

THE  
PARLIAMENTARY DEBATES  
OFFICIAL REPORTS

[ VOLUME 11 ]

PROCEEDINGS AND DEBATES OF THE FIRST SESSION (1986) OF THE NATIONAL  
ASSEMBLY OF THE FIFTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF  
THE CO-OPERATIVE REPUBLIC OF GUYANA

17th Sitting

14:00 hrs Friday, 1986-07-11

MEMBERS OF THE NATIONAL ASSEMBLY (73)

Speaker (1)

\*Cde. Sase Narain, O.R., ., .P.,  
Speaker of the National Assembly

Members of the Government - People's National Congress (61)

Ministers in the Cabinet (10)

Prime Minister (1)

Cde. H. Green, M.P.,  
Prime Minister

Other Vice-President and First Deputy Prime Minister (1)

Cde. Dr. M. Shahabuddeen, O.R., S.C., M.P.,  
Vice-President, First Deputy Prime Minister (Absent - on leave)  
and Attorney General

Other Vice-Presidents and Deputy Prime Ministers (2)

Cde. R. Chandisingh, M.P.,  
Vice-President, National Mobilisation, (Absent - on leave)  
and Deputy Prime Minister

Cde. Viola V. Burnham, O.R., M.P.,  
Vice-President, Education and Social Development, (Absent - on leave)  
and Deputy Prime Minister

Other Deputy Prime Ministers (2)

Cde. W.A.L.H. Parris, C.C.H., M.P.,  
Deputy Prime Minister, Planning and  
Development

Cde. R.H.O. Corbin, M.P.,  
Deputy Prime Minister, Agriculture (Absent - on leave)

Senior Ministers (4)

Cde. R.E. Jackson, M.P., (Absent - on leave)  
Minister of Foreign Affairs

\*Cde. C.B. Greenidge, M.P.,  
Minister of Finance

Cde. S. Prashad, M.P., (Absent - on leave)  
Minister of Transport

\*Cde. W.S. Murray, C.C.H., M.P., (Absent - on leave)  
Minister of Trade

Other Ministers (11)

Senior Ministers (3)

Cde. J.R. Thomas, M.P., (Absent - on leave)  
Minister of Manpower, Housing and Environment

\*Non-elected Member

Cde. Dr. R.A. Van West-Charles, M.P.,  
Minister of Health

Cde. Yvonne V. Harewood-Benn, M.P.,  
Minister of Information and the Public Service

Ministers (4)

Cde. Urmia E.H. Johnson, M.P.,  
Minister within the Ministry of National (Absent - on leave)  
Mobilisation

\*Cde. R.C. Fredericks, A.A., M.P.,  
Minister of Youth and Sport within the (Absent)  
Ministry of Education

Cde. C.G. Sharma, A.A., J.P., M.P.,  
Minister within the Office of the President (Absent - on leave)

\*Cde. D.M.A. Bernard, M.P.,  
Minister within the Ministry of Education

Ministers of State (4)

\*Cde. D.A.N. Ainsworth, M.P.,  
Minister of State within the Ministry of (Absent)  
Manpower, Housing and Environment

Cde. J.T. Kissoon, M.P.,  
Minister of State within the Ministry of  
Agriculture

Cde. D. Sawh, M.P.,  
Minister of State within the Ministry of (Absent - on leave)  
Forestry

\*Cde. Dr. Faith A. Harding, M.P.,  
Minister of State within the Ministry of (Absent - on leave)  
Planning and Development

Parliamentary Secretaries (3)

Cde. A.K. Habibulla, M.P.,  
Parliamentary Secretary, Office of the  
President

Cde. Stella Odie-Ali, M.P.,  
Parliamentary Secretary, Home Affairs

\*Cde. Jean M.G. Persico, A.A., M.P.,  
Parliamentary Secretary, Education

Government Chief Whip (1)

Cde. Jennifer A. Ferreira, M.P.,  
Government Chief Whip

Other Members (24)

Cde. R.E. Williams, M.P.

Cde. Agnes W. Bend-Kirton, M.P.

Cde. E.H.A. Fowler, M.P.

Cde. Joyce Gill-Mingo, M.P.

Cde. M. Ally, M.P.

Cde. Bissoondai Beniprashad-Rayman, M.P.

Cde. Elaine B. Davidson, M.P.

Cde. E. Doobay, M.P.

Cde. Joyce M. Munroe, J.P., M.P.

Cde. Edwina Melville, M.P. (Absent - on leave)

Cde. Anna Ally, M.P.

Cde. L. Arthur, M.P. (Absent - on leave)

Cde. J.R.L. Bovell-Drakes, M.P.

Cde. N. Calistro, M.P. (Absent)

Cde. G.W. Chin, J.P., M.P.

Cde. F.M. Cumberbatch, M.P.

Cde. M.I. Deen, M.P.

