reliable data with which to work?

Turning now to the Health Sector, let me say, categorically, that there have been improvements for which the Minister and his staff should be complimented. We urge them to pursue to successful conclusion the strategies being devised to retain our doctors and nurses within the public health system throughout the Regions, and also that the facilities continue to be upgraded. Mde Speaker, we are pleased to learn of plans to modernise the regulatory framework within which health institutions and workers currently operate. We trust that, in so doing, the baby is not thrown out with the bad water, but that appropriate regulatory space is made available for the practice of alternative medicine. It is however noted that, there exists a correlation between the poor performance of the economy and the deteriorating nutrition of children and of pregnant mothers in the country.

Mde Speaker, I look forwarding to hearing, from the Health Minister, by what time he envisages the disparity gap between the rich and the poor in accessing health-saving and sight-saving treatments will be closed. I look forward also, Mde Speaker, to the Minister enlightening us about the manufacturing distribution of nutritional supplements to reduce morbidity and mortality in the target groups specified.

Mde, in regard to other health issues, we welcome the stated intention to build multi-purpose sports complexes in

each country. We welcome the news of the Government's intention to invest in sports equipment, and the construction of an Olympic-sized swimming pool ... [Applause] since, Mde Speaker, they will go a far way in opening up opportunities for our young people to truly unlock their potential in the sport of their choice.

Turning my attention now to the public utilities sector, it was noted, Mde, that while speaking about power generation the Honourable Finance Minister said,

Government's stated objective to bring affordable and reliable electricity to all Guyanese ...

This is welcome news, because we are aware that the IDB's funding, disbursed for the un-served areas electrification programme, has been stopped, precisely because of the high rate of stealing of electricity in those areas, which points to the issue of affordability.

Mde, I would like to hear the Honourable Minister, or one of the subject Ministers, tell us how Government proposes to deal with this problem, given that there is now an awareness on the part of policy-makers and regulators around the world, that a good gauge of how democratic a country is could be calculated by the degree of access its citizens have to essential basic public utilities services, such as water, telephones, and electricity. In spite of the

march towards liberalisation of services, the affordability argument, which strengthens others on accessibility and cross- subsidies of public utilities services, debunks the argument about globalisation, which tends to ignore the responsibilities which a state should have for its people.

Mde Speaker, under the CSME Treaty, competition policy requires CARICOM countries to regulate anti-competitive behaviour within trade and services. I listened to the Honourable Minister, now responsible for consumer protection, tell us a while ago about plans to establish such a Commission. I get the impression that he is unaware of the fact that His Excellency, the President, has not signed into a law the Consumer Protection Legislation, and I am therefore, wondering about the practicality of whether he says is likely to happen with the establishment of that Commission.

This is very troubling to many consumer advocates in this country, and I daresay, also within the region because the impression was given that Guyana had taken the bold step to enact, after many, many, years, consumer protection legislation. What that means, of course, is that something we considered to be important for the people of this country, the President has chosen to disagree, when he refused to affix his signature to that very important piece of legislation.

Mde Speaker, I would like to make the point that the telecommunications sector is indeed opening up, albeit

tentatively, but it needs further examination, and appropriate laws enacted, in order to achieve CSME standards of competitiveness, which, I believe, would in turn go a far way in satisfying the public's demand for telephone services in unserved areas around the country. For a country so well endowed with water- a scarce resource in many countries, it is very disappointing that the Guyana Water Incorporated has not been able to deliver a service that is characterised by efficiency, reliability, and distribution of safe potable water to citizens. Mde Speaker, the problem being experienced by GWI are those of unfair treatment of consumers because the high cost of leakages in this system is being passed on to consumers, while putting them at risk for contaminated water. As I indicated at the beginning of my presentation, Mde Speaker, these difficulties are a manifestation of deeper social, political, and economic problems, which would threaten our fledgling democracy if not attended to by this Government with the sensitivity and care that is required.

Mde Speaker, in closing, I would like to assure the Honourable Minister that those of us in the Alliance for Change concur with his concluding comments that for Government's 2007 Budget to be successfully implemented, it will require a favourable international and domestic environment, and that, while they do not control the external environment, as the Government, they certainly can put in place mechanisms and measures to grasp available opportunities and limit negative effects so that, collectively, we can shape events for our own benefit,

and for the benefit of generations to come. We wish him well, and we put him on notice that we will be watching to see how he responds to the concerns we have raised. Mde Speaker, we are willing to promote Guyana's interest in an atmosphere of peace, understanding and trust, and by working hard together. Happy Birthday to you, Sir ...
[Applause]

The Speaker: Honourable Minister, Dr. Desiree Fox.

Hon. Desiree Fox: Mde Speaker, I rise to support the Government's position for the delivery of quality education to the Guyanese nation, and to support the vision of this education, and its estimates, as presented in the National Budget 2007 by Doctor, The Honourable Ashni Singh on Friday, 2 February 2007 in this Honourable House. But before I continue on this note, I would first like to answer the Honourable brother on the other side- Honourable Desmond Fernandes, as it relates to the questions he had on the Wauna Oil Palm Estate. Please note that there have been several attempts made to privatise the WOPE since 1996, as follows:

- It was originally advertised in 1996, at which time two proposals were received. The Kurupakari Inc was rejected but J.Badal; the other one was pursued.
- Second, in 1998, the WOPE was re-advertised, and one proposal was received from B. Matthews in association with PRIME Group. It was recommended to Cabinet to accept the proposal.

However, the deal fell through because of internal difficulties with the partnership. I am just trying to give you the information, as it relates to the WOPE, and the issues concerning it, and some of the comments that were made by the Honourable Member.

- In 2000, a proposal for WOPE was received from C. Correia following approval from the Privatisation Board. Direct negotiations with this Group started and spanned over a year. At the end of 2001 the structure of a deal was roughly defined but negotiations on certain issues were protracted ... *[Interruption]* Mde Speaker on a point of order, I need clarification in the very Standing Order, *Contents of Speech*, referred to earlier, the statement being read verbatim by the Minister ... and in no way am I being facetious in that contained in an answer provided to members this afternoon. So we already have that information in hand. What I am asking is that the answer is being provided twice or ...? I am really seeking clarification rather than saying that she should or should not do it. The question was asked by Mr Mc Allister and already answered.

The Speaker: I didn't realise that, Honourable Member, what you said, but perhaps, if that is so, and if The Honourable Minister is reading the very answer she could just, instead of reading it, refer the Honourable Member, to

the answer on Wauna. You know, if that is so. I do not know whether the answer ... because I don't have the answer to the question and if there was indeed a question, on the Wauna Oil Palm situation and that was the answer you were reading, then I think, Honourable Minister, that it would also save us time. If you would point the Honourable Member to that answer that was given, and that the Government stands by that, or whatever, rather than go through, again, it would save us some time. I don't know if it is the same thing you are reading from, the same answer.

Hon. Priya Manickchand: May it please you, Mde Speaker. I beg to differ with the Honourable Member's opinion as to what can be done by this side of the House. This was raised in my friend's, Honourable Member Fernandes' presentation under whatever, and there was no objection to that, or ruling from this House on that, and if the Honourable Minister chooses to respond by reading something verbatim, or an elucidation of whatever is written there, then that is her right, please, Mde. She would of course be using up her time and that would be a consideration for this House.

The Speaker: Please Mde Minister, I mean there is also a rule, and the Honourable Member did not point to that rule. I thought that was what he was pointing to. Let us not get contentious here again. The Honourable Member, I thought he was pointing to the rule that you may not read your speech, although many of us do that - almost

verbatim, but that is not what she was doing, but my answer to her, is that if indeed she was reading from a very answer which was presented today in writing, perhaps it should save us time, here, that she could just point the Honourable Member, she could do it and say *look, we have given an answer on your oil palm thing, and perhaps it would be prudent for you to do that*. It's just a suggestion, it's not a ruling in any way or form. Okay, it's just a suggestion to save time. If you don't want a suggestion, and you want to read, as part of your time, and consume your time, that way, Honourable Minister, well, you are also free to do that because you could read on.

