

T H E
P A R L I A M E N T A R Y D E B A T E S
O F F I C I A L R E P O R T S

[V O L U M E 9]

PROCEEDINGS AND DEBATES OF THE SECOND SESSION (1982) OF THE NATIONAL ASSEMBLY OF THE FOURTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE REPUBLIC OF GUYANA

20th Sitting

14:00 hrs

Thursday

1983-01-20

MEMBERS OF THE NATIONAL ASSEMBLY (74)

Speaker (1)

- * Cde. Sase Narain, O.R., J.P., M.P.,
Speaker of the National Assembly

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

Prime Minister (1)

- Cde. Dr. P.A. Reid, O.E., M.P., (Absent - on leave)
Prime Minister

Other Vice-Presidents (4)

- Cde. S.S. Naraine, A.A., M.P.,
Vice-President, Works, Transport and Housing
- Cde. H.D. Hoyte, S.C., M.P., (Absent - on leave)
Vice-President, Economic Planning and Finance
- Cde. H. Green, M.P.,
Vice-President, Agriculture
- Cde. B. Ramsaroop, M.P.,
Vice-President, Party and State Matters

Senior Ministers (7)

- Cde. R. Chandisingh, M.P.,
Minister of Education
- Cde. R.H.O. Corbin, M.P.,
Minister of National and Regional
Development
- * Cde. F.E. Hope, M.P., (Absent)
Minister of Internal Trade and
Consumer Protection
- * Cde. H.O. Jack, M.P., (Absent)
Minister of Energy and Mines
- * Cde. Dr. M. Shahabuddeen, O.R., S.C., M.P.,
Attorney General and Minister of Justice
- * Cde. R.E. Jackson, M.P., (Absent)
Minister of Foreign Affairs
- * Cde. J.R. Thomas, M.P.,
Minister of Home Affairs

- * Non-elected Member

Ministers (6)

Cde. U.E. Jonnson, M.P.,
Minister of Co-operatives

Cde. Sallahuddin, M.P.,
Minister, Finance, in the Ministry of
Economic Planning and Finance

* Cde. Y.V. Harewood-Benn, M.P.,
Minister, in the Office of the Prime
Minister

* Cde. H. Rashid, M.P.,
Minister, in the Office of the President

(Absent)

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

* Cde. K.W.E. Denny, M.P.,
Minister of Labour, Manufacturing
and Industrial Development

Ministers of State (2)

Cde. M. Corrica, M.P.,
Minister of State in the Ministry of
Internal Trade and Consumer Protection

(Absent - on leave)

Cde. R.C. Fredericks, A.A., M.P.,
Minister of State for Youth and Sports,
in the Ministry of Education

(Absent)

Parliamentary Secretaries (3)

Cde. A.W. Bend-Kirton-Holder, M.P.,
Parliamentary Secretary, Ministry of
Works, Transport and Housing

Cde. D.A.N. Ainsworth, M.P.,
Parliamentary Secretary, Ministry of
Education

Cde. B. Bhaggan, M.P.,
Parliamentary Secretary, Ministry of
Foreign Affairs

* Non-elected Member

Other Members (26)

Cde. M. Ally, M.P.
Cde. M. Armogan, J.P., M.P.
Cde. B. Beniprashad, M.P. (Absent - on leave)
Cde. J.B. Caldeira, M.P.
Cde. A.A. Chin, M.P.
Cde. J.P. Chowritmootoo, J.P., M.P.
Cde. O.E. Clarke, M.P.
Cde. E.B. Davidson, M.P. (Absent)
Cde. H. Doobay, M.P.
Cde. A.B. Felix, M.P.
Cde. E.H.A. Fowler, M.P.
Cde. P. Fredericks, M.P.
Cde. E.F. Gilbert, M.P.
Cde. J. Gill-Mingo, M.P.
Cde. A. McRae, M.P.
Cde. J.M. Munroe, J.P., M.P.,
Cde. S. Prashad, M.P.
Cde. R.N. Primo, M.P.
Cde. P.A. Rayman, M.P.
Cde. C.G. Sharma, J.P., M.P.
Cde. H.L.B. Singh, M.P.
Cde. S.H. Sukhu, M.S., M.P.
Cde. B. Tiwari, M.P.
Cde. C. Vandenburg, M.P.
Cde. H.B. Walcott-Macimento, J.P., M.P.,
Government Chief Whip
Cde. R.E. Williams, M.P.