Cde. Cyrilda A. DeJesus, M.P.  
Cde. Edith Deygoo, M.P.  
Cde. Clarice A. Edwards, M.P.  
Cde. C.L. Geddes, M.P.  
Cde. G. Marshall, M.P.  
Cde. B. Persaud, M.P.  
Cde. E.W. Trotman, M.P. (Absent - on leave)

Members from the National Congress of Local Democratic Organs (2)

Cde. E. Mohamed, M.P.  
Cde. Rose I. Semple, M.P. (Absent)

Members from the Regional Democratic Councils (10)

Cde. Nellie R. Charles, M.P. (Region No. 7 - Cuyuni/Mazaruni)  
Cde. R. Bishop, M.S., M.P. (Region No. 4 - Demerara/Mahaica)  
Cde. Bhagmatee Latchminarayan, M.P. (Region No. 5 - Mahaica/Berbice)  
Cde. Y. Khan, M.P. (Region No. 2 - Pomeroon/Supenaam)  
Cde. Enid E. Abrahams, M.S., J.P., M.P. (Region No. 3 - Essequibo  
Islands/West Demerara) (Absent - on leave)  
Cde. I. Ally, M.P. (Region No. 6 - East Berbice/Corentyne)  
Cde. Patricia A. Daniel, M.P. (Region No. 10 - Upper Demerara/  
Berbice)  
Cde. B.L. Domingo, M.P. (Region No. 1 - Barima/Waini) (Absent)  
Cde. S.I. McGarrell, M.P. (Region No. 8 - Potaro/Siparuni) (Absent)  
Cde. M. Stephens, M.P. (Region No. 9 - Upper Takutu/Upper  
Essequibo) (Absent)

Members of the Minority (11)

(i) People's Progressive Party (8)

Minority Leader (1)

Cde. Dr. C. Jagan, M.P.,  
Minority Leader

Deputy Speaker (1)

Cde. Reepu Daman Persaud, J.P., M.P.,  
Deputy Speaker of the National Assembly

Other Members (6)

Cde. Janet Jagan, M.P.  
Cde. C.C. Collymore, M.P. (Absent)  
Cde. S.F. Mohamed, M.P., (Absent - on leave)  
Minority Chief Whip  
Cde. H. Nokta, M.P. (Absent)  
Cde. I. Basir, M.P. (Absent)  
Cde. C.C. Belgrave, M.P.

(ii) United Force (2)

Mr. M.F. Singh, C.C.H., J.P., M.P. (Absent - on leave)  
Mr. M.A. Abraham, M.P. (Absent)

(iii) Working People's Alliance (1)

Mr. E. Kwayana, M.P.

OFFICERS

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

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

14:05 hrs

ANNOUNCEMENTS BY THE SPEAKER

The Speaker: Leave has been granted to Cdes. DR. Shahabuddeen, Chandisingh, Burnham, Corbin, Jackson, Johnson, Sawh, Trotman. E.E. Abrahams and Mr. M.F. Singh for today's sitting, Cde. Prashad up to 16th July, Cde. Murray up to 10th August, Cde. Thomas up to 8th August, Cde. Sharma up to 23rd July and Cde. Dr. Faith Harding up to 8th August.

PRESENTATION OF PAPERS AND REPORTS ETC.

- (1) Report of the Standing Orders Committee on the motion to amend the Standing Orders to provide for a Recess for the National Assembly. /The Speaker/.
- (2) Annual Report of the Police Force for the year 1984. /The Prime Minister/.
- (3) Annual Report of the Ministry of Energy and Mines for the year 1985. /The Deputy Prime Minister, Planning and Development/
- (4) Pensions (President, Parliamentary and Special Offices) (Designation of Offices of Chairman and Vice Chairman of National Congress of Local Democratic Organs) Order 1986 (NO. 30), made under section 2 of the Pensions (President, Parliamentary and Special Offices) Act, Chapter 27:03, on the 18th June, 1986 and published in the Gazette on 28th June, 1986.

INTRODUCTION OF BILLSPresentation and First Reading

The following bill was introduced and read a first time:

- (1) Cinematograph (Amendment) Bill 1986 - Bill No. 9/1986. /The Minister of Information and Public Service on behalf of the Government/.

PUBLIC BUSINESSBill - Second and Third ReadingsEXPORT AND IMPORT (SPECIAL PROVISIONS) BILL - Bill No. 8/1986

A Bill intituled:

"An Act to make certain special provisions of a temporary nature in respect of the export and import of goods from and into Guyana, including the payment of export and import duties in certain cases in specified foreign currency, for the purpose of increasing the foreign exchange earnings of the Government. /The Minister of Finance/.

The Minister of Finance - (Cde. C.B. Greenidge): Cde. Speaker, the bill before us has been a subject of a great deal of controversy arising from what can only be regarded as extensive mis-information. For this reason I would like to take this opportunity to go through the bill before us fairly carefully trying to spell out in as simple a fashion as I can the way in which it is intended to work.

May I start however, with the rationale for this bill. The bill has two objectives and it applies to two areas as the title suggests. The two objectives are first of all to garner foreign exchange and secondly to tidy up existing legislation which apply to importation and exportation of goods as well as of specific item mainly trips. Now such a situation stands at the moment - an individual seeking to host gifts by a device of what is commonly referred to in Guyana as barrels is required to pay the shipping agent in the currency of the country in which the barrel is shipped and that shipping agent usually indicate on the invoice presented to the consignor that there is a                      in their for handling charges in Guyana and for trade in Guyana. Whilst that amount is collected in hard currency the expenses that the shipping agent is required to meet domestically in Guyana dollars are met in Guyana dollars. The delivery of that barrel require the use of a truck or vehicle of some sort and the shipping agent locally are not required to pay for the direct or indirect foreign exchange cost in foreign exchange although they collect foreign exchange for that purpose.

14:10 hrs

Cde. Greenidge: They currently enjoy the facilities the Guyanese enjoy and they made that payment in Guyana dollars. The second objective, is the intention of the legislation is to capture that part of the revenue collected by the shipping agents, handling charges and so forth. They are contracted in Guyana.

