

THE
PARLIAMENTARY DEBATES
OFFICIAL REPORTS

/VOLUME 10/

PROCEEDINGS AND DEBATES OF THE THIRD SESSION (1983) OF THE NATIONAL
ASSEMBLY OF THE FOURTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF
THE CO-OPERATIVE REPUBLIC OF GUYANA

30th Sitting 14:00 hrs Thursday 1984-07-19

MEMBERS OF THE NATIONAL ASSEMBLY (70)

Speaker (1)

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

Members of the Government - People's National Congress (57)

Prime Minister (1)

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

Other Vice-Presidents (4)

Cde. H.D. Hoyte, S.C., M.P., (Absent)
Vice-President, **Production**,

Cde. H. Green, M.P., (Absent)
Vice-President, Social Infrastructure

Cde. B. Ramsaroop, M.P., (Absent-on-leave)
Vice-President, Party and State Matters

- * Cde. Dr. M. Shahabuddeen, O.R., S.C., M.P.,
Vice-President and Attorney General

Senior Ministers (6)

Cde. R. Chandisingh, M.P., (Absent-on-leave)
Minister of Education, Social Development and Culture

Cde. R.H.O. Corbin, M.P., (Absent)
Minister of National Mobilisation

Cde. H. Rashid, M.P., (Absent)
Minister of Energy and Mines

- * Cde. R.E. Jackson, M.P.,
Minister of Foreign Affairs

- * Cde. J.R. Thomas, M.P.,
Minister of Home Affairs

- * Cde. C.B. Greenidge, M.P.,
Minister of Finance and Economic Planning

- * Non-elected Member

Ministers (7)

- Cde. U.E. Johnson, M.P.,
Minister in the Office of the Prime Minister (Absent)
- Cde. Sallahuddin, M.P.,
Minister within the Ministry of Agriculture
- Cde. R.C. Fredericks, A.A., M.P.,
Minister of Youth and Sport within the Ministry
of Education, Social Development and Culture
- Cde. S. Prashad, M.P.,
Minister of Transport within the Vice-Presidency
of Social Infrastructure (Absent)
- * Cde. Y.V. Harewood-Benn, M.P.,
Minister of Information and Public Service
- * Cde. Dr. R.A. Van West-Charles, M.P.,
Minister of Health and Public Welfare (Absent)
- * Cde. K.W.E. Denny, M.P.,
Minister of Manpower and Co-operatives

Ministers of State (2)

- Cde. M. Corrica, M.P.,
Minister of State within the Ministry of Internal
Trade and Consumer Protection (Absent)
- Cde. H.L.B. Singh, M.S., M.P.,
Minister of State within the Ministry of Regional
Development (Absent-on-leave)

Parliamentary Secretaries (3)

- Cde. A.W. Bend-Kirton-Holder, M.P.,
Parliamentary Secretary, Housing, within the
Ministry of Health and Public Welfare
- Cde. D.A.N. Ainsworth, M.P.,
Parliamentary Secretary within the Ministry of
Education, Social Development and Culture
- Cde. B. Bhaggan, M.P.,
Parliamentary Secretary in the Office of the
Prime Minister

* Non-elected Member

Other Members (23)

Cde. M. Ally, M.P.
Cde. M. Armogan, M.S., 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.
Cde. H. Doobay, M.P.
Cde. A.B. Felix, M.P.
Cde. E.H.A. Fowler, M.P. (Absent)
Cde. P. Fredericks, M.P.
Cde. E.F. Gilbert, M.P. (Absent)
Cde. J. Gill-Mingo, M.P.
Cde. A. McRae, M.P. (Absent)
Cde. E. Melville, M.P.
Cde. J.M. Munroe, J.P., M.P.
Cde. R.N. Primo, M.P.
Cde. P.A. Rayman, M.P.
Cde. C.G. Sharma, J.P., M.P. (Absent)
Cde. B. Tiwari, M.P., Government Chief Whip
Cde. C. Vandenburg, M.P.
Cde. R.E. Williams, M.P. (Absent)

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

Cde. R. Bishop, M.S., M.P.
Cde. B. Latchminarayan, M.P. (Absent-on-leave)

Members from the Regional Democratic Councils (9)

Cde. K.N. Jones, M.P. (Region No. 1 - Barima/Waini) (Absent)
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, J.P., 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. 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 (Absent)

Other Members (8)

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

NATIONAL ASSEMBLY

14:00 hrs

ANNOUNCEMENTS BY THE SPEAKER

Leave to Members

The Speaker: Leave has been granted to Cdes. Reid, Chandisingh, H.L.B. Singh, Beniprashad and Latchminarayan for today's sitting. To Cde. Ramsaroop to the 26th July, to Cde. Narbada Persaud to 2nd August, to Cde. Collymore to 3rd August and to Cde. Basir to 15th August.