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

Cde. R. Bishop, M.S., M.P.
Cde. B. Latchminarayan, M.P.

Members from the Regional Democratic Councils (10)

Cde. **K.N. Jones, M.P.** (Region No. 1 - Barima/Waini)
Cde. K.V. Jairam, M.P. (Region No. 2 - Pomeroon/Supenaam)
Cde. C.A. Singh, M.P. (Region No. 3 - Essequibo Islands/West Demerara)
Cde. W. Bipat, M.P. (Region No. 4 - Demerara/Mahaica)
Cde. H.I. London, M.S., M.P. (Region No. 5 - Mahaica/Berbice)
Cde. I. Chowritmootoo, M.P. (Region No. 6 - East Berbice/Corentyne)
Cde. N.R. Charles, M.P. (Region No. 7 - Cuyuni/Mazaruni)
Cde. D. Abraham, M.P. (Region No. 8 - Potaro/Siparuni)
Cde. A. Dorrick, M.P. (Region No. 9 - Upper Takutu/Upper Essequibo)
Cde. D. Hinds, M.P. (Region No. 10 - Upper Demerara/Berbice)

Members of the Minority (12)

(i) People's Progressive Party (10)

Minority Leader (1)

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

(Absent)

Deputy Speaker (1)

Cde. Ram Karran, M.P.,
Deputy Speaker of the National Assembly

Other Members (8)

Cde. J. Jagan, M.P.
Cde. Reepu Daman Persaud, J.P., M.P.,
Minority Chief Whip

(Absent)

Cde. N. Persaud, M.P.
Cde. C.C. Collymore, M.P.

(Absent)

Cde. S.F. Mohamed, M.P.

Cde. I. Basir, M.P.

(Absent)

Cde. C.C. Belgrave, M.P.

Cde. Dalchand, J.P., M.P.

(ii) United Force (2)

Mr. M.F. Singh, C.C.H., J.P., M.P.
Mr. M.A. Abraham, M.P.

OFFICERS

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

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

PRAYERS

14:05 hrsANNOUNCEMENTS BY THE SPEAKERLeave to Members

The Speaker: Conrades and hon. Members, leave has been granted to Cde. Dr. Reid, Hoyte, Green, Ramsaroop, Corrica and Sharma for today's sitting.

PRESENTATION OF PAPERS AND REPORTS ETC

The following paper was laid:

Development Credit Agreement (Petroleum Exploration Promotion Project) between Guyana and International Development Association - Dated November 24, 1982 - Credit Number 1208 GUA.

Minister, Finance, in the Ministry of Economic Planning and Finance, on behalf of the Vice-President, Economic Planning and Finance.

PUBLIC BUSINESSMOTIONAPPROVAL OF FINANCIAL PAPER NO. 1/1983

Assembly in Committee of Supply.

Minister, Finance, in the Ministry of Economic Planning and Finance (Cde. Sallahuddin): Cde. Chairman, in accordance with article 171 (2) of the Constitution, I signify that Cabinet has recommended the following Motion for consideration by the National Assembly:

Be it resolved that this National Assembly approves of the proposals set out in Financial Paper No. 1/1983 - Schedule of Supplementary Provision on the Current and Capital Estimates totalling \$20,675,571, for the period ended 1982-12-31.

Motion proposed

The Chairman: We will consider the Paper as usual, that is, the items will be taken from both the Current and Capital Estimates in the order for which the Minister is responsible.

Current Estimates, page 1, item 2; page 1, items 7 and 8; page 1, items 9 and 10; page 2, items 11 to 13.

Cde. Narbada Persaud rose.

The Chairman: 9 and 10 and 11 to 13. On the Capital Estimates, page 1, items 2 and 3. Cde. Narbada Persaud.