Hon. Desiree Fox: Mde Speaker, thank you very much, and I would just refer the Honourable Member to look at the answer there ... [*Applause*] and if he seeks further clarification, then, he would have an audience with the Minister of Agriculture. As I said before, I rise here to talk about the Government's position for the delivery of quality education to the Guyanese nation. Since the concept of CSME, and the whole idea of free movement of skills in the Caribbean Regions, the focus of education within the Caribbean Region has changed, and is changing, and therefore, because of that, a lot of objectives for the nation has malfocused. For example, giving quality education that is irrelevant to the realities and the experiences of the Caribbean countries. Guyana, within this context, therefore, Mde Speaker, has a general vision of what Education, should be for Guyana; so that the general vision of education in Guyana, is to develop

citizens who will be able to continue the modernisation of Guyana and live in mutual respect. In addition, education is seen as the medium for eliminating illiteracy, which has become a big problem, not only in Guyana, but within the Region; modernising Guyana; strengthening tolerance; and escaping the poverty trap. In order to achieve these, the mandate of the Ministry of Education continues to dedicate itself to ensuring that all Guyanese, regardless of age, race, or creed, physical or mental disability, or socio-economic status, are given the best possible opportunity to achieve their full potential, through increased and equal access to quality education, as defined by the standards and norms outlined by the Ministry of Education. Therefore, the commitment to quality and equity in education, with no barriers in access to anyone, is clear in this Declaration.

Mde Speaker, the Ministry of Education defines education as more than the instrumental activity of supporting greater national development, or reducing poverty. This is because it has its own value. Thus it is seen as the main channel for helping each Guyanese to achieve his/her highest potential and it should be able to give Guyanese the necessary knowledge, skills, and values to lead happy and productive lives. Additionally, this education should teach them to love their country, and to respect the diversity of its ethnic, religious, and political position also, they must be able to adhere to the ideals and practice of democracy, justice, peace, diversity and accountability.

Mde Speaker, although children are, and should be, the main target of education, the adult population, and mainly young adults, must have the opportunities to learn. To achieve this, the responsibility of the Ministry of Education is to define the quality of education to which each person in the system should have access at each time and space.

Mde Speaker, in keeping with the mandate outlined before, Budget 2007 has once more given priority to the education sector. This has been the trend over the years, and this is exemplified by the following data:

In 1992, the funds allocated to the Education Sector was 4.8% of the Budget; in 1995 it was 6.7%; In 2000 it was 11.7%, in 2005 it was 13.7% Last year, over \$3.1B was spent on education and in this year 2007 funds totalling \$15.6B has been allocated to the Education Sector. It represents 16% of the National Budget. *[Applause]*

This includes... the allocation includes the Regional Education Budget, as well as Central Ministry's Budget. This is because the Government, through the Ministry of Education, will continue to implement its educational plan, which is being currently guided by the 2003-2007 Education Strategic Plan. The Strategic Plan's achievements in 2003-2007 is also being assessed thoroughly, as the Ministry- seeks to begin to focus on preparing for the development of the next medium- term

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plan -2008-2015, in keeping with the *Education for All* and
the *Millennium Developmental Goal* deadlines.

Mde Speaker, one of the priorities in the implementation of the Education Plan, as pointed out by the Honourable Minister of Finance, is the attainment of 100% of functional literacy by increasing access to nursery, primary, and secondary school education, through the rehabilitation and construction of schools within the ten regions. Mde Speaker, this is true, and is reflective in the allocation of large portions of the education budget to capital works by the Government. In this way, hundreds of schools has been, and are still being rehabilitated, and many new nursery, primary, and secondary schools are being constructed on the coastlands, and in the interior. The multi-million dollar secondary schools- three multi-billion dollar secondary schools are being built at Diamond, Bartica and Mahaica which each costing respectively \$400M, \$350M, and \$368M in order to fulfil the mandate of universal secondary education. The new Aurora Secondary is the first school to be built with funding from the IDB, under the Basic Education Access and Management Systems (BEAMS) to the tune of G\$239M. The rehabilitation and extension works on at least four secondary schools have been completed. These include Tutorial High School, North Ruimveldt, Lodge Secondary, and Charlestown Secondary. All these schools are equipped with furniture, real multi-purpose science labs, and there are rooms for Information Technology, Home Economics and Industrial Arts.

In order to improve the curricula, and the introduction of new innovative teaching methods to achieve functional literacy, The Ministry of Education continues to embrace the 1995 policy goals for early childhood education, which recommends that the first two grades of the primary education be conceptualised as an integral part of the early childhood education, so that teachers/students entering the Cyril Potter of Education can pursue an option in early childhood education, which would allow them to teach either at the nursery level, or in the first two grades of the primary school. In this way, it is envisaged that the foundation of early literacy will be laid. At present, Mde Speaker, the Ministry of Education, through the Basic Education Access and Management Systems (BEAMS) programme, has made a commitment to make literacy enhancement a key goal for pupils at the nursery and primary schools in Guyana. Teachers have been provided with specialist training during the July-August vacation of 2006 to deliver this literacy programme.

An important aim of this new literacy initiative is to provide teachers with the tools and skills for teaching literacy, which will improve the levels of students. There is an emphasis, therefore, on nurturing an effective environment in the classroom to encourage students to become excited about being better readers and writers. Phonemic awareness is one of the strategies used by the teachers, and this involves learning letters, and the sound relationship of these letters. Some of the main activities to

achieve this include reading aloud, shared reading, alphabet chart and the composition of language experiences. This type of approach is an improvement on the whole *word approach*, which was used by past teachers for reading instructions.

Mde Speaker, literacy and numeracy is fundamental to existence- to modern existence, and so major initiatives are being undertaken to improve on this in basic education. At the primary school level, the aim is to ensure that functional literacy is achieved by the end of the primary schooling. For example, last year \$460M was expended to revise the curricula for literacy and numeracy, and to develop lessons more relevant to the needs of the Guyanese society, and new methodology for teaching mathematics. The Interactive Radio Instruction (IRI) was graded for primary Grades 1 – 3 at a cost of \$512M, and this has resulted in the most positive results at the Grade 1 level. At another level, there is an attempt to involve the parents in the education of their children by the Ministry of Education, and this is through such initiatives as COMPACT for Literacy, School Improvement Advisory Committees, and School Improvement Planning. This gives a hands-on approach to parents, whatever their abilities, in their children's learning. The aim of this effort is to increase the children's ability in literacy and numeracy, through parental understanding, commitment, and help at an early age. Mde Speaker, this is important, and specific training schemes have been developed for teachers, and support materials have been developed for

parents to provide practical fun activities for parents to do with their children at home, school and community. These activities are all linked to the National School's Curriculum, specifically the literacy and numeracy components. The aim of this programme is to encourage parents to understand their children's curriculum, and to learn how teachers teach literary skills such as reading, writing, spelling, as well as maths- using the Interactive Radio Instruction (IRI).

Mde Speaker, at the level of the secondary school, literacy and numeracy is being tackled through considerations pertaining to placements, of students so that quality education can be ensured. Students are to be placed according to the individual student's home address. This will assist the students to maintain a good record of attendance, and ensure that they can study under better conditions. The Government is committed to removing any qualities of educational and financial provision, and consequent dropouts in primary, high and secondary schools. In addition, all students in the secondary system are now covering a common curriculum for the first three years, with extra support in Mathematics and Language Arts for weaker students. At the end of Form 3 all students will be able to choose from two elective pathways to complete their secondary education on the basis of their performance at the national third form exams.

Mde Speaker, the Honourable Minister of Finance also mentioned that teacher training would be accelerated to

ensure that all teachers are trained in the public school system. Mde Speaker, to this end, a number of initiatives have been pursued, among which are the extension of the Teachers' Training Programme, through the establishment of training centres outside of Georgetown in order to allow teachers, within the zone, to have access. One hundred and twenty cluster advisors have been employed to support, train, and help improve teaching standards. Regional resource centres are in place to provide training and resources for teachers in the hinterland regions. Training is provided by distant education, seminars, and workshops to the teachers. Unqualified are being upgraded to trained status, and there has been a significant increase in access to curriculum resources. This has led to the improvement of skills of teachers, and the improvement in the management and monitoring of schools. In addition, Mde Speaker, it is now possible to complete the Primary Teachers' Certificate Course by Distance Education. There is also a Management Diploma Course for senior administrators, Mde Speaker. Therefore, at the present time, there are now over seven hundred administrators in the system with comprehensive training in School Management.