The second intention is to tidy up legislation on the importation of these various items. Pertaining to gifts, we are speaking here about the barrel traffic which is being extensively abused for a variety of reasons and perhaps one of those reasons is because the facility is relatively simple. It is used extensively masquerading under the egis of gifts and therefore we are trying to rid ourselves of that particular malpractice. The legislation has been formulated with a degree of flexibility that will allow us to keep track of the inevitable modification of the practice by those who seek to get around the law when it is implemented. The legislation as you will know is fairly flexible giving the Minister of Finance the ability to exempt certain items and include others as time goes along. In the first instance the rationale for the Bill is two fold and the Bill allows you, basically it allows the person shipping the barrel from an outside port to pay the consular fees and duties to the consular in the currency of the country as prescribed by the Minister of Finance. I know that this particular area has generated a great deal of discussion.

An individual seeking to send a barrel or car to Guyana as a gift simply calls up the shipping agent and they will levy charges and at the same time, and they will proceed in their own time to Guyana. When it arrives here it has to be examined by the Customs and they collect, and a licence is needed from the Ministry of Trade and then import duties and consumption tax are collected here after the relevant has been done. In this new dimension it simply requires that the individual sending the barrel supplies to the agent at the same time the barrel is brought a simple form in which he indicates the categories of things contained in the barrels. There are six and they are very broad, they do not require any technical knowledge. They are clothing, foodstuff, electronic equipment, as simple and as broad as that and along side each is the relevant rate. The duty as far as the legislation is concerned can be collected on behalf of the Ministry of Finance. Personally, in other

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14:10 - 14:20 hrs

Agent

words, as far as the quantities of the barrels are concerned, and the shipping/ goes to and collects the documents that has to go with the customs declaration to be transmitted to the nearest consular office to ensure that where licences are needed that they have in fact been supplied and the shipment then goes forward as is normal. Customs is first required to check the commodities of the barrel against the declaration form. It means therefore, that some of the problems that we had in recent times about the opening of these containers/at customs and the Ministry of Trade <sup>and the inspection</sup> within which time some of the contents can get lost. That step is eliminated. Once it comes with the declaration form the parcel or the barrel can be taken away. I would like to say that it is likely to in fact eliminate some of the difficulties currently being experienced with the delivery of these barrels in Guyana.

The second set of points I would like to make is that unlike some suggestions made the regulation contains no increase whatsoever of charges or duties or payments that are normally associated with these barrels. There is no increase associated with this legislation. No increase in fees and payments would need to be made and the collection of these items can simply be done on consolidating these arrangements. A person from another part of the world can make payment for a barrel with the use of an agent and that agent can simply collect and there is no extra work of any significance associated with the new arrangements that have been put in place.

Now, Cde. Speaker, the second aspect of the Bill pertains to the export levy and when I was speaking just now I said the Bill demonstrated in a way tidying up legislation on the importation of various items. As far as part two of the bill is concerned this pertains to exports. You will recall that in a particular speech of 1984 mention was made and consequently the necessary legislative powers were enacted to require exporters of shrimp to pay duty. As that time shipment was being made. This legislation simply tries to regularise that arrangement and as far as the Act is concerned there is nothing that is being implemented. This is simply an attempt to tidy up a de facto situation. Having made those very general observations as regards the different heads. Cde. Speaker, I would like to go through in a little more detail the specifics of the legislation itself.

14:20 hrs

(Cde. Greenidge continues)

The legislation is, as I said, intended to capture the inward movement of so-called gifts into Guyana. In so far as the legislation is concerned, you will see that under Section 1, sub-paragraph 2, Sections 10 and 11 which apply to the import duty and the licences and so forth, and payment of stamp duty, will be tripled by separate order which the Minister of Finance may specify, that is, paragraph 12. And the other point worthy of note pertains to the areas for which the different so-called fees are collected. These are shown basically on page 4, Section 2 (d) where shipping documents are defined. These are the normal bills of lading, delivery orders and so forth. You will see that the tax that the shipper will be required to pay are the normal consumption taxes which are chargeable under the Consumption Tax Act. That Section goes on to explain various definitions. I am drawing colleagues' attention to this to emphasise the general point I made earlier that there are no new taxes of any sort included in here. Shipping documents which include bills of lading and so forth are currently required on goods shipped into Guyana and consumption tax, and import stamp duty associated with import licences are current requirements.

Since I know that many of the colleagues on the other side of the Assembly will want to suggest that this particular piece of legislation has no precedence elsewhere and since it has already been said, I would just like to draw colleagues' attention to the fact that this type of legislation is used throughout Latin America. I have with me the so-called **Enquirer's Encyclopaedia** which is an authoritative document put out by Marine Services for all bonafide exporters. The 1984/1985 edition makes reference to all the different countries that use these regulations and the various duties and fees employed by them. As I said, they are extensively used throughout Latin America. Outside the region you will also find it used in Czechoslovakia, Egypt. Cde. Speaker, I would just like to make reference to the fact that this legislation is not unique to Guyana. In Bolivia, for example, there is an invoice and several



forms to be paid for and that will require US\$25. There are also invoices which have to be done on the shipper's letterhead, a bill of lading also has to be done, a certificate of origin has to be done. All these have to be submitted to the Consul-General of the Bolivian Government and the consular fees have to be paid for the processing of the legalisation of those documents. That is just one example and there are several others, as I said.

So I hope our time would not be wasted by suggestion that this is something very peculiar or unique to Guyana. As far as the imports are concerned, you will note that on page 5 of the Bill reference is made to gifts and the legislation is so worded as to exclude some of the abuses which are current and it also allows for the Minister to take into account several circumstances. You will see that, for example, / <sup>there are</sup> cases where certain categories of good may be deemed by the Minister to be exempted; where they are supposed to go to certain organisations. One may want to exempt charges and so on from that type of institution. There is provision in the legislation for such exemption as you will see under Section 7, sub-paragraph 5.