14:10 hrs

Cde. N. Persaud: Cde. Chairman, on page 1, Item 9, Custody of Government Buildings. It is noted here, sir, that in the 1982 Budget Estimates, the sum of \$5 million was provided for this purpose and also in the supplementary provision the sum of \$908,448 was additionally provided. We have noted that an additional sum of \$574,850 was already spent in the year 1982 without the approval of the National Assembly. Now this sum of money we are being told is to pay National Guards for the services for the month of November 1982. The first question I would like to ask is who owns The National Guard Service? I would like to know whether it is a private concern or a Government concern or a Combination of both. The second question would be since this sum would be to pay for the services of November, would an additional sum be sought for the services of December and would this be the last sum if the services are terminated?

Cde. Chairman, I want to make the additional point that the Financial Administration and Audit Act is hereby violated in the sense of the sums of money being spent without the prior approval of Parliament. Surely cases will arise but this has come now the norm rather than the exception where four supplementary provisions, four supplementary estimates have been brought to this Assembly for the year 1982.

The Chairman: Could you tell us where the violations and facts you are talking about are?

Cde. Narbada Persaud: I don't have the Act here with me. Now since --

The Chairman: Well, you can't do that you have to be sure.

Cde. N. Persaud: The Financial Act I am talking about.

The Chairman: Which regulation are you talking about?

Cde. N. Persaud: There is only one and that is the one I am talking about. These funds are not advanced from the Contingencies Fund and this is why I am making this point. The last supplementary we had clearly stated all the sums and all the places where the money was advanced from the Contingencies Fund and here it is not stated at all.

The Chairman: It has not been paid. I do not know how you come to that conclusion.

Cde. N. Persaud: Cde. Chairman, here it is saying to pay. I would like to ask the further question whether the sum of money has not been paid already.

My information is that the sum has been paid. Money has been spent without the approval of Parliament.

The Chairman: Ask the question again when the Minister answers. You are assuming an answer that may not be given.

Cde. N. Persaud: Cde. Chairman, I move to page 3 Capital Estimates. Items 2 and 3. Now, we have noted that the sum of \$10,831,000 is being sought here and the legend says to provide for further equity to Guyana Fisheries Limited. I would like to enquire from the Minister what is the total equity contribution of the Government to the Guyana Fisheries Limited and whether apart from the Guyana Fisheries limited there is any other partner in the Guyana Fisheries Limited. I would also like to ask the Minister based on a report of the IMF dated 8th October, 1982 which stated –

The Chairman: You mean if there are any other shareholders?

Cde. N. Persaud: Yes. It was stated that the Government had offered for private participation shares in the Guyana Fisheries Limited. I would like to know whether these shares have already been taken up by private people and who the private people are and to what extent they have taken up these shares.

On Item 3, we note here, sir, again that the 1982 Estimates had no provision whatsoever, no subhead whatsoever for this item. In the course of the year a new subhead is created and here we are talking about the sum of \$5.6 million and this is to pay for materials for national projects. My question would be, what materials are you talking about to the tune of \$5.6 million and for what national projects would we need \$5.6 million?

The Chairman: Mr. Singh.

Mr. Singh: Mr. Speaker, it seems as though most of my questions on item 9 has been asked by the last Speaker, but I did note that the top of the page says, Advances from the Contingencies Fund. I would like a clarification on that because it says advances made but it does say to pay for November 1982. Could it be that advances could be made but payments still have to be made? Perhaps that could be cleared up and also the additional question of what would be the position in respect of December 1982, because we are talking about November only. That is in respect of Item 9. I think you also mentioned item 11 and it says to pay for electricity supply to the Customs and Excise Department for March, May, and June. What is the position in respect of April and July to December? Have they been paid? Are we going to get an additional paper asking for it to be paid? This is January, and we are talking about 1982. I would also like that to be clarified. Again the last point in respect of Capital. This new subhead 3 and capital. This is where we really talk about Estimates really being guesstimates because how it is that in January we are talking about an additional amount to the estimates of \$5.6 million. Didn't anybody know that \$5.6 million would be required last year? How can it be possible to have accurate estimates if nobody can see and realise that there is \$5.6 million –

The Chairman: It is an estimate, it is not accurate.