I understand that Cde. Latchminarayan has lost her son, I therefore wish on behalf of members of the Assembly and myself to extend to her our deepest sympathy.

PRESENTATIONS OF PAPERS AND REPORTS ETC

The following papers were laid:

- (1) Annual Report of the Ministry of Foreign Affairs for the year 1983. /The Minister of Foreign Affairs/
- (2) Annual Reports of the Commissioner of Police for the years 1979, 1980, 1981, 1982 and 1983. /The Minister of Home Affairs/
- (3) Annual Report of the Guyana National Co-operative Bank for the year 1983. /The Minister of Finance and Economic Planning/
- (4) Annual Report of the Ministry of Manpower and Co-operatives for the year 1983. /The Minister of Manpower and Co-operative/

14:05 hrs

PUBLIC BUSINESSBILLS - SECOND AND THIRD READINGSRICE FARMERS (SECURITY OF TENURE)(AMENDMENT) BILL 1984

A Bill intituled:

"An Act to amend the Rice Farmers (Security of Tenure) Act."

[Vice-President, Production.]

The Speaker: Cde. Sallahuddin.

The Minister within the Ministry of Agriculture (Cde. Sallahuddin): Cde. Speaker, I beg to move that the Rice Farmers (Security of Tenure) (Amendment) Bill 1984 be read a Second time.

I wish to offer by way of explanation that it is a single amendment which is being sought in the Assembly this afternoon and it seeks to empower the Minister, acting in accordance with the advice of the Judicial Service Commission, to appoint as Chairman of an Assessment Committee a person other than a magistrate and, in consultation with that Commission, to prescribe by regulation the qualifications for the appointment of such a person.

May I point out that in October 1982 twelve Rice Assessment Committees were appointed and, as required by law, gazetted on Saturday the 2nd October, 1982. One would note that in every instance the Chairman named was a magistrate but because of extreme difficulties we have found it necessary to seek to remove the entire workload of rice assessment ^{from magistrates} and therefore we feel that we no longer need to stipulate ^{that} only a magistrate be the Chairman of a Rice Assessment Committee. I want to have it noted also that, because of the importance attached to the work of the Rice Assessment Committee, by Act No. 6 of 1971 the composition of the Committee was amended to allow two, instead of one, representatives of landlords and two, instead of one, representatives of tenants so that, in effect, No. 6 of 1971 gave greater representation on the committee to both landlords and tenants. May I also state at this point in time that we still regard as extremely important the useful work which Rice Assessment Committees have done so far.

Question proposed.

/Cde. Reepu Daman Persaud:

Cde. Reepu Daman Persaud: Cde. Speaker, this is an area that needs a lot of attention and it is my considered view, based on experience and facts, that the Rice Assessment area has been neglected for a number of years. Committees have not in fact been meeting. I was expecting this afternoon, when the Minister referred to the date when the Committees were appointed, that he would have proceeded to say that since then so many meetings have been held. In fact, in some areas no meeting was held at all and at the maximum there might have been one meeting in one or two areas.

This is a sad state of affairs because my enquiries reveal that there are a number of matters outstanding to be dealt with. To remove any ambiguity a Committee is composed, according to section 8, of a Chairman, 3 members of the Public Service - that would be 4 persons; 2 landlords - six persons; 2 tenants - 8 persons. The possibility strongly exists, in that kind of composition, that the landlords could be in the majority. The assumption will not be out of bounds since I would suggest that if you have a Chairman who is a landlord and 3 members of the Public Service who are landlords and then 2 landlords appointed, there is a strong possibility that you can end up with a Committee with only 2 tenants representing the interests of tenants.