[Applause]

Mde Speaker, I would like to focus a little more on the training of teachers through Distance Education, using the Guyana Basic Education Teacher Training Project (GEBET). This is a capacity-building project, which aims at improving the quality of basic education in Guyana, primarily by strengthening teacher training. Mde Speaker,

this programme has really accelerated teacher training in Guyana, and the Government will continue to support it, and this has been ventilated by the Honourable Minister of Finance in his Budget Speech 2007. *[Applause]* This Canadian \$6.2M project covered a period of eight years - 1999-2007, and has been very successful. It has graduated a total of three hundred and twenty-seven trainees with an additional three hundred completing soon. The certificate programme has operated across the hinterland regions, and there are thirteen operational centres with 65% of college enrolment now pursuing programmes by Distance Education. There are five hundred and fifty-one trainees who have graduated from this programme, and the first hinterland teachers were awarded CPCE certificates in 2006 with 100% success rate. *[Applause]*

Mde Speaker, with qualified teachers who have benefited from the GEBET Programme, we stand an excellent chance for continuing quality teacher- education in Guyana, henceforth, the delivery of quality education throughout the length and breadth of our nation. At presently BEAMS, and EFAFTI (Education For All And Fast- Track Initiative), are using the GEBET-BEAMS foundation, and certificate models, and are extending funding to cover the expenses to sustain the training for the remainder of the foundation, and the Certificate Programme trainees. BEAMS will focus on the foundation programme, while EFAFTI will focus on the Certificate. The GEBET programme is likely to have a two-year extension.

Mde Speaker, the Honourable Minister of Finance has also pinpointed in his speech that the education system must be able to produce individuals who can function in the domestic economy, and the globalised environment. Mde Speaker, it is the plan of the Government of Guyana, through the Ministry of Education, to focus on the technical and vocational education and training. Guyana has therefore moved towards setting up of additional centres to meet an increase for technical vocational skills—the construction of new technical institutions in Essequibo and Corriverton, the realisation of a National Council for Technical and Vocational Education to establish and monitor standards. The piloting and implementing of the Basic Certificate Competency (BCC Programme) as an alternative pathway in the secondary school system, and the piloting of the \$42M Skills For Life Programme, which is designed to give out-of-school youths a second chance to qualify themselves, are all initiatives that are in place for introducing, and reinforcing, the technical vocational education agenda in Guyana.

Mde Speaker, the thrust of the policy on Universal Secondary Education seeks to provide equal access to a high standard of secondary education for all- primary school leavers, with the expectation of success that reflects the ability, aptitude, and interest of the individual learner. In this sense, the Basic Competency Certificate (The BCC Programme) is designed to offer students in the secondary system technical competencies. It is an alternative

pathway for gaining knowledge, desirable attitudes, and skills for continuing education, further training, and the world of work. The rationale is to have a cadre of skilled personnel, such as engineers, technicians, craftsmen available to Guyana, and the Caribbean Region. Students on this programme decide on their subjects for specialisation, based on their exposure to general introductory subjects such as Agricultural Science, Visual Arts, Home Economics, Industrial Arts, and Vocational Guidance and Counselling. The duration of training in this programme is one academic year, at the end of which they are certified. Students who wish to remain within the secondary school system are allowed to stay on for another 1 or 2 years to pursue CSEC. Currently, there are ten pilot schools that are implementing this programme. These include such schools such as the Linden Foundation, Fort Wellington Secondary, Lodge Community High, Hopetown PIC, St. John's Secondary, and Fellowship PIC. Many of these schools are engaged in subjects such as electricity, welding, joinery, home management, catering, garment construction, cake decoration and agricultural science. On the other hand, the Skills for Life Programme (SLP) was implemented in September 2006 at the BV Practical Instruction Centre PIC. It started off with an enrolment of one hundred and four students. Classes are taught in the evenings and weekends over a period of one year. Mde Speaker, this programme is one that is geared to give out – of - school persons an opportunity to gain a recognisable entry - level skill on the job market; or for further educational purposes. The cost of such a

programme is estimated at US\$30M, and this is needed for its implementation. The Government of Guyana has committed US\$10M from its 2006 Caribbean Development Portfolio. This was used to start the programme last year. It is hoped that its implementation countrywide would result in the training of about four thousand persons per year.

Practical Instruction Centres and the Vocational Department of secondary schools- GEBET Department will be utilised as the foundation for Skills For Life, and G\$43M from the Budget is being used to upgrade these centres. Mde Speaker, the areas of study in this programme include home economics, industrial arts, and agriculture. The home economics programme has nine courses which are pastry-making, wine-making, floral decoration, pickles, tie-dyeing, soft furnishing, and cosmetology. Subjects done in industrial arts are brick-laying and plastering. In woodworking, students do woodworking, which includes *[Interruption]*

The Speaker: Time, Honourable Member

Hon Samuel Hinds: Mde Speaker, I ask that the Honourable Member be given another 15 minutes to continue her presentation.

The Speaker: The question is that the Honourable Member be given another 15 minutes to continue her presentation.

Hon. Desiree Fox: Mde Speaker, in woodworking, students do woodworking, which includes cabinet making and joinery, while the agriculture programme offers courses in animal science and horticulture. We have had some challenges in this programme, but the present committed students will complete the programme in July of this year. They will receive a recognised certificate, and will be ready for employment.

Mde Speaker, education generally has been signalled as a national priority by the Government of Guyana. Thus, this is echoed in the National Development Strategy Document and the Guyana Poverty Reduction Strategy Paper. We all know that the road to national development can be achieved only through learning and hard work.

Mde Speaker, there is a profound level of thinking in the leadership of our country, and that is, to improve the human capital of Guyana by giving all citizens the opportunity to grow to their fullest potential. Guided by such a leadership, Mde Speaker, the future of our children's education remains secure. This is reflected in the Budgets before, and in the present Budget 2007.

Mde Speaker. I wish to support my colleague, Doctor The Honourable Ashni Singh, the Minister of Finance for presenting Budget 2007 so competently, and for making the education of our nation a priority in this Budget. Let us now look forward towards a modernised and prosperous Guyana. Thank you. *[Applause]*

The Speaker: The Honourable Member, Mr. Mohammed Khan.

Hon. Mohammed Khan: Thank you, Mde Speaker. Mde Speaker, I rise to support this 2007 Budget, as presented by the Honourable Minister of Finance Dr. Ashni Singh. This Government has set itself certain goals, as mentioned in the PPP/C Manifesto. The populace has endorsed this Government's programme and has given us the mandate, at the last General Elections to continue in Government so that we can implement the programme for the betterment of all in this country.

Mde Speaker, being one of the Members of Parliament representing the geographical constituency of Region No. 2, I would like to point out some of the achievements made in that Region by this Government, but before I do so, I would like to remind this Honourable House that Region No. 2 was a neglected and abandoned region, where the physical infrastructure had collapsed, and the basic social services left much to be desired.

With a population of about 65,000 people, where the majority of the people depend- directly or indirectly, on agriculture for a living, it is imperative that this Government of the day should formulate and implement such policies where the people would derive the full benefit, so that their economic and social standards will improve. This Government is doing just that, and the

people of the Region are benefiting each day. Their economic and social standards are improving rapidly. Region No 2 has been transformed from a state of neglect to that matching any other region in this country.

Mde Speaker, I would like to highlight what was done in few areas, and will start with agriculture. We have approximately 33,000 acres under rice cultivation, and 30,000 acres under other crops, such as ground provisions, coconuts, citrus, greens, vegetables and cattle rearing etc. As such, drainage and irrigation is of paramount importance so that production and productivity can take place.

As they recognise the importance of an effective and an efficient drainage and irrigation system in the country, the PPP/C Government has embarked on a programme to rehabilitate the existing infrastructure, which was totally collapsed and to construct additional needed facilities. In 2006, we have built 8 irrigation checks, 2 tail walls at Sparta Water Course, Affiance Water Course, Dunkiel Water Course, Good Intent SSE 21, Abramsville, JC2, Spring Gardens SSE 22...and these numbers signify the number of the trenches as - Good Hope SSE 23, Windsor Castle, Pomona SD 9- totalling \$18,805,559. This will enable approximately 4,000 acres of rice land to have better and adequate water supplies that will benefit approximately two-hundred rice farmers.

We have built, Mde Speaker, two regulators at Better Hope and Devonshire Castle, totalling \$2,826,175. This will allow greater volumes of water to flow from the main irrigation canal into the two secondary supply canals to irrigate farmers' rice lands. These lands have to be irrigated in a specified time, because the entire area of Region 2 cannot be irrigated at the same time. They are irrigated in blocks. We have built eight box culverts at Affiance facade, Queenstown facade, La Union North, Reliance facade, Richmond North Drain, Little Alliance facade, Lima and Airy Hall Drainage Canals, totalling \$16,900,000. Some of these box culverts replace old wooden bridges, and will make access for agricultural machinery, etc. to the farmlands much easier. This will benefit rice farmers, other crops farmers, and small loggers.