Mr. Singh: Yes, but it is \$5.6 million. I can understand an estimate with discrepancy of \$1 million or \$1/2 million –

The Chairman: Some major project could have gone on stream and they could not have foreseen the circumstances.

Mr. Singh: Well, could the Minister tell us what the National Projects are?

The Minister of Finance, in the Ministry of Economic Planning and Finance: (Cde. Sallahuddin): I want to make the point that the sums of money reflected are from the contingencies fund. The caption says so very very clearly. To put Cde. Narbada's mind at ease, on every page or rather on the first page –

The Speaker: You will have to put Mr. Singh's mind at ease too.

Cde. Sallahuddin: Thank you Cde. Chairman, I will also seek to put his mind at ease as best I can. I want to say that with respect to Item 9, the National Guard Service, to the best of my knowledge is a semi.....body and between the National Guard Service and the Ministry of Finance there is a contractual arrangement for the supply of various types of security services. I would also like to say that the December payments have not yet been made because we are billed after the services have been rendered and after the accounting officers have certified to the adequacy and effectiveness of the service. The Ministry of Finance is therefore making provision for the payment of the December costs to the National Guard Service.

NATIONAL ASSEMBLY14:20 hrs

(Cde. Sallahuddin continues)

It is like consuming your electricity in December but waiting for the bill and possible reconciliation to take place in January or February. This is a contractual arrangement which contractual arrangement we expect to continue. Cde. Chairman, here I will seek your guidance. It was my intention to make the point that the Financial Administration Audit Act has not been breached but I think you have responded in such fashion to satisfy the questioner that there has been no breach. In any case, the questioner did not name the section or subsection that has the breach. Therefore, it would be extremely difficult for me to respond in any definitive manner.

With respect to item 11, Cde. Chairman, may I point out that the December bill for the Customs and Excise Dept. is not yet settled. That was one question and the other is: what about the other months. Now surely the members of the Minority know that all central Government Agencies now have an arrangement by contract with the G.E.C. This arrangement commenced on July 1, 1982. The first contract would have expired on December 31, 1982. At present discussions are almost to the point of conclusion for the continuation of the contractual arrangement so that the period July coming down to the end of the year would have been taken care of in terms of contract. But the bill in December now has to be reconciled and then payment has to be made. Cde. Chairman, with respect to Item 2 of the Capital Transfer and Loans to Public Corporations and Entities I shall be happy to provide the information required but I am not in a position to do so at this point in time although I know from time to time the Government did make further equity contributions to Guyana Fisheries Limited. Perhaps I may point out, however, as I had cause to point out on a previous occasion when a similar question was raised, that this transfer will now allow the Guyana Fisheries to liquidate its indebtedness and also to get the stage for the introduction into the services of the Guyana Fisheries, as I understand it by mid-year of an additional five trawlers and possibly towards the end of the year an additional seventeen new trawlers.

It is not without very very careful diagnostic analyses that these further efforts by equity contributions have been made. Surely then in the Ministry of Economic Planning and Finance and also in the Ministry of Agriculture we should be happy to receive words good advice, I say good, from knowledgeable members of the Minority Parties of Parliament.

With respect to Item 3 of the Capital, Cde. Chairman, may I point out that I do not have a list of the projects, neither do I have here a list of the materials but I would make this kind of general statement. Because of the serious economic difficulties in which nearly all the world finds itself in it has become necessary for all nations to be engaged in barter, in what we describe as countertrade. This is neither a socialist nor capitalist form of trade. This is a practice that is required for the survival of almost every economy in the world. As my friend and colleague, Cde. Boysee Ram Karran would admit and I would also admit that trade began with countertrade then developed into trade but because so many things go in cycles it became necessary for us to trade items like bauxite by counter trade.

As a result of that trade, we acquired materials, some of which have gone into the stream of Commerce, some of which have gone into the stream of industrial production. Perhaps, in these general terms, I am able at this point in time to respond to the various questions which have been raised.