You will see that as far as the Consulars are concerned, they are required to legalise the shipping documents and for persons making payments abroad or locally in specified currencies other than the Guyana dollar, protection is afforded to the individual from prosecution which might otherwise be associated with the payment of these fees in a currency other than the Guyana dollar. As far as the payment is concerned, it may be useful also to say that if the quantum as I am suggesting is exactly the same as would normally be paid by the person collecting the item in Guyana, it is also the case that the . . . currency equivalent that the consignor be required to pay will be merely the equivalent amount in US dollars. We are proposing to use the official rate here for these transactions and page 7, paragraph 12 makes reference. It does not specify the rate since the rate varies from time to time. It is dependent on our own rate movement which is not fixed indefinitely, it moves in keeping with the amounts for the levels set by the basket of currency.

The last area I would like to make reference to is the general penalties associated with the legislation. Before I do that, I would like to say that

at the moment when shipments are being made from places abroad it very often happens that shipment is made, the item arrives on the wharf here in Georgetown and then it is discovered that the item could not be imported without an import licence. An import licence takes time to acquire and sometimes it is the case that the particular item that is shipped does not warrant an import licence. In other words, an import licence cannot be issued because the item may be specifically prohibited by the legislation. In so far as this particular piece of legislation requires the completion and the approval of the licence before the item is shipped a lot of the trauma, time-wasting, the extra cases associated with storage, so-called want-of-entry charges will be eliminated.

In closing, I would like to say that the justifications for the Bill are carefully captured in the specifics of the legislation. The legislation requires no procedures that will add any onerous burdens to those persons shipping the gifts. It will, in fact, as far as the recipient is concerned, provided that the forms are correctly completed - and the forms are very simple - it will not involve individuals here in making any extra payments, any time wasting or any burden.

14:30 hrs

(Cde. Greenidge continues)

It will in fact reduce the demand associated with the trade and the gift barrels or whatever other gift items may be shipped and as far as the other amendment is concerned, that is the export aspect of the legislation it makes . . . but from the legal point of view it serves to tidy up the existing legislation.. Thank you

Cde. Reepu Daman Persaud: Cde. Speaker, I must say on this occasion unlike previous occasions the Minister made a very great effort to give some explanation to this bill which is appreciated on this side of the House but I want to say that in reading the bill it is not as simple and innocent as it is presented and <sup>if</sup> I am wrong in my impression I would stand corrected and I would point to the reasons for so stating. The purpose of the bill - the objective seem to be simply to raise foreign exchange. The way the bill is framed, it is clear that it is a . . . measure and this is clearly stated in the whole operations of the bill because there is a specific period for this legislation. The Minister did not give any reason why. It is <sup>first</sup> two years and thereafter you extend year after not exceeding a period of five years. <sup>is</sup> It because the Minister feels probably that it would not work and I want to point out why it would not work and I want to say clearly that those of us who sit on this side of the House are not opposed to the government moving to block areas where <sup>people</sup> are mis-using the laws as they presently exist with a view of earning foreign exchange. That is not our view at all, wherever there is evidence that these so-called, <sup>gifts</sup> as the Minister called them are used for commercial purposes one would expect that the impact of the relevant customs law will be brought to bear on such person or persons but I think it is now public knowledge that the greater percentage of these barrels that come into this country come to very poor people. If you think I am not saying the right thing go and face the people when they go to collect barrels from different parts of the country. The migration rate has proven that substantial percentage of our population has got relatives overseas and they have been sending for them items of necessities, items of need and I said with the greatest clarity and I will not be persuaded to explain, my language is very clear and unequivocal, that is

that where there are those who are using available legislation for purposes for which it is not intended I expect the full impact of the necessary legislation, but it is the duty of those/<sup>of us</sup> who constitute this Assembly to ensure in our very clear moments all violations of measures of this kind that they do not affect the small people who I say with no fear of contradiction have benefitted immeasurably from the coming into this country of the barrels and it would appear that if these peoples' relatives are inclined as they have been to send such barrels with things of necessity to their relatives, if they want to expend X dollars, they will have to add to that amount for paying duties for which the Minister referred and that is a fact. What I cannot understand and again I stand corrected is how you will get the money that the agents will collect for their handling fees. He did not say that. I hope I have listened carefully because they will probably still continue to collect handling fees so that the barrels will still reach its destination, but what in fact the person who will pay - it is not the agent, the agent will collect from the relatives who are posting the barrels. In fact it is clear that it will be a burden on the relatives. I want to talk some reality in this House for a change with the greatest sincerity because no matter how much you persuade the government to believe what we say as reality they dont accept and I hope they believe and accept this afternoon because everyone knows that some of the members do not have their feet on the ground and so they do not know that ordinary people benefit substantially from the coming in of the barrels, you should send them to do some field work but I want to go on Cde. Speaker, to say that the entire country knows that people have been trading in foreign exchange. What people may be inclined to do now is instead of sending the barrels to their relatives is to send money, sell it on the blackmarket and buy the goods on the blackmarket which if it is done will defeat the purpose of this legislation. I hope you get my point. That will happen in that if the man gets his twenty or forty or one hundred dollars, he will exchange it outside of the legal fence for so changing it and use the money to buy the same foodstuff here at blackmarket rate and that is a fact, look at it. I am persuading the Minister very strongly to examine what I am saying so that you are left now with

those who commercialise and as I said if there are those who commercialise, let the law be imposed. They will now decide whether this new legislation will adversely affect them as I believe it will, they will either discontinue their trade or probably device ways and means in which case ultimately and finally if it affects the commercialise it will affect the consumers because they have had a long tradition of passing it on to the consumer.