I want to for^ewarn that the Minister should take care to ensure that there is no imbalance because there has been complaint of imbalance in the past. I recall that speaking from this side for the People's Progressive Party we strongly advocated that section 8 be amended. I was here when that section was amended. In fact, apart from the 1971 amendment, this Act had to be extended after a given period and so that provision was removed also on that occasion.

I wish to pose a few questions to see if the Minister will put the record straight. While the amendment seeks to remove the compulsion for a magistrate to be made Chairman, is it the intention of the Government to appoint persons who are not legal practitioners as Chairmen of these Committees? As the amendment stands, unqualified persons can be appointed and I would not like to --

The Speaker: The problem is that meetings are not held because they cannot get lawyers.

Cde. Reepu Daman Persaud: I am not opposed to the principle, but what I

want to say is that I was expecting a presentation with a little more depth, that is to say, "This is so.". We do not at all hold the view that laymen cannot be just men sitting on committees, nor do we hold the view that laymen cannot interpret the laws. In fact, in many areas there are a number of laymen who have proven that they are capable of doing justice to certain provisions of the law, particularly with respect to landlord and tenant disputes and you, Cde. Speaker, are conversant with those names better than I. You have shown that in Court. But we should be told, because if we know the facts, then our contribution can be more useful. If laymen are going to be appointed - a principle that we are not opposed to - I would have proceeded to ask that section 14 also be amended to allow laymen to be advocates for the rice farmers.

The Speaker: Do you want to take away my job? [Laughter.]

Cde. Reepu Daman Persaud: We should not have any such legislation at this point in time when there is so much talk about production and productivity. We should remove all the impediments and wherever we find evidence that the rice farmers, particularly the small farmers, the tenants specifically --

The Speaker: Cde. Reepu, is this not an attempt to help farmers?

Cde. Reepu Daman Persaud: It can be helpful. They are at a disadvantage. We should remove this disadvantage because section 14 is clear that with this amendment a layman can be made chairman, but section 14 (2) states clearly that the landlord and the tenant and any other interested party may be represented before the Committee by a legal practitioner.

Cde. Reepu Daman Persaud continues.

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I am calling for the removal of that or for the amendment of it, not to deny the legal practitioner, because the farmer himself might want a legal practitioner to represent him, but wherever the farmer finds it convenient and finds that he can get someone with the competence, the expertise and the knowledge to represent him.../Interruption/

The Speaker: Cde. Persaud, in England there are Magistrate's Courts comprising of laymen in which lawyers represent the laymen.

Cde. Reepu Daman Persaud: We can move a step further than London to allow laymen to represent. That is why I am advocating our position from this side. I am saying, sir, we are not opposed to the amendment. It would appear that the Government has been encountering difficulties in finding Magistrates to serve as Chairmen. In fact, the Government should have looked at this a long time ago. I know the Magistrates who are Chairmen of the Rice Assessment Committees; they have a full load in their respective jurisdictions. They can find absolutely no time to serve these committees and in fact, they have not been serving these committees, but we have allowed a long time to pass, so let me say that if this amendment will help - and I hope it will help - the Minister should tell us clearly what is the Government's intention. Is it the intention to seek the services of legal practitioners? The amendment does not preclude it from so doing? Is it the intention of the Government to ask people with some degree of expertise and knowledge who are not necessarily legal practitioners to be Chairmen so that we can move on to say then it would be necessary also to mount a scheme for training so that they can become au fait with the provisions of the Farmers (Security of Tenure) Act because this is an intricate piece of legislation. To proceed further, Cde. Chairman, we would ask that the Government give consideration to the amendment of section 14 (2) to allow a layman to represent.

While there is this necessity to take evidence - and that would be something which the Chairman would be in command of, the question of

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admissibility of evidence and that kind of thing - the first instance exercise is subject to appeal before a Judge whose decision will be final. It is an enquiry, so to speak, because it has to do with the fixing of rent and so many other things. I think it will be more convenient, particularly in those areas that are affected like the Essequibo Islands, the Essequibo coast, and so on, where you have a limited number of lawyers. The farmers may be put to the expenditure of seeking the services of lawyers from Georgetown which can be really very costly. If they can develop their own expertise within the area to represent them in matters of this nature, I do not think it will be a retrogressive stop, but in fact, it will be a progressive stop and that is why I am this afternoon, on behalf of the People's Progressive Party, advocating that change as well.