Cde. Reepu Daman Persaud: With your permission the answer with regard to Item 9 is definitely ambiguous where he said the National Guard Service is a semi-autonomous body. That kind of phrase flaunts the answer with great ambiguity and I think it is fitting for Member of Parliament to be told in clear terms so that we can reach clarity. If it is not autonomous, what made it a semi-autonomous body? Does it mean that Government has an input in it? If Government has an input, would the Minister be kind enough to tell us the extent of that input? If it is partly Government and partly private and the extent of private....and who are the personnel that constitute the private sector?

Cde. Sallahuddin: I really would like to answer but I have to say that I cannot respond with a degree of definitiveness with which the Member requires the answer.

Cde. Reepu Daman Persaud:

The Chairman: He does not know. It says semi-autonomous body.

Cde. Sallahuddin: I must admit that to the best of my knowledge and ability that was the impression I have but I surely can research the subject some more and provide an answer.

Cde. Reepu Daman Persaud:

The Chairman: He does not know.

Cde. Reepu Daman Persaud: If a Minister does not....it is a shame.

The Chairman: If he does not know what you want him to do, make it. All right, it is a shame. Page 1, Item 1.

Cde. Reepu Daman Persaud: On this item I would like to know 'to pay for services rendered' what kind of services was rendered by the Ministry and probably I would like to pose the other short question is if this financial paper will bring to an end to all liabilities of the year 1992.

Cde. Corbin: Cde. Chairman, this item is to provide for expenditure which the Geology, Mines and Surveys Division has been giving to various areas of the country to look at possible expansion of certain facilities in the regions and there were services rendered by that Agency to enable that information to be gathered. Services which the Geological Mines and Surveys Division is capable of offering in the field of surveys, information and things like that.

Cde. Reepu Daman Persaud:

The Chairman: Cde. Reepu Daman wants specifics.

Cde. Corbin: I will try to provide that information later, Cde. Chairman.

Cde. Reepu Daman Persaud: With the greatest respect I crave your indulgenceof this House and they must be prepared to come here and ask for money without knowing what they are asking for is.....

Mr. F. Singh: Mr. Speaker, I crave your indulgence. You had advised me to ask about National Projects?

The Chairman: He says he does not know.

The Chairman: Page 1, Items 4 and 5.

Cde. Narbada Persaud: Item 5 where an additional sum of over one million dollars is being sought to pay salaries for the Guyana Police Force. I would like to know if this is for increase of a salaries or increase in the strength of the Police Force.

National Assembly14:30 hrs

The Chairman: Comrades, I have proceeded too rapidly I am informed. Page 2, item 14 on the Current Estimates, Capital Estimates page 1, items 4 and 5.

Cde. Reepu Daman Persaud: Sir, a short question on item 4, subhead 4 – Matarkai Development Authority. We have failed on the last occasion. I want to pose it simply. We would like to know what resulted in the increased costs. The legend is very inadequate, it states: "To meet increased costs....."

Cde. Corbin: Cde. Chairman, this is to pay for wages and salaries etc., for the months of November and December. The previous supplementary provision for \$500,000 was for rehabilitation of the railway. This amount was necessary to pay for wages and salaries for that to be done. And in terms of the benefits of this increase, this has been able to ensure that the agricultural programme in the region was successful. This total sum 354 acres, which were able to be put under the cultivation of various crops – and I do have a detailed breakdown which will certainly take a lot of time in Parliament to deliver. But I can assure you that this increased expenditure was to enable the agricultural programme to proceed, by the payment of wages and salaries to workers who were employed on the rehabilitation of the railway.

The Chairman: Capital Estimates, page 1, item 1.

Cde. Reepu Daman Persaud: Cde. Chairman, item 1, Division 521 – Ministry of Energy and Mining, subhead 13 – Capital Contribution to the Guyana Gold Board. Item 1 has become a substantial amount, \$2 million. I would like to know first how this amount is expended. The legend states, with the greatest respect: "To finance the operations of the Gold Board." Was any sum from this amount paid for wages and salaries? If so, what amount? What amount is used for the purchasing of gold and, further, since the establishment of the Board, sir, is the Minister aware that there has been a literal shortage of gold among jewellers? Is the Minister also aware that there is limited number of skilled jewellers in this country, that is, the people who have been doing goldsmith work, to use the well known phrase in Guyana? Because of the absence of gold they are now out of employment. I am talking about people who have the establishment as such, but people who have been working as goldsmiths. Further, they have been offering a certain sum for gold per ounce and it is published in the newspaper every day. Is the Government aware that the producers of gold, the pork-knockers have not been, in fact, attracted by the prices offered by Government? I am asking for information.

