

National Assembly Debates

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

42ND Sitting

14:00h

Thursday 28 February 2008

MEMBERS OF THE NATIONAL ASSEMBLY (71)

Speaker (1)

The Hon Hari N Ramkarran SC, MP

Speaker of the National Assembly

Members of the Government (42)

People's Progressive Party/Civic (41)

The United Force (1)

The Hon Samuel A A Hinds MP

(R# 10 - U Demerara/U Berbice)

Prime Minister and Minister of Public Works and Communications

The Hon Clement J Rohee MP

Minister of Home Affairs

The Hon Shaik K Z Baksh MP

Minister of Education

The Hon Dr Henry B Jeffrey MP

Minister of Foreign Trade and International Cooperation

The Hon Dr Leslie S Ramsammy MP

(R# 6 - E Berbice/Corentyne)

Minister of Health

The Hon Carolyn Rodrigues-Birkett MP

(R# 9 - U Takutu/U Esseq)

Minister of Amerindian Affairs

*The Hon Dr Ashni Singh MP

Minister of Finance

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

*The Hon S Rudolph Insanally OR, CCH, MP - (AOL)

Minister of Foreign Affairs

The Hon Harry Narine Nawbatt MP

Minister of Housing and Water

The Hon Robert M Persaud MP

(R# 6 - E Berbice/Corentyne)

Minister of Agriculture

The Hon Dr Jennifer R A Westford MP

(R#7 - Cuyuni/Mazaruni)

Minister of the Public Service

The Hon Kellawan Lall MP

Minister of Local Government and Regional Development

*The Hon Doodnauth Singh SC, MP

Attorney General and Minister of Legal Affairs

The Hon Dr Frank C S Anthony MP

Minister of Culture, Youth and Sport

The Hon B H Robeson Benn MP

Minister of Transport and Hydraulics

**The Hon Manzoor Nadir MP

Minister of Labour

The Hon Priya D Manickchand MP

(R# 5 - Mahaica/Berbice)

Minister of Human Services and Social Security

The Hon Dr Desrey Fox MP

Minister in the Ministry of Education

The Hon Bheri S Ramsaran MD, MP

Minister in the Ministry of Health

*Non-elected Minister **Elected Member from TUF

The Hon Jennifer I Webster MP

Minister in the Ministry of Finance

The Hon Manniram Prashad MP

Minister of Tourism, Industry and Commerce

Mr Donald Ramotar MP

Ms Gail Teixeira MP

Mr Harripersaud Nokta MP

Mrs Indranie Chandarpal MP, Chief Whip

Ms Bibi S Shadick MP

(R# 3 – Essequibo Is/W Demerara)

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Mohamed Irfaan Ali MP

Mr Albert Atkinson JP, MP

(R# 8 - Potaro/Siparuni)

Mr Komal Chand CCH, JP, MP

(R# 3 - Essequibo Is/W Demerara)

Mr Bernard C DeSantos SC, MP

(R# 4 - Demerara/Mahaica)

Mrs Shirley V Edwards JP, MP

(R# 4 - Demerara/Mahaica)

Mr Mohamed F Khan JP, MP

(R# 2 - Pomeroon/Supenaam)

Mr Odinga N Lumumba MP - (AOL)

Mr Moses V Nagamootoo JP, MP

Mr Mohabir A Nandlall MP

Mr Neendkumar JP, MP

(R# 4 - Demerara/Mahaica)

*** Mr Steve P Ninvalle MP - (AOL)

Parliamentary Secretary in the Ministry of Culture, Youth and Sport

Mr Parmanand P Persaud JP, MP

(R# 2 - Pomeroon/Supenaam)

Mrs Philomena Sahoye-Shury CCH, JP, MP

Parliamentary Secretary in the Ministry of Housing and Water

***Non-elected Member

***Mrs Pauline R Sukhai MP

Parliamentary Secretary in the Ministry of Tourism, Industry and Commerce

Mr Dharamkumar Seeraj MP

Mr Norman A Whittaker MP

(R# 1 - Barima/Waini)