14:40 hrs

They will not be involved in any business in which they will be losing. What the Minister has not made abundantly clear is, there are provisions in this legislation that talk about a certain set of values and I was expecting from the Ministers or Minister, this afternoon that these items that are coming of a certain value which are clearly needs and wants and necessity of people, that such balances and items would have been exempted from the provision and the legislation and those people would not have been required to pay duty in foreign or hard currency. Those are the areas that we are deeply concerned with. Now there will be an additional administrative expense for each embassy I understand from what I have heard in this Assembly that they are functioning from just the minimum and hence for each embassy you put up you will have to pay in foreign exchange. Do you earn enough to pay. Or if I share my experience on what I consider to be intricate. I believe persons outside of the borders of Guyana and I believe they will have to ... and the Customs Department right now in Guyana are inadequate. That is a fact. I have been speaking to officers of these departments and they are still to train more people from right here. What you will do? You will take untrained people, the duty will have to be assessed and it will be affecting a quantum which has to be assessed. When you are talking about food preparation definitely a custom has to be applied or a system has to be made for proper administration. What seems clear from the Minister's presentation, Cde. Speaker, is the fact that there will be a duplicity because wherever these items are coming from people will have to go through a process. This will place **additional** burden on those who are sending it.

So what will happen then is that you will have to go through one process there and then one process in Guyana . Then you will have to see that the declaration form corresponds with what is in the barrel. If it does not correspond it appears that the recipient will be expected to pay **additional** duty in foreign exchange and that possibility exist no matter how careful we are. And there can be genuine cases where that can happen.

Then, Cde. Speaker, I would like to say that the Government did not really consider very deeply one of the provisions of this bill and that is dealing with exchange control in that once .... you will have no prosecution.

I think this is making a mockery of our foreign exchange laws. For certain reasons you can break the law and you will not be prosecuted. I cannot understand it up to now. Because once you have the foreign exchange and once you say you are going to pay duty then alright. Then Cde. Speaker, if we look at the bill itself I am persuaded to ask why on this occasion the Government went to the extent of making the Bill effective from the day of the first reading. This is a very controversial Bill. The people who have barrels coming in, will they be covered by this legislation? I would like the Minister to clarify that position.

Cde. Speaker, with respect to motor vehicles too I would like to know if those people who are receiving gifts and who have bought cars whether they would be expected to comply with the law as the law existed when they started their transactions? For those people to come under the ambit of this legislation now would be wrong. I would like clarification from the Minister what would be the position of those people whose barrels are on the way whose barrels are here, whose cars are coming in, whose cars are here or whatever item may be affected by this legislation. I do not object to the Government collecting foreign exchange for goods exported because this will be earning foreign exchange like in the case of shrimp.

If you look at the Bill further, Cde. Speaker, as I said and I want to repeat that it will encourage more dealings in foreign currency that are illegal and it will have an adverse effect I warn. There will be a lessening of the barrels brought into the country and once there is a definite reduction there will be a reduction in the collection of duty. But what I would really like the Minister to explain is clause 9.

"Each shipping document, in respect of each consignment of goods to any person in Guyana from such countries, and exceeding in value such amount, as may be specified by the Minister by notification in the Gazette, shall bear a certificate of legalization in such form as may be prescribed by the Minister by regulations."

And yet the value is not stated here. I suppose it will come later. What value would be affected? I do not like the power which the Minister impresses upon the Bill. I am not talking about the Minister, I am talking about the Office of the Ministry of Finance. This legislation gives very wide and massive powers to the Minister.

14:50 hrs  
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(Cde. Reepu Daman Persaud continues)

This legislation is speculated in many respects. It is ambiguous in many respects and anything can happen under the legislation. Of course, the Minister puts it very nicely, that stands to his credit. The Minister has certain powers. Wherever there is need to exempt well the Minister will exempt.

But we must ponder this afternoon on how these things actually operate. The Minister will not be there. Every barrel that comes into this country, every article that comes into this country that comes under the ambit of this legislation will undisputedly be dealt with <sup>by</sup> the Customs Officer and that Customs Officer is the man who will make all the decisions. You think the common man will easily, if at all, see the Minister to persuade him to exercise the law under the provision of this Bill? My answer is clearly no. In fact, the embassy will have such additional responsibility. The officers of the embassy would not only be expected to be Customs Officers, apart from diplomatic men, they are expected now to be licensing <sup>all</sup> authorities because/ powers hitherto exercised by the authorities in the history of licences will now be exercised by officers within the different embassies in the different countries where people will go for the kind of service that this legislation envisages.

The Minister mentioned penalty, but let me say that there will be no jurisdiction. If an entry is false it cannot be - in other words, the person will be well within his right, he can make a false declaration and false entries and you cannot charge him. He will not be subjected or liable to prosecution because the offence would have been committed in a country outside of Guyana. So what action the Government will take, seize the barrel and all its effects within? All those are factors within this Bill to which the Minister did not allude and hence we say that the legislation is not one that really we can easily give support to. It is one in our view that is definitely controversial and it is one which in the final analysis will bring no real gains to the Government and will operate



against the common man who has benefited within recent years from the arrival of the barrels in this country. The Government has admitted mistakes in the past and I want to tell them this afternoon in the Assembly that they will come back very shortly to say that this is another error. What is expected . . .

. . . is how much duty was collected from these items that have come in so far and how much was collected subsequently. Even if you deal in foreign exchange, what has been the over-all expenditure for the administration of the legislation. So the Government never well advised. In fact, they are ill-advised to bring that measure the population interpret to be against their interest.