We have established a Board, we are financing a Board, is it viable, is it paying, are we losing and are the advantages that were envisaged in the establishment of the Board being realised? These I think are pertinent questions. We on this side of the Assembly, with the greatest respect, feel that we should control our resources which should ensure that we get maximum benefit. What I am pointing to is that the benefit has not been forthcoming. In fact, while the Government offers a sum for gold officially, I am told that raw gold is being sold at a price currently of \$2,000 an ounce. In fact, there is smuggling particularly to the borders instead of coming to Guyana.

The Chairman: Who will answer for Mines?

The Vice President, Works, Transport and Housing: (Cde. S. Naraine): Cde. Chairman, this sum of money is required to finance the Board for the purchasing of gold. When the Board buys the gold the gold is sent to the United Kingdom to be refined and then sold on the world market. Invariably it is not sold as soon as it is refined. It is sold when it appears that the market is favourable so that we can get the best advantage of prices. So there is a lag of time before the Board can recover that money for purchasing more gold. So this amount here is really to finance the initial purchasing arrangements. The study that was done on the Gold Board before it was established showed that at a purchasing rate of about 300 ounces per month, the Board will be able to break even. With purchases in excess of that it would be able to make a surplus.

Since the gold is being sold on the world market and since we know that refined gold is less in weight than the raw gold, then you have to make some allowance in terms of what is the equivalent of the world market price and what the Gold Board actually buys for. That is why the price is published every day, in order that people who are selling gold to anyone would know what is the world market price of gold. The Gold Board, in fact, buys the gold for a little less than that price. I think it is about 15 percent less and some of this is used to bear the administrative cost, e.g. Costs of rental of premises, electricity, payment of staff, shipping the raw gold abroad, taking out insurance and so forth.

The comrade raised some other questions about gold not being available to goldsmiths and so forth. I am not in a position to comment on that.

Cde. Reepu Daman Persaud: One short question, I hope you consider it relevant. The Vice President gave a figure that will permit the Board to break even. I wonder if he is in a position to tell us whether the Gold Board is breaking even. [Interruption] It is a fair question, he might know.

The Chairman: He cannot tell you that, he is not the Minister. Current Estimates, page 1, item 3. Page 1, items 4 and 5.

Cde. N. Persaud: Item 5, Head 22, subhead 123 – Wages and Salaries. The sum of \$1,051,740 is being asked for to pay salaries to members of the Guyana Police Force. My question is whether this large sum of money is an increase of salary to the members of the Police Force or is it for additional policemen taken on in recent times? If it is a salary increase, I would like to know if the Minister is in a position to say on what basis, whether percentage or what. If it is an additional strength, I would like the Minister to tell us how many more people were recruited.

The Chairman: Cde. Thomas.

The Minister of Home Affairs: (Cde. Thomas): Cde. Chairman, I am afraid I cannot give specific details but I can say that it has to do with an increase in salary paid to members of the Force and bringing the strength back to the 1981 level.

The Chairman: Page 1, item 6. Comrades, this completes consideration of all the items.

Question –

"That this National Assembly approves of the proposals set out in Financial Paper No. 1/1983 - Schedule of Supplementary Provision on the Current and Capital Estimates totally \$20, 675,571, for the period ended 1982-12-31."

Put, and agreed to.

Assembly resumed.

The Speaker: Cde. Sallahuddin.

Cde. Sallahuddin: Cde. Speaker, I beg to report that the Committee of Supply has approved of the proposals set out in Financial Paper No. 1/1983 and I now move that the Assembly doth agree with the Committee in the said Resolution.

Question put, and agreed to.

Motion carried.

ADJOURNMENT

Resolved, "That this Assembly do now adjourn to a date to be fixed. [The Vice President, Works, Transport and Housing]

Adjourned accordingly at 14:40 hrs.