Members of the Opposition (28)

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

Mr Robert HO Corbin

Leader of the Opposition

Mr Winston S Murray CCH, MP

Mrs Clarissa S Riehl MP

Deputy Speaker of the National Assembly

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr E Lance Carberry MP

Chief Whip

Mrs. Deborah J. Backer MP

Mr Anthony Vieira - (AOL)

Mr Basil Williams MP

Dr George A Norton MP

Mrs Volda A Lawrence MP

Mr Keith Scott MP

Miss Amna Ally MP

Mr Dave Danny MP

(R# 4 - Demerara/Mahaica)

Mr Aubrey C Norton MP

(R# 4 - Demerara/Mahaica)

Mr Ernest B Elliot MP

(R# 4 - Demerara/Mahaica)

Miss Judith David-Blair MP

(R# 7 - Cuyuni/Mazaruni)

Mr Mervyn Williams MP

(Re# 3 - Essequibo Island/W Demerara)

Ms Africo Selman MP

Dr John Austin MP

(R# 6 - East Berbice/Corentyne)

Ms Jennifer Wade MP

(R# 5 - Mahaica/Berbice)

Ms Vanessa Kissoon MP

(R# 10 - U Demerara/U Berbice)

Mr Desmond Fernandes MP

(Region No 1 – Barima/Waini)

Mr James K McAllister MP - (AOL)

(ii) Alliance for Change (5)

Mr Raphael G Trotman MP

Mr Khemraj Ramjattan MP

Mrs Sheila VA Holder MP

Ms Latchmin B Punalall, MP

(R# 4 - Demerara/Mahaica)

Mr David Patterson MP - (AOL)

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

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Everall N Franklin MP

OFFICERS

Mr Sherlock E Isaacs

Clerk of the National Assembly

Mrs Lilawatie Coonjah

Deputy Clerk of the National Assembly

PRAYERS

The Clerk reads the Prayer

PUBLIC BUSINESS

(i) Government Business

MOTION

BUDGET FOR 2008

MOTION FOR THE APPROVAL OF THE ESTIMATES OF EXPENDITURE FOR THE FINANCIAL YEAR 2008

The Speaker: Honourable Members we will now proceed with the Debate on the Budget for the year 2008. For Budget Debate and consideration of the Estimates by the Committee of Supply, we will, in respect of sitting

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

time, follow the usual practice, that is, we will have our break from 17:00H to 17:30H and continue thereafter.

The first speaker today is Honourable member Mr Winston Murray. Hon Member, you may proceed ...

Mr Winston S Murray: Thank you very much Mr Speaker. I wish to extend congratulations to the Honourable Minister of Finance on the presentation of his second Annual Budget on behalf of the Government to the Guyanese people. Every Budget, I submit Mr Speaker, is situated in context with at least two parts: an international aspect and a national aspect.

In 2007, the world economy grew by 4.9 percent and in its wake, according to the Minister, the Guyana economy also grew. We benefited from the international growth to some degree since, as producers and exporters of raw materials and agricultural products we benefited from increased prices for our exports. Of course, the prices of many of our imports also increased, most notably, those for petroleum products. If you would recall too, Mr Speaker, in 2005 the vagaries of international climate change adversely affected us in a very severe manner according to the then Minister of Finance and I quote:

The country suffered its worst national disaster when heavy and persistent rainfall dumped nearly 60 inches of rain on the low Coastal Plain of Guyana.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

In 2006, we again suffered floods although to a much lesser degree and even now in 2008, we are having a very unusual weather pattern. I believe that it is well settled that the challenges of global warming and climate change are very real. While the Hon Minister of Finance did not treat with this issue in his presentation, and I understand that he has a number of issues and cannot deal with all of them, we of the PNCR-1G, believe it is our civic and national duty to bring this aspect into the picture. We must begin seriously to weigh and study the options we may pursue, in the face of the apparently unrelenting march and impact of global warming and climate change. In a letter to the Stabroek News dated 22 October 2007 Professor Westmas pointed out, and I quote:

The community of Guyana in the capital of Georgetown, on its Coastal Plains site which is well below sea level, seems quite content remaining as they are, ignoring the warning now three years old, that the river will rise several feet, 14 to 16 feet, completely destroying by inundation the majority of life and living conditions. The fact that much of our coastland is approaching 6 feet below sea level means that our farmland and most of our housing development will certainly be lost.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

While none of this is a tomorrow event we need to take action urgently to thoroughly study and understand the real prospects ahead of us and to plan accordingly. We must weigh and balance carefully whether it is a better and more sensible policy to stay put and fight off the inevitable spending billions and billions of dollars to keep out the approaching ocean or develop a plan and programme that gradually shifts emphasis to more inland occupation whereby striking a careful balance between the expenditure on the coast and development of higher ground. To help in the assessment and determination of our options, Mr Speaker, it is recommended that we adopt the approach outlined in the Stabroek News editorial back in 2005 which stated as follows and I quote:

What the administration needs to do is to commission a high level study involving such experts as international climatologists and local engineers among others, to tell us in the first instance what we can reasonably expect in terms of weather patterns and rising sea levels in 10, 20 and 30 years time, and in the second, whether it is feasible to defend the coast in the medium to long-term. If we had to defend the coast then we need to know exactly what would be involved. Similarly if the experts consider it not much of an option to do this in the medium term, then some very serious thinking would have to be done.

Mr Speaker I trust that in the course of this Debate someone will address the House on this most important issue. We should not sit around and allow the future to simply overtake us. But, back now, Mr Speaker, to the present and to extensionally the internal aspect of the Budget presentation.

The Honourable Minister of Finance advised us that the Budget is articulated in the context of an ambitious policy Agenda for the medium term. I assume the source of that Agenda is a Policy Document and to this end there have been two documents put out in the public domain namely the National Development Strategy and the Poverty Reduction Strategy Paper or PRSP. The latter document was born out of necessity to define a framework for Guyana to access HIPC resources and it was a precondition for such access.

HIPC it would be recalled is the acronym for Highly Indebted Poor Countries and the whole aim of the PRSP was to focus on lifting these countries out of poverty. Of course, what goes with the process is also consultations. We never understood nor accepted that the PRSP was a replacement for the National Development Strategy. Indeed, the Government also led the general population so to believe since in moments of convenience it has made sound to suggest that it was pursuing policies in accordance with that strategy. In addition, in December 2005, the Government supported a Motion in which the

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

National Assembly accepted the NDS and the measures and policies therein as an overarching strategy for pursuing the social and economic transformation of Guyana. The Assembly also agreed on a procedure for the update of the NDS at the earliest practicable date. The Special Select Committee set up by the Motion to give effect to the procedure unfortunately never met and in this regard we should note that it was the Government Minister who was in the Chair.

The approved Motion lapsed when the National Assembly was dissolved for the 2006 Elections. So in December 2006, after those Elections I brought the identical Motion back to the House. This time the Government rejected the Motion. The main ground as expressed by the Honourable Minister of Finance was the model for revision. He suggested that accountability required that the Government undertake the process. One year on today the Government has done nothing to proceed with the updating of the National Development Strategy.

The Government I suggest Mr Speaker, must come clean and State its true position with respect to the update of this strategy. It would be to the country's detriment if we do not adopt an overarching strategy. In the meantime it seems that the PRSP is what is being relied on. In this regard, it is interesting to note that the Prime Minister in opening consultations for 2008 to 2012 PRSP, charged the participants to find out why there have been such poor

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

results. He also pointed out that in 1999 the report showed that the national moderate poverty level was 36 percent and extreme poverty level stood at 19 percent. At the end of 2006 when another assessment was done, the Prime Minister said that the implementation of the program set out in the paper had only shown marginal reduction in poverty levels. The moderate poverty level had only declined by three percent to 33 percent and extreme poverty by one percent to 18 percent. This, I respectfully submit, is a serious indictment on the Government of Guyana. This comes after capital expenditure under that programme between 1999 and 2006 totalled \$186 billion or put in another way \$186,000 million and Mr Speaker this would have been expended on roads, schools, health facilities, D&I, youth facilities, SIMAP et cetera.