One siphon was built at Better Hope, across D41, at a cost of \$2,287,000. This siphon replaces an old one which was leaking, causing water to escape into the drainage trench thus affecting the flow of water into the secondary drainage canal.

Mde Speaker, twelve revetments, totalling 1,090ft was built at VR 2 Evergreen, Airy Hall, V10 Westbury, Somerset and Berks Main Canal, Main Canal Tail Wall, V44 Cross Drain, Better Success, Goed Intent, La Belle Alliance, Queenstown facade, Devonshire Castle facade at a total cost of \$47,583,291. These revetments were needed

to secure access dams, embankment infrastructures, and to avoid erosion at the discharge end of drainage structures.

Thirty-four drainage and irrigation canals were desilted at a cost of \$14,155,154 at Onderneeming facade, Zorg, Paradise, Taymouth Manor, Mainstay, Reliance, Exmouth, Johanna Cecelia, Charity, and other areas. This will allow water to drain off the land rapidly from cultivation and housing areas.

Mde Speaker, we also looked to better the access for farmers, and in doing so, we have upgraded access dams at D5 Betterhope, Cross Dam from Lima to Devonshire Castle at a cost of \$10, 896,000. These dams would facilitate farmers to transport their produce, from fields to factories in the shortest possible time, and at less cost. Under PRCSSP (Rural Roads Community Support Service Project), from a request of the Water Users Association... and that's a farmers group, rehabilitation work was done in the following areas: Aurora-Good Hope, Aurora-Warousie, Dryshore-Hybernia, Fairview-Villvorden, Middlesex-Pomona, Mainstay-Whyata and New Road. Drainage and irrigation works are presently being done at Zorg- Golden Fleece at a cost of \$34.3M; Johanna Cecilia-Zorg at a cost of \$34.1M, Collen at a cost of \$28.6M, Fear Not-Sparta at a cost of \$96.1M, and at Bethaney Amerindian Community at a cost of \$65.1M. At Bethaney, Mde Speaker, over 250 acres of land will be empoldered and drained, and drainage structures will be constructed so the residents in the community can be involved in

commercial agricultural production for a living, and not have to depend only on subsistence farming and logging.

All-weather roads were built at Dartmouth and Queenstown, which would enable rice and other crops farmers to have easy access to their farmlands to transport their produce.

Mde Speaker, while this Government is putting the necessary infrastructure in place to enhance production, these works in the D&I areas will certainly make life easier for hundreds of families. At present, every square rod of rice land is under cultivation, and our average yield is approximately 32 bags per acre, which gives us a yield of over one million bags of paddy per crop. *[Applause]* The Machabo Amerindian community now has the use of the all-weather road- from the main public road at Hoist Derer to the Ituribisi Conservancy. They can now transport their lumber and farm produce from across the lake to Conservancy Dam by boat, then load same into trucks, which transport materials and produce to sawmills, furniture manufacturers, and markets. This road will benefit rice and other crops farmers also. Also, the following maintenance work was done in 2006 in the D&I Section: The cleaning and maintaining of 110,119 rods of drainage and 86,318 rods of the irrigation canals on a monthly basis, so that drainage and irrigation of farmers' lands will not be empeded. This cleaning and maintenance is done by manual labour and hundreds of people are being employed in this process in Region 2. Repairs and

maintenance of wooden and concrete irrigation jets, culverts, tail walls, bridges, sea-sluices, gates, flop gates, etc. We have also ploughed, graded, levelled, and prepared 160,000 rods of access dams. These roads, during the last year, had made it possible for the farmers to cultivate and increase their production and productivity, and to transport their produce to the factories and markets.

Mde Speaker, all is still not perfect with the drainage and irrigation system in Region 2, so this Government will continue the rehabilitation and construction work. Our programme for 2007, we will be doing the following: Construct one regulator at Dunkiel; eight irrigation checks at Better Hope, Aurora, La Union, Riverstown, Colombia, two at Mainstay and Three Friends, three tail walls at Sparta, Perseverance, and rehabilitate tail wall at Somerset and Berks main canal; six box culverts at Queenstown Facade, New Road, Westbury, East End State Farm area, Mainstay, Perseverance and Devonshire Castle; five timber revetments at Capoey, Escape Channel, Unu Creek, Somerset and Berks, Westbury East End and Adventure and D12 Dartmouth, South Dam; one access bridge at Hampton Court, and five access dams are also programmed to be upgraded with sand, loam, and crusher-run. Also ... *[Interruption]*

The Speaker: Honourable Member, the time for the sitting is up.

Hon. Samuel Hinds: Mde Speaker, I would like to rely on Standing Order 10:3 and move that Standing order 10:1 be suspended so that the Sitting can continue until 11 o'clock.

The Speaker: The question is that the Standing Order be suspended in order for the Sitting of this Assembly to go until 11 pm. Those in favour say 'aye', those against ... (Aye). The Ayes have it.

Motion put and agreed

Motion carried.

We would continue until 11 o'clock.

Hon. Mohamed Khan: Also, Mde Speaker, we would see, this year, the rehabilitation of the Dawa Pump Station and installation of new pumps; construction of two sluices at Westbury and Golden Fleece... and I wish to inform this Honourable House that the Dawa Pump Station was built in the 1960 under the PPP Government, and it has have served the farmers of Region 2 efficiently, but it is time for it to be rehabilitated, and replace these pumps.

There is a big difference, Mde Speaker, at present, when compared to sometime back- an era when the farmers were leaving the land and migrating to Venezuela in search of better opportunities in life; where only 1/3 of our rice lands was under cultivation because of neglect of the entire drainage and irrigation systems in Region 2; where the total physical infrastructure had collapsed. Gone are the

days Mde Speaker, when the farmers could not have access to their lands; where transportation of their produce from the fields to markets and factories was almost impossible. This Government has the farmers' interests at heart, and will spare no effort to put the necessary infrastructure in place for our farmers to cultivate the land and produce, *[Applause]* so that they could have a standard of living.

Mde Speaker, farmers in the Pomeroon have been suffering from flooding due to intense rainfall and the silting up of the Pomeroon River mouth. Having recognised the plight of the farmers for better drainage, the Regional Administration of Region 2 came to the assistance of the farmers by giving to them one hymac to work in groups to do block drainage. The farmers formed themselves into groups and empoldered farmlands at Unity, Trivest, Akawini and other areas. The machine was an old model; the maintenance cost was very high; spares were difficult to procure; so the machines became unserviceable. Through PRCSSP, Mde Speaker, thirty-five miles of canal was desilted from Cozier to Alerdeen at a cost of \$65M. This canal is known as the Sea Dam Canal. A farmhouse storage bond was also built for the women's group at Good Intent, Lower Pomeroon, at a cost of \$5.2M.

The Pomeroon Women's Small Projects Association of Charity, Pomeroon-the Administration rehabilitated a building and installed the necessary equipment to process fruits and vegetables for sale. Their produce is now being exported to Caribbean countries. *[Applause]*

During the January 2006 floods, when His Excellency the President visited the Pomeroon area, he recognised the farmers' need for excavators to continue to empolder, excavate and desilt drainage trenches on individual farmer's plots in order to help prevent flooding. Shortly after, two Caterpillar 320 excavators, valued over \$60M, and a working capital of \$2.5M was given to the farmers at Lower and Upper Pomeroon. [Applause] These excavators are being managed by the farmers themselves. The excavators have done empoldering and drainage works in many areas, such as Charity, Manikuru, Siriki in Upper Pomeroon, Malborough, Friendship in the Lower Pomeroon. Approximately 20,000 rods of empoldering and drainage works was done, and work is continuing. Mde Speaker, transporting these excavators in the Pomeroon River, from one farm to the other, to continue this work is of necessity, since these farms are not connected by road. Most times the farmers have to wait for days, and sometimes weeks, to get the appropriate vessel, which is privately owned, to transport the machines, and it is very costly. As we recognise this constraint, this Government will be spending \$14.5M to purchase a field pontoon this year to transport the excavators safely to various locations. [Applause] By the end of the year, Mde Speaker, it is expected that most of the existing farms in the Pomeroon will be empoldered and drained. This will make it possible to increase production and productivity, and would make Pomeroon regain its rightful place as one

of the main contributors to the bread-basket of the Caribbean. *[Applause]*

Mde Speaker, a number of training exercises were done in 2006 to equip farmers with the skills necessary to do farming in a scientific and competitive way in this world of science and technology. GRDB/RPA, that's the Guyana Rice Development Board and Rice Producers' Association, in collaboration with FLAR, that is, Funding for Latin-American Irrigating Rights, have set up two Six-Practice Farm Field Schools demonstration plots at Affiance and Paradise. The objective is to increase rice productivity. The Six Practice are based on the following:

- 1) Time of planting
- 2) Seed Rate and quality
- 3) Seed Treatment against insects and disease control
- 4) Weed Control
- 5) Fertilizer Management
- 6) Water Management

These activities will continue this year. Also two farm schools were held at Lima and Walton Hall on the residual on carry-over effects of TSP fertilizer, and a rice-fish farming demonstration was done at Evergreen. In 2007, Mde Speaker, the Ministry of Agriculture, GRDB, and RPA will set up a rice-fish culture demonstration plot in Riverstown. The objective is:

- 1) To demonstrate to farmers the additional benefits that can be derived from the practice of rice-fish farming, and
- 2) The practice of integrated pest management approach to reduce the use of chemicals.

After the floods of early January 2006, when most of the production base were damaged emphasis was placed on saving, securing, and multiplying clean planting materials, with the aim of reducing the spread of pests and disease, and making sure that planting materials that were scarce are not lost. Through collaboration with the following agencies- PRCSSP, NARI, New GMC, and UNDP the following training programmes were organised and executed:

- 1) Vegetable production, with emphasis on good agricultural practices and seed production.
- 2) Fertilizers and fertilizing
- 3) Vegetative propagation and its importance in orchard management and development
- 4) Pest and disease management, with emphasis on identification and control
- 5) Marketing
- 6) Pre and post harvest losses, and

7) Agro-processing

These seminars were held at Bethany, Supenaam, Hybernia, Anna Regina, Darthmouth, Strong Hope Canal, and Unity in the Pomeroun. Farmers have shown great interest in these training exercises, and over four hundred farmers participated. We are also promoting smallruminants farming- sheep and goat farming, as an area of investment, especially among small farmers. Because of interest shown by farmers five seminars were held at Supenaam Creek, Riverstown, Zorg, Anna Regina and Charity. A total of two hundred and fifty persons participated, and the topics were Housing, Breeds, and Control of Internal and External Parasites. Cattle farmers have shown interest in increasing their stock, and expanding their farm lives, but suffered a major setback with the spread of Rabies causing a number of cattle to die. The Ministry of Agriculture quickly went to assistance of the farmers, and over six hundred heads of cattle were vaccinated against rabies, at no cost to the farmers- in areas in Darthmouth, Queenstown, Charity. Two seminars and a television programme were done on rabies and its control. The poultry farmers also benefited from training sessions on poultry farming.

With the threat of Asian influenza, a seminar was held with poultry farmers and teachers from all schools in the Region. Participants were informed about the threat, which this disease pose to the poultry industry, and also to

humans. All rearers of poultry were advised as to what procedures they should follow when dealing with sick birds.

Mde Speaker, the Fisheries Sector is a viable and growing sector. We are not only putting the necessary facilities in place for rice and other crops, but our fishermen are benefiting. At Lima, a revetment bridge and storage bond were built so that fishermen can store their seine, outdoor engine, and other equipment etc. This will bring great relief to the fishermen who had to watch their equipment at nights after fishing for days and nights at sea. Now, after days and nights of hard work, they can spend their time with their families, instead of watching their boats and equipment.

At Unu Creek, a storage bond, shed and drying floor were recently completed at a cost of \$11.7M; and at Dartmouth and Success. The Fishermen Association is currently constructing a raft, storage bond and shed at a cost of \$8.5M. These facilities will benefit the fishermen in the areas to store their fishing equipment, mend their seine, and to clean and dry their catch mainly shrimps and fish. Some of which are exported. Marine fishery is expected to grow in output production and export, particularly in dried and preserved shrimps.

Mde Speaker, aquaculture has been given serious attention, since it is important for us to diversity, and not only to depend on traditional crops. The Anna Regina Fish

Culture Station is now equipped with a laboratory facility, and is geared for research and development, and for information transfer to agriculture science students and other stakeholders. Recognising the importance of equipping our farmers with the skills and techniques of aquaculture, four field and laboratory sessions were executed in the year 2006. The target group was the Mainstay-Whyaka Amerindian Women's Group Fish Farmers. Students from four senior secondary schools, from the Agriculture Science- stream at CXC level, namely the Aurora, Cotton Field, Johanna Cecelia, and Anna Regina Secondary Schools. The Anna Regina Fish Station is the main source of fingerling production from a pond service of 0.915 inches, with a capacity production of 30,000 fingerlings per year, which is supplied to fish farmers.

The Regional food fish production of Tilapia is expecting over 5,500 pounds, and 7,100 pounds of colorona harvested from approximately 30 acres of fish farm, with an average weight of 398 grams and 3.26 kilos respectively. It is envisaged that aquaculture will increase its potential and production by approximately 15% based on proposals and engagements pending.

Mde Speaker, having recognised the need to continue educating our youths ... *[Interruption]*

The Speaker: Time, Honourable Members of Parliament

Hon. Samuel Hinds: Mde Speaker, I move that the Honourable Member be granted another 15 minutes to conclude his presentation.

The Speaker: The question is that the Honourable Member be given 15 minutes to conclude.

Hon. Mohamed Khan: Mde Speaker, having recognised the need to continue educating our youths and women so they can make positive contribution to the development of the community, a multi-purpose centre was built at Collen, and is equipped with computers, sewing machines, kitchen appliances and utensils to cater for our youths, who drop out of school, and women. Classes are being kept to prepare the youths and women in sewing, catering, english, mathematics and computer skills. At Sirikee in the Upper Pomeroun a multi-purpose centre was built, and it is equipped with sewing machines, kitchen appliances and utensils, and computers. This facility will benefit the youths and women in that river rain community to enhance their skills.

Our women are contributing significantly in every sector in the Region, especially in the health sector at Suddie Public Hospital, and as such, there was great need for a Day Care Centre to take care of the little children while their parents are at work. The women have formed themselves into a group and, through funding from PRCSSP, they have built a Day Care Centre at Maria's Lodge with furniture and equipment. This Day Care Centre is of great help to

mothers who are working, and have little children to take care of during the day.

Mde Speaker, the PPP/C's vision has always included Guyanese families living in their own homes, in safe communities, with water, electricity, proper streets and drainage. We are making it possible for every Guyanese in need of a house lot to buy same, and have minimised the time it takes to have the title for the lot, which can be used as collateral for mortgages to build or improve their homes. This Government has established a number of housing schemes, and has regularised over twenty squatter settlements in the country. In Region No. 2 we have established twelve housing schemes at Bolona, Ondereneeming and other areas, and regularised three squatter settlements, with a total of 3,275 lots. In all the schemes we have put in drainage systems, built streets, installed pipelines, and have connected electricity to Pomona, Suddie, Bush Lot, Anna Regina and La Belle Alliance. This year, Mde Speaker, we hope to complete the laying of pipelines, and to connect electricity in Onderneeming – Phase 1 and II, Charity Extension Scheme and Lima Sands.

Mde Speaker, the Government, along with the Regional Administration of Region 2, continues to improve the quality of health care for the people by rehabilitating buildings that are being used as a base where health services are offered to residents, and to accommodate medical personnel. Health services are provided from one

Regional Hospital- that's Public Hospital Suddie, one District Hospital; eleven Health Centres and seventeen Health Posts. Some of the buildings rehabilitated are as follows: Charity Hospital – the roof, x-ray room, care operating theatre, Suddie Hospital – eastern ward, Machabo and Capoey Health Post; Doctors quarters at Charity and Suddie and the lower flats of several buildings at Suddie Hospital compound were enclosed to accommodate the expected Cuban medical brigade, who would be working in the Diagnostic Centre. The Outpatient Department of Suddie Hospital has been renovated and extended to accommodate the Diagnostic Centre. A new building was constructed to house the Records and Drug Addiction rooms at Suddie. At Hackney, in the Pomeroon River, a new Health Centre was built with the funds from Basic Needs Trust Fund.