I would also like to ask the Minister to give us the assurance that speedy action will be taken because I want to pose this question: While the amendment removes the compulsion for a Magistrate to be Chairman, the amendment also goes further where it amends section 55 as well, so that the Minister will be in consultation with the Judicial Service Commission in fixing the qualifications and probably, he will be in consultation also with respect to the appointment. I hope that there will be no red tape to further delay action that is vitally necessary and that this legislation will be put into effect very quickly and we will have these committees meeting as early as is possible so that all outstanding matters that have been lying idle for a long time can be dealt with and disposed of. Thank you, sir.

Mr. M.F. Singh: Mr. Speaker, let me say first of all, even though I am a lawyer, I do not have any vested interest in this because I have never appeared before a Rice Assessment Board, but as a legislator here, sitting in Parliament, I am concerned about this piece of legislation.

I do not agree with the last speaker that any John Public should be allowed to represent anybody in the Assessment Court. You can have a terrible state of affairs. This legislation here prescribes for regulations made in

consultation with the Judicial Service Commission in respect of qualifications for the Chairman. What will you do if you allow John Public to represent anybody? Are you going to prescribe regulations for that? If you do not prescribe regulations for that, it means that anybody off the street can go in court. I remember again he was one of the famous ones for being deemed the kind of person.../Interruption/

The Speaker: I personally do not see great difficulty because all the man can do is point out somebody to represent him - I do not propose to give free advice. What I am saying is that I can ask representative Feilden Singh to appear for me even if section 14 is not..... I don't see something big about it.

Mr. M.F. Singh: That is perfectly correct, but as a matter of principle I am saying it will be wrong, without any legal documentation, for any John Public to be able to walk into court and say "I am representing somebody". So that, I would object to that. However, I would go on to say... /Interruption/

The Speaker: That part is not in the legislation, Mr. Singh. That is an observation Mr. Persaud has made and asked the Minister that he should consider an amendment.

Mr. M.F. Singh: Since it came up in the Assembly, I think it is relevant for me to comment on it because you did allow him to speak on it. However, sir, going back to the legislation, I know there is a very great backlog of matters before the Rice Assessment Committees. I know there is the need for urgent action in these matters, but what I am saying is that it is too vague. It says: "A person having such qualifications as may be prescribed by the Minister by regulations made in consultation with the Judicial Service Commission". It does not really tell me anything. What will be the regulations? I would have liked to have some idea from the Minister what the regulations would be like. Will it be the party "hacks"

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who will be appointed, or will it be people with qualifications? I am concerned because it is a matter of really great importance to John Public and it is really a matter which calls for expertise. The person who will be the Chairman should really have some expertise. I am concerned about the qualifications for membership.

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14:25 hrs

I know that in the United Kingdom the system is working and it is working well, that laymen are appointed as Magistrates, but they always have a judicial person. That is my recollection; there is always a judicial person as clear. I want to know how the system will work. Merely telling me "by regulation in consultation with the Judicial Service Commission" is not telling me anything. I want to know exactly what they want to do, whether it will be a legal clerk, whether it will be somebody with legal qualifications, or what qualifications the person will have who will be appointed. This is a matter where expertise is expected of the person. I expect that the person appointed would have some experience or should be legally qualified. That is what I would like to ask the honourable Minister. What kind of legislation is proposed in order to make sure that it operates within the framework of the legal system in Guyana?

Cde. Sallahuddin: Thank you, Cde. Speaker, I thought that Cde. Persaud did not very accurately describe the present composition of the Rice Assessment Committee and therefore for the purpose of record I prefer to go over those figures more carefully than he did. The original Act prescribes the following composition: a chairman, who should be a magistrate, three public officials, one representative of landlords and one representative of tenants. Act No. 6 of 1971 amended it as follows: a chairman, who should be a magistrate, one public official, two representative of landlords and two representative of tenants. I thought that in describing the latter Cde. Persaud retained the three and therefore gave an unusual balance. I want the record to be set right. In any case it is now one public officer. I want to explain also that even though in 1982 thirteen committees were established, the Minister under the relevant law has the authority to establish as many Rice Assessment Committees as he deems fit and therefore we are not bound by any number stipulated in the law. It means therefore that to the extent that there is a backlog of work – to that extent will the Minister's consideration be guided to the extent that there are current matters which need urgent attention. To that extent will the Minister's judgement be guided, also, so that as many Rice Assessment Committees will be established as the circumstances taken collectively would warrant and I would want to give the members of the Minority who spoke some assurance that every effort will be made to get off the backlog so that as new cases arise they could be dealt with expeditiously.