The Minister just started off by saying that a lot of controversies have been voiced out of this Bill and he was seeking to clear the air. But I want to submit that the air has not been cleared. The Minister has still been vague. I would like him to tell the Assembly whether he has given consideration to value. Has he given consideration to certain barrels and articles which should not come under the ambit of this legislation at all? If so, could he clearly state those areas that will not be considered by this legislation. How the legislation is drafted, I think all will be caught and very rarely, if at all, exemptions and Minister's discretions have been exercised favourably to the ordinary man. The modus operandi is not there for the ordinary man to get to the Minister at all and let us be practical and honest about it. That is why I have raised all these matters.

I proposed at the proper time to ask for detailed explanations on some of the clauses because I think they need explanation. But I want to conclude by asking the Minister to answer (a) with respect to value, with respect to quantum, (b) the question I posed with respect to cars, people who have ordered cars or people whose barrels are coming in and so on, whether they are affected.

So that to put in from the day of the First Reading means we want to catch everybody. So that when this legislation becomes public and when it is finally passed, it will take effect from the date of the first presentation. I want to go before that, nobody should be affected by this legislation. Nobody who has started any transaction knowing what the law is, The law as it applied hitherto, should be the same law. I want to tell us in very clear terms what he has got in mind. He has attempted some explanation but we want greater clarification, we want greater amplification and we want specifics. Since the intention of the legislation is to catch those who are using the barrels for other purposes, we would like to know what provision is there for those people not to be affected at all. That is all I think I want to say at this moment and that in the final analysis the Government might be penny wise and pound foolish.

**TAKE**

**15:00 – 15:10 HRS**

**MISSING**

15:10 hrs

I leave that statement there and we can all use our imagination to add to the various possibilities of this new operation that is launched today. People Customs handling is a highly and very technical task. The Minister made it sound very simple, but various things could go wrong. The essential thing however, is that people with an entire different training will be operating extensions of the Customs Department, or extensions of the Ministry of Trade. I would like to know whether in taking this motion we are breaching any international trade agreements, whether these provisions are fully in harmony of the rules of the general agreement on trade and tariffs and other international agreements that we may have entered into? It aggravates the accountability problem and there is no guarantee that there are mechanisms for taking care of these. Perhaps Government should have brought this measure in such a way so as to appeal to those able to pay in foreign exchange and to give those who are unable an option. When I/<sup>say</sup>those who are unable I mean the shippers as well as the receivers. I do not think all the shippers will be able to sacrifice more. The relatives here must readily be able to find extra to pay the duty. What is most offensive is the compulsion affecting those without means and who are given no option out. Now this would have been a good way for the Government to test its popularity to appeal to the people without compulsion to pay their dues wherever possible in foreign exchange once it is in their possession.

Cde. Belgrave: Cde. Speaker, I listened with interest as the Minister presented this Bill and the two speakers before me spoke. I with some interest then felt it to be the wrong thing for me to start and not draw to the Minister's attention certain developing problems when this bill comes into effect. And I would deal with unemployment. Now over the past three or four or five years, Guyana had the experience of rescue gifts as these barrels are being called now. That has been the largest volume of cargo reported into the country. One ship had over 3,000 barrels imported which accounted for employment for a large volume of workers in this country, there is no doubt about it. We do not have cargoes in this country. Barrels are not the only article that is responsible for employment of many of our Guyanese people. May I draw to your attention that a great volume of your cargoes are imported contemporaries and at the stroke

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15:10 - 15:20 hrs

of two or three ships in any one day a ship with about sixty or seventy tons would be discharged each day. It cannot be denied that today we are dependent on the barrel trade to suffice our family life. If this measure passes today I can assure you that the trade will drop.

I saw a barrel which came into this country, what I would call a mini Barrel. It came to a relative and on this Barrel I saw a very striking thing. "I still love you all". In other words that sender was demonstrating to the consignee his love in no uncertain terms for them but he could not have done it with a jumbo size barrel. This means that he had to scrape to send off this to his relatives something of love . There is no sense in running away from the facts. Some of us may enjoy a wonderful life style. There are thousands of Guyanese who are dependent upon what little hand outs their relatives and friends can send from abroad for them. What will happen in this respect when this measure is passed. If I had to send a barrel costing 30, 40 or 50 US to my relatives in Guyana and then I would have to pay an additional sum for tax and consumption, I would either send them US60 and they will take it, I am sure on the parallel market and they will get \$600 Guyana.

Comrades, you are looking at a reality of life. I agree that Guyana needs foreign exchange, but then your measures must not affect the life style of other people who are also dependent on survivals. You want to survive, they want to survive too. From the time this measure is passed I can assure you that it will be a hue and a cry in terms of those recipients. I remember the President made a visit to John Fernandes/<sup>wharf</sup>farm some time this year. It had nothingless than 1,200 barrels.

15:20 hrs

(Cde. Belgrave continues)

And at least about 60 or 80 per cent of those barrels were sent to relatively poor families. All right, they are violators of the law, they are persons who are violating the law, we can catch them. We know people who leave this country on more than one occasion, they go abroad, they purchase and then they ship back their things either before them or after. These persons are known and can be caught because they have to go by plane or they have to go by boat and the passport gives you all information. You must not only seize Belgrave's passport when he is going abroad to find out where he is going and what he is carrying out. We can monitor all those who are carrying on the trade to collect funds but for heaven's sake do not apply laws that will cause cries and tears of some families. Milk is being sent continuously to old women. We are now trying, according to the records to see what we can do. These people are contributing to this. Also, one barrel when opened, it is . . . . . that an old woman who says that she gets pension collect even as much as rice from her daughter. I am not saying it is a right thing. We are producing rice. But because the woman is a pensioner and she gets very little that daughter thought it best that she should send even/<sup>rice</sup>to her dear mum. She will now be losing that.