Medical equipment, such as two infant incubators, three ultra scopes, three ultra sonic scales, one pedro pathometer, six dressing drums, one ACTC 8000 biomedical analyser, ECG machine, etc. will help to enhance the quality of health care in the Region. The District Hospital at Charity is now equipped with an X-Ray unit, operating theatre, laboratory and pharmacy. Fewer patients, Mde Speaker, will now have to travel from the Pomeroon to the Suddie Hospital for medical treatment. When the Diagnostic Centre at Suddie Hospital becomes operational, residents from Region 2, and some from Region 1 would benefit from additional medical services, which they had to seek in Georgetown. Residents would experience a quantum leap

in good quality health care in the Region. Gone are the days Mde Speaker, when the health services in Region 2 left much to be desired- when there was great shortage of medical personnel, equipment and drugs; when patients had to buy actually every prescribed medicine -even Aspirin.

Mde Speaker, the HIV/AIDS pandemic is threatening the existence of our society, especially the youths and vulnerable groups. Educational activities in HIV/AIDS, STIs continue, included monthly visits to men's group for discussion.

Mde Speaker, PMTCT activities are now being offered at five facilities- at Suddie, Huist-T-Dieren, Windsor Castle and Charity. Training of personnel is very important, and every effort is made to prepare our staff to carry out their duties in a qualified and professional way. Under the Government of Guyana/ IDB Basic Nutrition Programme, maternal and child health staff were trained in maternal and young child nutrition. The Caribbean Food and Nutrition Institute, PAHO/ WHO were responsible for conducting the two training courses. Training of CHWs and Nurse Aides is continuing to further improve the level of staff in the communities. Training was done in Rural Midwifery and PMTCT.

Mde Speaker, some of the general projections for 2007 are as follows:

- to ensure that all health workers in the Region are trained in PMTCT
- to facilitate the expansion of PMTCT activities to the rain river and lake areas;
- to improve communication in rain river communities;
- to improve transportation services;
- to continue HIV/AIDS awareness;
- to emphasize nutrition and HIV;
- to continue education through workshops, seminars and televised programmes;
- to maintain ARV (Anti-Retroviral Treatment) at Suddie Hospital, and expand to Charity Hospital;
- to extend support to orphans and vulnerable children;
- to lend basic support to YOC institution at Onderneeming, which accommodates vulnerable youths;
- to strengthen the TB programme at both hospitals;
- to strengthen data collection in the Region;
- to improve the skills of CHW and addressing issues of pre, during and post-natal care, especially with the aim of improveing maternal care;

We also have on programme to construct a new nurses' hostel at Suddie to provide accommodation for our nurses, and to rehabilitate the Kabakaburi Health Centre in the Pomeroon.

In conclusion, Mde Speaker, without any doubt in mind, Region No. 2 is moving ahead at an accelerated pace. Programmes are in place to diversify our local economy to achieve high and sustained growth rates; create jobs; promote employment; reduce poverty, and improve social services and standard of living. I therefore wish to call on every Honourable Member of this House to promote Guyana's interest in an atmosphere of peace and cooperation and support this 2007 Budget as presented by the Honourable Minister of Finance. Thank you.

[Applause]

The Speaker: Honourable Member, Dr. John Austin.

Hon. Dr. John Austin: Mde Speaker, I would like to demonstrate the inadequacies of the 2007 Budget by using day-to-day examples of average Guyanese living in Region 6. Let's consider the effects of this Budget on the King family. They live in the village of Lim Lear in the Corentyne. This family consists of the husband, James King, the wife, Mary King, and the three children, who attend primary school.

Mde Speaker, James King laments the fact that cost of living is so high these days that both he and his wife have to work so that his family can exist. Both Mary King and James King are employed by the Government. The take-home pay for Mr. King is \$26,000 while that for Mrs. King is \$21,000- both figures are rounded. Mde Speaker, the

total take-home pay is \$47,000 a month. Let us consider the living expenses of this family of five for one month:

Description	\$
Rent of house -	4,500
Meals	30,000
Clothing -	9,000
Transportation -	6,300
Electricity Bill -	5,000
Telephone Bill -	3,000
Water Bill -	1,000
Lesson Fees -	4,800
Payment for test papers in school -	400
Purchase of school books (Average)	2,500
Cost of transporting books supplied by Ministry of Education to school -	400

Mde Speaker, this gives a deficit of \$19,900, *[Applause]* and we all know that these figures are relatively cheap, as compared with what happens in our city and town. How

the King family manages, from day-to-day, on such income is a story of poverty.

Mde Speaker, the examples I gave are true. However, the names were changed so as to protect the identity of the individuals. *[Applause]* The same applies for any other example which follows:

Mde Speaker, Mary King walks to work sometimes so as to save money. This day she laments the state of First Street and Third Street. These streets become mud tracks when rain falls. Come to think of it, this Government promised rehabilitation of some roads, and the building of four bridges in Lim Lear Village before the 2006 elections. So far, only one bridge was partially constructed, and there is no visible effort that the other three bridges that ew promised would be built. She soliloquises '*life in Guyana is not easy.*'

In this village we get untreated brownish, yellow - sometimes bad-smelling water on average four hours in twenty-four hours. Mde Speaker, Mrs. King wonders if the 2007 Budget has provision for works to improve the poor condition of the roads, drainage and irrigation in Lim Lear, and in some of the other neighbouring villages.

Mde Speaker, Mr. King reaches work while Ms. King was walking *[Laughter]* However, he did not really enjoy his ride in the bus. At the beginning, he heard the conductor ask for increased fare because of the result of VAT

introduction; [*Laughter*] then the music was too loud. He feared the long-term damage to the hearing of Guyanese who have to be subjected to loud music in minibuses. In fact, he already knows a few people who have been made partially deaf. Mr. King wonders why the Government did not compensate for all these difficulties the average government- paid worker faces.

The 2007 Budget has no adequate provision to relieve the Income Tax- burden the brunt of which is borne by government-paid workers. The effects of VAT have made things worse. Mr. King remembers that at a PNCR group meeting he was told that the Honourable Robert Corbin has asked the Government to pay one-month's salary as a relief to workers. Mr. King hopes that the Government would do so.

Mde Speaker, I am appalled when the plight of our pensioners is considered. These are persons who have spent their lives contributing to the development of this country. Alas, Mde Speaker, their welfare has also been neglected by this Budget.

Mother Blair, living in Corriverton, receives a pension of \$3,675 a month. Mde Speaker, this amount is in Guyana Dollars. It is not three thousand, six hundred and seventy-five U.S dollars but Guyana Dollars. Mde Speaker, Mother Blair is widowed and has no children. She lives by the Grace of God, and of her neighbours. She does not do travelling, apart from going to and from the medical clinic

at Skeldon Hospital, She receives treatment at the hospital for hypertension and diabetes. Mde Speaker, some days Mother Blair does not go to the clinic because she does not have money to pay for transportation. Mde Speaker, Mother Blair dreams of the time when she would be able to travel out of Corriverton, maybe to New Amsterdam, or to Georgetown; but she is now living in debt, so has no money for such travel. Anyway, she thinks aloud, “*I do not want any policeman or soldier to beat me up.*” Mother Blair remembers that her cousin Cindy was slapped repeatedly by a policeman on a street in New Amsterdam, because Cindy told the policeman that he should stop the brutal beating he was subjecting a suspected offender to. Mother Blair recalls that the policeman was never disciplined for such behaviour.

Mde Speaker, Mother Blair wishes that the 2007 Budget has provided for more money to be paid to pensioners. She remembers that, during the PNC time in Government, pensioners could have travelled on buses free of cost.
[Applause]

Mde Speaker, the Honourable Minister of Finance in his introduction of the 2007 Budget stated, and I quote:

This Budget concretises our vision of a modern and equitable society for all Guyanese.

Again, Mde Speaker, I quote from the Honourable Minister's Speech in this Honourable House.

Our vision is for a better Guyana, a Guyana where our people live in perpetual harmony, enjoying greater cohesion and prosperity; a society in which our quality of life compares favourably with our immediate and distant neighbours, and a society that is recognised for the care and attention it places on children, women, youths, the elderly, and the less fortunate.