Cde. Speaker, the amendment makes it very clear that the regulations will prescribe, after the advice of and after consultation with the Judicial Service Commission on the type and qualifications and nature of the person. May I say that the following will be basic and fundamental considerations with respect to the appointment of Chairman. First of all the Chairman must be a person who is knowledgeable and the Government does not share the view, which I seem to understand that Cde. Persaud holds, that only persons who have had considerable training and exposure to legal systems are knowledgeable in these matters. After all, I am saying that that is the impression he sought to create ---

Cde. Reepu Daman Persaud rose.

The Speaker: Yes. Let me hear you.

Cde. Reepu Daman Persaud: I was very clear to say that we do not share the view that the man has to be legally trained because in fact laymen have done very well.

The Speaker: Yes, that is my recollection.

Cde. Sallahuddin: That is also my recollection, Cde. Speaker, but I thought that a different kind of impression was. The person naturally has to be knowledgeable – knowledgeable not only in matters of the law but knowledgeable with respect to practices in the rice industry as a whole, knowledgeable with respect to the prescriptions of the Act, knowledgeable with respect to the geography of the country and knowledgeable generally. He has to be a person who is committed to the service of the wider farming community. He has to be committed to the cause of rice farmers and he must be the type of person who could devote adequate time and attention so that these considerations are going to be basic and fundamental in making that selection and naturally through the apparatus which now exists whether in the Judiciary or in the magistracy, adequate preparation will be made for some form of training to be offered to that the persons could properly and adequately discharge their duties and their responsibilities.

Finally, I want to say that we are prepared to look at further amendments because after all there is a mutuality of interest between those of us who are legislators and those of us who are farmers particularly if we are rice farmers. Thank you very much, Cde. Speaker.

Question put, and agreed to.

Bill read a Second time.

14:35 hrs.

Assembly in Committee.

Bill considered and approved.

Assembly resumed.

Bill reported without amendment, read the Third time and passed as printed.

GENERAL LOCAL LOAN (AMENDMENT) BILL, 1984

A Bill intituled:

"An Act to amend the General Local Loan Act."

[The Minister of Finance and Economic Planning.]

The Speaker: Cde. Greenidge.

The Minister of Finance and Economic Planning (Cde. Greenidge): Cde. Speaker, I beg to move that the General Local Loan (Amendment) Bill, 1984, be now read a Second time.

This Bill seeks to amend the General Local Loan Act, Chapter 74:04. Basically it has two objectives. First of all, to re-schedule payments of the amounts due under fixed-date debentures or equated annuity debentures and the conversion of Treasury Bills into fixed-date debentures. That is one objective. The second objective is to ensure that the interest on these fixed-date debentures is fixed by the Minister of Finance at a rate not less than the prevailing bank rate.

The first objective is to be satisfied by the replacement of sections 23, 24 and 25 and the second objective is to be incorporated by the addition of a new section 26. The results of these amendments will be to reduce the interest payments that the Central Government will have to bear in the short term on these fixed-date debentures, equated annuity debentures, as well as Treasury Bills.

With respect to the first objective the power to re-schedule will be exercised only after the holders of these financial securities have applied. Provision is also made in this Bill for the issue of fixed-date debentures in lieu of interest on fixed-date debentures if the holder himself or herself applies.

The new section 26 involves payment on a compound interest basis on the principal moneys represented in sections 23, 24 and 25, namely, the converted Treasury bills, fixed-date debentures and equated annuities. The interest being set from time to time by the Minister of Finance will be payable together with the

principal when the securities are redeemed.

Question proposed.

Cde. Reepu Daman Persaud: Cde. Speaker, this Bill in our view has more far-reaching effects than the Minister has alluded us to. In the first instance, I would like to describe it as a device for further money-hunting. I would also like to draw attention to the fact that some of the banks have stopped taking new deposits. In fact, there is a ceiling now so that if your account is under \$1,000 you have to close it. I do not think that customers are being permitted to increase it so that the money could be kept in the bank. This kind of action has resulted because there is no outlet and the only institution agency that seems to be borrowing is the Government itself.