Do not bring the cries of people on us. I can speak because I am out there on the roads and when these laws are passed in Parliament I am singled out with your acts because I am challenged. I do not want the cries of some old woman to fall on me, I have respect for them. I have a lot of respect for senior citizens and I can say that the majority of these barrels, these gifts come for relatively poor families and in some cases the destitute. Secondly, do not put me out of employment. They will lock me out. I am already out. More than 70 to 80 per cent of the trade over the past 10 years has dropped. Waterfront workers are barely surviving. I am sorry my colleague is not here to give me some support. We are barely surviving and the biggest trade is the barrel business. It is called rescue kits.

I ask of you to think of your measures and see maybe if you can at least

suspend the Bill for today, remodel it, look at it again, look at the implications, look at the problems that may develop and maybe sometime come up with one that will be acceptable to all and to catch those who in this country have been using the leverage to get rich quickly and drive the fancy cars. I know some of them. My friends across there know some of them. We do not mind legislation passed to protect the Government from these people but do not use legislation as a measure to put the hand upon those who are hardly affording it. Thank you.

Cde. Greenidge: Cde. Speaker, when the comrades started I think they all took the opportunity to say a few words that almost suggested that they were in agreement with the legislation but by the time we got to the stage of the last speaker it was clear that a great deal of misunderstanding still exist, notwithstanding the opportunity that I took at the beginning to outline in fairly simple terms what the legislation was intended to do and how it will be administered. We were treated in the final statement by Cde. Belgrave to a very emotional presentation about the poor.

First of all, as the existing legislation is provided and applies to the barrels that are currently coming into the country, those lowest categories where there are many barrels, are not covered by the legislation. So all that treatment that we had from Cde. Belgrave about the poor old woman and so forth is completely irrelevant, erroneous and would have been better left unsaid.

As far as the inflow of barrels are concerned, they started a long time ago and it is not the intention to stop them at all. Since migration started from this country when we had the tremendous crisis, you have had the sending of gift barrels, boxes and so on to this part of the world. It is not peculiar to Guyana and we do not think that it is undesirable to have that situation where relatives send items back. So the legislation in no way is intended to curtail or restrict that. We have heard a whole set of what can only be regarded as erroneous statements about this. The fact is that as the situation exists at the moment, taxes have to be paid on these items which come in. We are not imposing additional prices. Cde. Kwayana in his presentation told us that he went to North America. I am glad to know he went there and I am more glad to know that he was able to perceive that

poverty is not a purgatory of this side of the Atlantic. I am glad to know that he recognises that it exists elsewhere.

As far as the question of employment is concerned, the legislation does not impose any change that will hamper employment of persons in relation to barrels. As far as the procedures are concerned, I thought I went to great length to explain that those procedures will enable us to move those barrels more speedily. It will enable us to move it more speedily, and even if it is the case that individuals in this country who are not as well off as their counterparts in the North, then we ask the counterpart in the North to bear the menial cost of landing those barrels. [Interruption]

The Speaker: I think this is an important legislation and if the Minister is interrupted nobody will understand what is going on. It is very important, please let us hear what he is saying.



**TAKE**

**15:30 – 15:40 HRS**

**MISSING**

15:40 hrs

Now it struck me as being rather amusing that a colleague should be arguing that this discretion will not be exercised because the Minister is too busy. The Minister is merely an institution of the Ministry of Finance. But the fact is that at the same time it is being argued that the discretion is far too wide. Now either it is too wide or it is not wide or no discretion will be allowed or else the discretion that is available will be exercised under the banner that it is currently being exercised and so far we have not heard any complaint about that discretion being abused. It seems to me that we are just being treated here to a debating programme. Now as far as the arrangements and the customs end is concerned, what we are trying to do is that the legislation will allow who is sending it and for customs to facilitate movement of the barrels.

Now the problem of false declarations and seizures, apparently I did not mention what the penalties are seem to me to be a bit relative here and the legislation and the Custom Act is drafted at this moment outside of this particular Act. Customs can seize any import which infringes on this Customs Act. So if you make a declaration that is false or you do not have a licence that is appropriate the item can be seized. This legislation therefore adds no new dimension to the penalties. So to refer in a very emotive fashion the question of seizing these items is quite irrelevant. Seizures take place everyday.

The Speaker: What he is saying is that if the person who is resident in the United States makes a false declaration then when the barrel reaches Guyana and the Customs checks it and see instead of X pounds as should have been there, some other commodity is in place, then Customs would have the power to seize the barrel which would be unfair to the recipient. I think that is what he is saying.

Cde. Greenidge: Cde. Speaker, I thank you for that bit of clarification. I did actually miss it when I heard the arguments. As far as I am concerned in the final analysis Customs currently has the power to ensure that any declaration which does not confirm to the <sup>contents or the</sup> /items declared is seized. Now it may well be unfair to the person who is here, but under the original arrangement the person who is here may also complain that seizure as such is what happens and whether it is the person who is shipping it

it makes the false declaration is really I think splitting hairs. The fact is that Customs does have the discretion to see if it is a genuine error to treat it in the appropriate manner. There is an element of discretion where many people do make appeals to the Minister of Finance when they feel that Customs has unfairly seized or when they feel that the seizure will impose burdens on them they have recourse to the Minister. I would like to say that we would like to ensure that that discretion is exercised.