Mde Speaker, bearing these statements in mind, one cannot help considering some apparent anomalies. Why do parts of Corriverton, to this day, still have what Guyanese call *mud roads*? Glaring examples are Dukestown and Princetown. Mde Speaker, how equitable is our society when the average Guyanese Government-paid worker lives in poverty, which has been worsened by the introduction of Value Added Tax? These workers bear the major part of the Income Tax burden. However, the 2007 Budget does not, in any significant way, provide for the relief of this inequitable financial burden.

Mde Speaker, some favoured Government-paid workers are paid much more than their colleagues in the guise of being employed on contract. Mde Speaker, many times these contract workers are paid more than their functional

superiors and seniors at work. Mde Speaker, no provision has been made in the 2007 Budget for the correction of this injustice. Apart from this financial injustice, many workers in Region 6 complain of discrimination and victimisation at work. I have been informed that these problems are worse since the conclusion of the 2006 General Elections.

Mde Speaker, one wonders why the 2007 Budget did not include provisions for drainage works at Lim Lear, Nurney and Kildonian villages. This observation is made more pertinent, by the fact that drainage works have been done in Adventure, Friendship and Bush Lot. Further, Mde Speaker, the villages of Lim Lear, Nurney and Kildonian are located between the villages of Adventure and Bush Lot. Mde Speaker, for years the front land distributory for some farming areas on the Corentyne have been neglected. We congratulate this Government on the inclusion of drainage and irrigation works in certain villages in the 2007 Budget provision, namely Whim, Eversham, Yakusari of Black Bush Polder, Lancaster, and Nos. 35, 62 and 66 Villages. However, we need vital work on the front lands distributories for some farming communities, which have significantly reduced agricultural activities. The fourteen villages from Whim to Bushlot, inclusive, would be able to effectively farm their back lands.

Mde Speaker, the lofty visions proffered in the 2007 Budget would remain but dreams and visions, unless this Government can put into practice what they preach. Mde

Speaker, when statistical methods are flawed... yes, when statistical methods are flawed, the statistics can be used to prove anything, but the real proof lies in the socio-economic status of the significant majority of the Guyanese people. Mde Speaker, Guyanese continue to flee this country in search of more dignified and more humane standards of living. Just about two days ago, a Guyanese female asked me if a Guyanese needs to get a visa to visit Antigua. She said that her colleagues had told her that they have been turned back from Antigua because they did not have visas to visit Antigua. I would like to draw the attention to the members of this Honourable House that Antigua is a member of CARICOM. Mde Speaker, for now I say no more. *[Applause]*

Hon. Irfan Ali: Mde Speaker, I rise this evening to present on the 2007 National Budget, but before I do so, I wish to correct some mis-information that was presented in this Honourable House, and it has nothing to do with Mother Blair. I would start by looking at some of the points made by the Honourable Member, Mr. Winston Murray. Mr. Winston Murray, the Honourable Member, spoke about our Government's commitment to the Private Sector, and he tried to make a mis-statement, by saying that, under this PPP/Civic Government, the relationship with Private Sector has either decreased, or is non-existent. Let me take the Honourable Member back to the Guyana Public Sector Review of May 1993, done by the World Bank, and this is what they had to say, and I quote:

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Investment needs reflect the severe deterioration of transportation, infrastructure, and services over the past decade, which is a severe impediment to Private Sector activities.

A severe impediment to Private Sector activities: the infrastructure that is needed for Private Sector stimulation and growth was non-existent, or not present in 1992, when we took Government. So Honourable Mr Murray, when we took Government, we had to start from scratch. We had to establish the infrastructure through which growth would be stimulated in the Private Sector, and development would take place. *[Applause]*

Mde Speaker, the Honourable Member spoke about integrity and corruption. We are going to fight corruption, and the President says this. We are not going to deny that there is corruption, but the President has made a commitment that his Government would fight corruption in all forms and shapes, and we have demonstrated this. Mde Speaker, if we want to lead by example, then I challenge every single member of this Honourable House to start cleaning your own houses and fill the Integrity Commission form, and report to the Integrity Commission. *[Applause]* Let us start from here ... Mde Speaker, the truth hurts.

I wish to say that the Honourable Member, Khemraj Ramjattan, spoke about good governance, and governance. Mde Speaker, under the PPP/Civic Administration we have

had reforms of all forms and kinds- not only in the political sector, but in the financial sector- The IFMAS, The Local Government Reform, Public Sector Modernisation, The Public Accounts Committee, The Urban Development Management Programme, The NGMP Programme are all evidence of Government's commitment towards good governance. *[Applause]* Gone are the days, Mde Speaker... Gone are the days when people are not involved in democracy. We believe strongly in participatory democracy, and in every single project that this Government has embarked on since 1992, there was an element of community participation, and community awareness, *[Applause]* so much so that it has now become a norm of the Government to make provision, within the scope of projects, for community awareness and community participation. That is a fact. Check the Community Service Enhancement Project. It is written in the project document. Mde Speaker, I am even more hurt to hear a man whom I have tremendous respect for, the Honourable Mr. Winston Murray, speak about Government wanting to close down estates in Demerara in the name of profit maximisation. I say this is a lie. I apologise for the word *lie*, Mde Speaker. I say this is a contradiction to Government's policy. This Government is committed to safeguarding the Demerara Estates. This Government stands committed to the people of the Demerara Estates, and we are going to stay so, and the President has made this very clear. If they are talking about closing estates, then let's go to my village from where I came... and the Honourable Member Mr. Mc Allister would tell you what a

booming village Leonora was, what a booming village Leonora was and with a snap of the finger the estate was taken away and the people were deprived of livelihoods, and you speak about retooling and re-skilling now, but where was the re-tooling and re-skilling then? They were just sent home- no severance pay; no skills test. They were sent on their own. Mde Speaker, this is the historical past that we do not want to remember; but for those of us, Mde Speaker, who do not want to remember by speech, or who do not want to remember by reading, I beg, Honourable Members to glance towards me, for I have brought pictorial evidence. Mde Speaker, I refer to *Stabroek News* Thursday May 9th, 1991 'What a Dreadful Day.' We talk about Private Sector and our commitment to Private Sector, I say *what ails thee?* It's a familiar photograph, and it says the - '*President and his men,*' the President then, *The President and his men,* including Government officers, pondering the stricken Demerara Harbour Bridge- a familiar site, a familiar sight, and then the Honourable Desmond Hoyte- and then again, even to compound the issue- getting to the bottom of it. The Demerara Harbour Bridge obviously took a downturn here. I don't know whether they were developing an underwater bridge, but this was a familiar sight. This was your record, this was your record of Private Sector commitment. [Applause] I say to you, Honourable Members, Mde Speaker, I am proud to be part of this team, for I ask you to glance at me once more as I present to you our picture of commitment- a bridge that is bright and beautiful; a bridge that stands strong, bridging the gap of development; [Applause]

bridging us from the dreadful past to the beautiful and prosperous future, envisaged in vision 2011. Mde Speaker, the facts are here.

I now turn to the Honourable Member, Mr. Norton, and he spoke of global issues... and I compliment you. We have to look at what is happening globally and regionally. We live in a world that is influenced by global policies ... and even our own Regional policies, so our Budget must be crafted in this scenario, and I wish to present to you the fact that our Budget is indeed crafted in this scenario. Guyana must adapt policies that would ensure competitiveness in the global arena ... [*Interruption: 'Where is the evidence?' "The evidence is in the competitive strategies"*]. We must remain steadfast as we embrace the challenges of globalisation. Our projections are consistent with what is happening in the global arena. For example, world economy is expected to decelerate in 2007 at a rate of 3.2% compared to estimates of 3.8% in 2006. A major setback to the slowdown in global economy is the forecasted downturn in the American economy.

Honourable Member Mr. Norton, you requested us to take into consideration the global arena, yet when we present it to you, you are unwilling to listen. It's a familiar thing- you are always unwilling to listen but I say to you, *lend me your ear* for we only present to you the facts. In 2007, moderation is expected, and in the case of developing countries, growth is pegged at 5.9% with growth in the poorest countries remaining equally strong.

Notwithstanding these projections, almost all developing countries remain vulnerable to a slowdown in major developed economies, and the volatility of international commodity and financial markets.

Our growth projections are consistent with what is happening in Latin America, which is pegged to grow at 4.2% in 2007, as compared with our estimate of growth in Guyana of 4.9%. For China and India - the emerging giants, estimated growth is pegged at 9 and 8% respectively, while the rest of Asia is pegged at an estimated average of 5%. Developed economies, is pegged at only 2% in 2007, compared with an approximate 3.5% in 2006. Inflation rate escalated in most economies in 2006, highly attributable to the effect of higher oil prices. Inflationary pressures are expected to be moderate in 2007; and our own inflation rate is pegged at 5.2%.