What I should like the Minister to tell the Assembly is what is the indebtedness of the Government to the local banking system. My own view is that it has reached astronomical proportions, probably passing the two billion mark. If not, the Minister could give us the accurate figure. We are not unaware of the term "re-scheduleing". That had to do with foreign exchange, foreign indebtedness, but here is an attempt where the Government is arming itself with the same power to re-schedule. "Re-scheduling" in simple layman's language means postponing payments.

The Speaker: I think the Minister said "re-schedule at the request of the person" who holds the securities.

Cde. Reepu Daman Persaud: I saw that - 'upon the request'. I would have said that. If that had not been so, the Bill would have been wholly objectionable because it would have been mandatory. I am conversant with that provision of the Bill but, of course, there is something called "negotiation"; there is something called "persuasion"; there is something called "talking to the people and seeing if you can persuade them to re-schedule" and I think we would be blind legislators if we did not anticipate such action on the part of the Government. I want to say that all those avenues are now open to the Government - to persuade, to request, to ask, so that the process of re-scheduling could commence. If not, why the necessity to bring a Bill to re-schedule? When a Treasury bill matures in 90 or 91 days and payment becomes mandatory, pay. Why does the Government also want to transfer

Treasury bills to debentures and to postpone payment for them further?

I am saying that the country is in a serious position. Everyone knows it, but the seriousness seems to be getting out of proportion and one only has to speculate to what extent the economy has degenerated. It is a sad state. We need, in my view, speaking for the People's Progressive Party, more than a Bill or device to permit the Government to borrow, borrow, borrow, ... to postpone payment and to put this country into deeper and deeper indebtedness.

What we need is an honest account of the state of the country's economy - where we are now in terms of local money. Can we pay the people that we owe? Can we pay the public servants and pay all those to whom we are indebted? Or have we reached a stage where we are incapable of making payment? Is it that we do not have the resources and therefore the Government has to sit and look for all kinds of devices so that it can find avenues to raise money to carry on for a while?

We are at the collapsing point. We are on a string and the Government is simply trying to hold things together. I do not think this is fair to this country. We want to see this Bill in this light and we on this side of the House want to call a spade a spade. This is a Bill not to pay when money owed becomes due. This is a Bill to postpone payment. This is a Bill to allow further borrowing. I have a very pertinent question: Has the Government at any stage, particularly this afternoon, alluded this Assembly to where it hopes to generate finance from to save us? There is no Bill for the generating of finance but there are always measures and devices for borrowing and borrowing. We are in a sad state.

I am in sympathy with the new Minister. I am not usually the finance speaker for my party but I have to speak out this afternoon because this is how we see it in all honesty and in all sincerity. I cannot, however, take my sympathy to the extent where I do not call a spade a spade as I intend to do. Probably the Minister will be disposed this afternoon to move out of the formality of simply telling us the objectives of the Bill, which are clearly stated in the Explanatory Memorandum, and to tell us where we are going, where we have reached and where, ultimately, we will end up, for we know, Cde. Speaker.

Mr. M.F. Singh: Mr. Speaker, there is no doubt about it, this Bill is intended to give the Government more flexibility in respect of raising moneys to meet current expenditure.

I was slightly worried when I read the article in the newspapers before I received the Bill. In fact, due to a slight error, the Bill did not come to me as early as it should have through no fault of the Clerk. It was the fault of the people downstairs.

The Guyana Chronicle did carry a caption which said that the debentures would be rescheduled at the request of the holder, but it made it appear as though the Treasury Bills - I am sorry I did not walk with the newspapers - were subject to rescheduling unilaterally without the consent of the holder. It should be made clear in the newspapers tomorrow morning that no rescheduling could take place without the consent of the holder. So to that extent, I am really very pleased.

The Speaker: It comes up to the same thing - Laymen writing in the newspapers and not Lawyers.

Mr. M.F. Singh: That is why I am worried about the regulations, when laymen write things they do not know because I can tell you, I personally know at least three Banks pulled out Treasury Bills amounting to \$3,000,000 because they felt that the Treasury Bills will be unilaterally rescheduled because the Government can say: "Hold it, we cannot pay you". That happened as a result of that article.