Cde. Speaker, the question of timing and the effectiveness of the legislation is one which I listened to with great amazement. Cde. Speaker, you would know that every time the Ministry of Finance brings a piece of legislation to this Assembly there is a high probability that they will ask that the legislation be..... If I were to say Consumption tax on a particular item will be raised what then happens? Individuals immediately buy up large quantities of the commodity waiting for the consumption tax to be applied so that they can sell it and make a shilling. Now I do not see why this question is therefore being asked. Cde. Reepu Daman Persaud has been in this Assembly long enough to know that that is a practice and the origin is very sound. The fact that the legislation comes into effect immediately is being read is one that has good reason. May I say in relation to some other specifics that has been raised, Mr. Kwayana asked what happens to an individual that has foreign currency abroad. I keep saying and I have spent quite a lot of time on this, for what reason or merely for platform purposes it would still appear are addressing non-issues. That is a non issue. If the person owns funds abroad and is seeking to import something that is not a gift and it falls under other arrangements. If the person is entitled to a concession which do not require the payment of duties then they will continue to enjoy that concession. We are speaking here purely in relation to the question of gifts and the fact that somebody owns funds abroad is not captured by this legislation. They have merely to establish that it is a gift rather than a purchase they have undertaken.

Mr. Kwayana: In relation to me the Minister did raise a non issue. I did not raise that.

Cde. Greenidge: I am glad the issue is now dead and buried. It would be interesting to note Cde. Speaker, that the question of

notification or notified category asked by Mr. Euisi Kwayana, as far as I am aware a category will be notified normally in relation to orders. This is not an unusual occurrence. In the Gazette we will be able to say that the following categories have been exempted and they will not be required to be notified. The reason why there is this flexibility, Cde. Speaker, is not really to provide wide ranging powers to the Minister but simply because this area of importation of gifts is an area of.....

I started off in the presentation this afternoon by saying that we had the hope that this legislation would weed out those people that have been using the facilities provided by the gift barrels. One cannot really wait for three months whilst our lawyers draft new legislations to come and dream, with the very innovative and very imaginative way in which the people break the laws. We are saying that in this particular case flexibility is being showed that when cases of hardship occur we can immediately address them and when cases of irregularities occur they can be immediately looked at in a manner that is consistent with the legislation. The legislation can be looked at quickly and people are notified in a proper and appropriate manner and that they are clearly set out categories that enjoy or do not enjoy the privileges of any particular piece of legislation.

15:50 hrs

(Cde. Greenidge continues)

Now I also believe that the legislation allows Consuls to collect funds in relation to this barrel and we hear something about the extent to which the Guyana dollar is used. I would like to say that as far as I am aware, if the Consular fees and so forth are to be collected outside of Guyana, then Guyana dollars could not be used.

As far as the Banking Act is concerned, and reference is made to this, I would just like to bring colleagues' attention to the fact that it was assented to by the President since the 14th June, 1986 and that was Gazetted on the 21st June. So I am not too sure where some colleagues acquire their information from. It may be the same sort of source that caused some matters to be raised here today.

I would like to close now by saying that as far as the presentations that have been made by the Members of the Minority are concerned, I think that we have answered and anticipated most of the questions that have been raised. As far as the quarrels of undue burdens are concerned for members of the public and so forth, those matters are irrelevant here because there are no additional burdens. There is an . . . . . which I will close with. Don't on the public sector . . . . . public sector is the largest mis-user of foreign exchange. I am not sure what follows from the fact that the public sector is the largest user. As far as the Act is concerned, if the public sector receives a gift it can be exempted. I am not sure how one draws a parallel between individuals who use it and the fact that the public sector is not required to . . . . .

In so far as the legislation is concerned it exempts the institution, not individuals by virtue of their being members of the public sector. I think, Cde. Speaker, the objectives of the legislation are well made by the provisions of the Act. The glories and concerns that have been raised have been treated within the Act and the concerns about the burden and about time-wasting are far from what will result from this. I therefore would like to commend to my colleagues this Bill with a view to speedy passage.

Question put, and agreed to.

Bill read a Second time.

Assembly in Committee.

Clauses 1 to 6 agreed to and ordered to stand part of the Bill.

Clause 7.

Cde. Reepu Daman Persaud: Cde. Speaker, a very brief enquiry. I want to refer to Clause 7(3) just for clarification. My understanding is that any transaction started before the coming into being of this legislation would not be affected. This is a very sensitive question that is before the people. The second question is, would the Minister be inclined to tell us what kind of proof will have to be presented. This relates to Clause 7(4).

Cde. Greenidge: Cde. Chairman, in relation to Clause 7(3), Cde. Reepu Daman Persaud did interpret the Clause correctly. It is intended to apply only to those transactions taking place after the First reading of the Bill. But, you see, the Clause is specific to a certain category of things where monies are received in lieu of goods. The question of proof obviously is one that is not hard and fast. One normally asks for a receipt to show that the goods were actually purchased. In the event that the receipt is not deemed satisfactory for some reason, then one would have to have proof that funds were available to carry out the transaction.

Clause 7, agreed to and ordered to stand part of the Bill.

Clause 8 agreed to and ordered to stand part of the Bill.

Clause 9.

Cde. Reepu Daman Persaud: Clause 9(1) states:

"Each shipping document, in respect of each consignment of goods to any person in Guyana from such countries, and exceeding in value such amount . . ."

This one does not give the value in which case the Minister will specify the value subsequently. I think it is the proper time to enquire what value the Government has in mind. I think this is the area of greatest fear at the moment and if the Government is sincere about not really imposing any hardship on the people who could ill-afford, then this is the appropriate time to say what value the Minister has in mind.

**TAKE  
15:50 HRS  
TO  
ADJOURNMENT (16:03 HRS)  
MISSING**