Mde Speaker, if you look at world indicators ... and I would just give you an example ... Let us look at enrolment population of students in primary schools: When we compare our country with what is happening in the global scenario, we must have an appreciation for the overall development effort since 1992; so I will give you an example. Today there is an 80% net enrolment ratio in developing countries - (80%). In the world, it's 82%. The world average is (82%). The enrolment average for developing countries is 80%, but Guess what is Guyana's average. It is, 93% and Honourable Member, Mr.

Mervin Williams, it is only 93% now, but we assure you that we will get it to 100%. *[Applause]*

Mde Speaker, this Government is committed to the poor. Mde Speaker, this Government is committed to the poor, and I am delighted at the fact that our Budget is presented in a pro-poor, growth-oriented approach- a pro-poor growth-oriented approach. Coming out of an era of economic depression, inequality, poverty, unemployment, and unsustainable Government- debt the PPP/C Government policies, initiatives, and reforms have certainly laid the foundation for greater confidence, certainty, and reliability in the economy, followed by low Government debt and inflation. The increase in exports of manufactured goods, rising productivity, and more - defined regional and global focus, set the stage for a feasible, prosperous, and vibrant economic frontier, as defined in Vision 2011 by the Honourable Minister of Finance. *[Applause]* The pro-poor approach... I know Honourable Member Mr. Norton, that you may be tired, and the truth may hurt you, but you still have listen to it, because the Government is about zeal. Mde Speaker, the pro-poor approach of this 1997 Budget focuses heavily on measures which support local development, employment initiatives, and employment opportunities for every section of our society, with particular focus on the poor. Such an approach to growth has ensured a balance between the need to raise investment, and increase growth while, at the same time, qualitatively ensuring that the benefits of such growth reaches out to the masses and poorer sections of

society. The strategy put forward in the Government's pro-poor approach enunciates policies which will increase investments, while allowing the State to direct dividends of economic progress towards raising the human capital protection of the poor, maintaining a social security net for vulnerable groups. An example of this, Mde Speaker, is the Basic Needs Trust Fund Programme. In its objectives it seeks to enhance economic opportunities, promote and stimulate good governance, increase access to education, to health, water and sanitation. Mde Speaker, to further remind... to further remind the Honourable Members of the Opposition of some more truths- the percentage of population with access to drinking water, in 1991, was less than 50%. Today, more than 75% of our people have access to potable drinking water. You want development? You want development? this is development, and this is what the PPP/C Government is all about. [Applause] And let me remind this Honourable House of some famous quotes- this House: Guyana Public Sector Review, done by the World Bank in 1993, made the following pronouncements, and I wish to quote. *Drainage and Irrigation- not adequately sustained, on account of large irresponsibility and mismanagement.* Here is what... the Honourable Members who spoke before me spoke about power. Let me tell you what they said about power, *The power sector in Guyana is in severe crisis. The existing generating, transmission, and distribution facilities are worn out.* That is how... [Interruption: 'Like your throat' "If my throat is worn out trying to convince the Honourable Members that Guyana is going places, then it

should be worn out over and over again, because I would do it again and again”]

Mde Speaker, this is what they said about sea defences:

The rehabilitation backlog ... and listen to this Honourable Members ... The rehabilitation backlog is about twenty years behind. In 1991 they said that rehabilitation backlog was about twenty years behind, most of which ... and listen to what they said - they didn't say quantitatively alone ... [Interruption: 'Which publication is this, the World Bank Study?' "You are not listening. They said twenty years, and then they qualified it when they said, most of which have served their designed lifetime."].

The Social Sector... Honourable Member Mr. Norton, let us come back Regionally, and this is what the Caribbean Development Bank said about you in 1991. The Caribbean Development Bank, in its Annual Report of 1991 describing Guyana's infrastructure:

Prolonged physical difficulties have resulted in a general deterioration of Guyana's physical infrastructure, which provides vital support for a major productive sector.

And guess what?

primarily caused by lack of maintenance and deficient management.

Lack of maintenance and deficient management. Honourable Members, Honourable Members, I am presenting to you... *[Interruption]*

The Speaker: Honourable Members, it is now 11 o'clock, and that's the time the House was suspended until 11.

Hon Samuel Hinds: Mde Speaker, I would like to move that we continue for another 15 minutes to allow the Honourable Member to conclude his presentation.

The Speaker: The motion is that we continue and that the House is adjourned at 11.15.

Hon Irfan Ali: Mde Speaker, I thank the Honourable Members for this gesture of goodwill. I wish to continue. Caught in the integrated web of the global economy, Guyana is open to the pressure imposed on low, medium-sized economies and countries. The interventions by Government for development and growth are:

- 1) Productive investment with a view to safeguard and create sustainable jobs.
- 2) Investment in infrastructure, which contributes to development.

And to save time, I can give the Honourable Members a spreadsheet of what I prepared, of all the sectors, and the infrastructural development work that would be done in each Sector, and its linkage to national development, and moreso, to the National Development Strategy.

- 3) Diversification, revitalisation, and regeneration of economic sectors, and industrial sites.
- 4) Investment in network, transport, telecommunication and energy.

And on number 4, I wish to make a challenge- and I challenge this Honourable House tonight, to let us unite to liberate the Telecommunication Sector;. Let us unite to open up the Telecommunication Sector, which is the foundation through which development and expansion of our economy can take place. On this side of this Honourable House we stand committed, but ask yourselves the question you if you are ready for this challenge, and if you are ready, then let us together break the monopoly in the Telecommunication Sector and take Guyana places.

[Applause]

While poverty reduction has become the major goal of development, as is evidenced by the adaptation of the PRSP, the critical...Honourable Member, Mr. Norton, this is just for you- The critical global debate is whether such strategysould have growth or instead mainly concentrate on empowering the poor to benefit from both. Our Budget strikes a right balance. Our Budget strikes a right balance between pro-poor and pro-growth interventions. Pro-poor initiatives are those that would lead to significant reduction in poverty. In other words, increase share of the poor population increases with growth, under a pro-poor

approach to development. I say that we have benefited from such an approach because, over the years, we have seen a striking reduction in poverty, which was 86% in 1991, but which is 32.2% today while, at the same time, disposable income is \$208,464 today, compared with a mere \$38,369 in 1991. Isn't this development? isn't this what we want? Then I ask you, the pro-poor approach seeks to reduce poverty and inequality simultaneously; increase expenditure in crime and security; also contributes positively to decreasing poverty and inequality, as empirically proven by borrowed 2000 results using the sure technique in measuring inequality and poverty. So our Budget is not only financially, politically, and globally sound, but is also technically sound and based on empirical evidence around the world. *[Applause]* How can we ask for a more rounded Budget than this? We must all stand together and congratulate the Minister for a Budget that strikes a balance. *[Applause]*

Mde Speaker, one of the conclusions of the Pro-Poor Growth Study, convened by the World Bank, and done by Mr. Huberto Lopez, is that education infrastructure, and macro-economic stability positively affects growth, poverty, inequality, and the distribution of income, and it's because of this empirical fact that we see a continuous rise in the provision for education in the National Budget. You have just heard that it is 16%.

Therefore, Mde Speaker, I am convinced, that our Budget is premised on the correct framework to take Guyana

safely and securely to Vision 2011, where all the Members of this Honourable House, and more so, the people of Guyana, to whom we are accountable, would be our judge at that point, and I am confident that they would again find us accountable and responsible, and return us to this Honourable side of the House. *[Applause]*

Mde Speaker, there is a long list of infrastructural work that the Government would be completing in 2007 that would contribute significantly to the reduction of poverty, but I would leave this to the very capable Honourable Minister, Robeson Benn, who would demonstrate to you the PPP/ Civic's commitment to national development, so, in order to save us time, I conclude this evening by saying the Honourable Minister of Finance, Dr. Ashni Singh, and his team at the Ministry of Finance, have done a very, very wonderful job in presenting to this country a Budget that reaches out to every section of the Guyanese society. Thank you. *[Applause]*

The Speaker: Honourable Members, this concludes our business for today, Honourable Prime Minister.

Hon. Samuel Hinds: Yes, Mde Speaker, I move that the House stands adjourned until Monday the 12th February at 2pm.

Adjourned Accordingly at 23:07H