I want to be fair to the Government. The Government's legislation makes it clear that it is to be done with the consent of the holder. However, you cannot give what you do not have. If the Government does not have the money to pay, it might be persuasive in persuading the person to reschedule. That is a valid point. I know under the law it is illegal. But one can envisage a situation where the Government is very persuasive and says: "We do not have the money. You do not think you would like to reschedule?" which is a carrot

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dangling because it says: "The interest payable upon the principal moneys represented by fixed-date debentures will be the bank rate which I think is 15 per cent. The lending rate is, I think, 15 per cent. So, there is an increase in the amount of interest which the person will get if he allows his money to stay on there. People who can afford it will leave their money - if they do not know how to use it - and the Government will be able to get some money to keep. I would certainly like to know that the Government will not use any persuasive methods. I cast no aspersions on the Minister at all. If the holders of debentures want their money they must get it even though the interest would be higher. So, I really would like that assurance to be given to the Assembly that this will be the case.

I know that the Government needs money and I agree with the last speaker that we should show what the Government is owing to the banks in Guyana. My opinion is that it runs into millions of dollars. I do not know the exact amount, but perhaps the Minister would be able to tell us what is owing to the banking system in Guyana. I was talking to one of the managers and he said that a considerable amount is owing to his bank. I know that we are in a terrible situation, I know that we owe a lot and this Bill is intended to give the Government more flexibility in meeting its liabilities.

In winding up, let it be clear that: (1) No persuasive methods will be used in persuading people to reschedule. (2) The Government will make sure that it uses every opportunity to administer this legislation in a fair and proper manner.

The Speaker: Cde. Greenidge

Cde. C. Greenidge: Thank you very much, Cde. Speaker. I was very pleased indeed to hear Cde. Persaud extending his sympathy to me in this particular exercise. I appreciate it and hope that he will interpret it generously.

In relation to the concerns raised, I think we can say quite clearly that the legislation as it states, involves no unilateral rescheduling. The holders of the securities have to initiate the action with respect to the rescheduling.

I have noted Cde. Persaud's call for an examination of the programme for generating funds. I am not sure that this is an appropriate time to undertake a discourse on the Government's development programmes over the next year. Suffice it to say that in order to make any sense of the question, it will need to involve an examination of all the development programmes as well as the current expenditures of the Government finances. If Cde. Persaud has a difficulty with those programmes, then I think we can deal with them at a more appropriate time than now, but basically the intent of the legislation is to facilitate this rescheduling if you like.

As you know, all Governments need to finance activities and borrowing is a fairly standard means of financing shortfalls in the short term and in the intermediate term. This is one such device and it is not one unique to Guyana. The appropriateness of that mechanism will depend upon the appropriateness of the development policies that are being pursued. In other words, whether the funds can be so allocated as to generate revenues by way of improved performances of, if you like, the private sector, where the Government acts as a supporter by providing infrastructural facilities or by facilitating increased tax collections, payment of rents, or by consumption tax, for example, another means by which the Government garners its resources. Or it may facilitate activities amongst the public enterprises which in turn will pay out dividends over the course of time.

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(Cde. Greenidge continues)

That really is the test as to whether this mechanism is appropriate or not. Every institution that is involved with cash flow that is involved in collecting revenues that do not come evenly during the course of the year, has at some point or the other to borrow in order to facilitate its operations. You are looking at a case that is no exception in that sense. The concern of the Members about the Government's ability to pay is one that ultimately is really a question as to whether the development programme is or is not appropriate. I think we would have indicated to you on other occasions that it is thought by this side of the House that that programme is appropriate and I do not wish to add anymore to those observations.

The question which was raised by both speakers about the outstanding amount is not as self evident as it would seem: First of all, the figure that you are seeking depends on whether you are asking what interest payment is owed at a particular month or point in time or what the total outstanding amount is for all the years and the decades that the Government has been borrowing. I am not sure which one of those in meant. If they indicate that to us we can pick up the figures for them and supply them with the figures on another occasion, Cde. Chairman.

Question put, and agreed to.

Bill read a Second time.

Assembly in Committee.

Clauses 1 and 2 agreed to and ordered to stand part of the Bill.

Assembly resumed.

Bill reported without amendment, read the Third time and passed as printed.

ADJOURNMENT

The Speaker: Cde. Thomas.

Resolved, "That this Assembly do now adjourn to a date to be fixed." /The Minister of Home Affairs/

Adjourned accordingly at 15:00 hrs.