It is also timely, that we be reminded that the Organization for Economic Cooperation and Development (OECD), in its Annual Report a couple of years ago pointed out that Guyana was the biggest net exporter of skilled staff with 83 percent of its known graduates living in member countries of the OECD. The latest U.N. figures also indicate that around 83 percent of Guyana's University graduates do not live in the Republic. In fact, where the export of tertiary-trained citizens is concerned we have the dubious distinction of topping the Region.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

This is also why Mr Speaker, we are not necessarily impressed with the recitation of large sums of money for various projects. We know that many ordinary citizens question whether the country and their respective communities are getting value for money. A few years ago a very prominent and independent minded public official who has now left the system, opined that some twenty percent of capital expenditure leak out from the projects illegally into pockets. If this percentage Mr Speaker were applied to the \$186 thousand million capital expenditure spent between 1999 and 2006 it would amount to of some \$37,200 million having gone illegally into corrupt pockets. Yet the issue of corruption was not even mentioned in the Budget Speech much less addressed as an issue to be dealt with. There is a brazen pretence by the Government that this is not a problem. Yet in Transparency International 2005 CPI Guyana scored 2.5 out of 10 and was placed at 117 out of 159 countries and in 2006 we scored the same 2.5 out of 10 and were placed at 121 out of 163 countries and a group of nine countries were placed 131, which means nine countries effectively occupied the space of 121 to 130 into the listing.

Listed among examples of corruption in the Report, are bribery of public officials and kickbacks in public procurement. We must therefore wonder Sir, whether the \$40.8 billion of capital expenditure slated for this year over \$8 billion are likely to go into illegal pockets. I am

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

aware, Sir that the Government always clamours for evidence, Transparency International for those who are interested, lists at page 10 of its 2006 Report why the corruption perception index is based only on perception. It is because no one will tell you that they are corrupt and admit to you. Further, I will say that the more transparent and accountable Government is in the conduct of the Nation's affairs, the less likely are perceptions going to be developed of corruption.

Permit me Sir, to mention a few areas to where transparency in particular could be improved. For many years now, I have been calling for the naming of persons or Firms, to which contracts go to Cabinet for no objection, are awarded. In fact, true transparency would require a publication or at minimum, the availability to the public, of the names of all the persons and Firms who bid, the level of their bids and the reasons for the non-awards to those who lost.

Secondly, the Public Procurement Commission, a Constitutional Body with the responsibility of administering Public Procurement, needs to be established with dispatch. We of the PNCR-1G have for some time now suggested names to go to this Commission but we await the submission of names by the Government and this has been for years now. There has been no movement.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

In the meantime Public Procurement is at the highest level administered by the National Procurement and Tender Board. This Body on the legislation is the creation of the Minister of Finance who appoints the members. It is therefore easy to see, Sir how perceptions may in certain circumstances arise. I guess Sir, it is only when an international financial institution specifies or requires the birth of the PPC as a precondition for some loan we are likely to see any real movement. I sincerely hope that in the course of this Debate, Sir someone on the Government side will address these very important issues.

I turn now Mr Speaker, to the performance of the economy. We were informed that the economy grew by 5.4 percent in 2007 and we are given the performance of individual Sectors aggregating to that growth. While I take the Minister at his word, it is difficult to see the evidence of this growth in the life of citizens. Maybe large buildings have been better constructed and many new roads built. It would have been much more meaningful to many of us if we had been told how many jobs were created, in what Sectors they were created and by how much wages and salaries outside of the Public Sector have risen. Everywhere I go, people complain of difficulty in making ends meet and the rank of the unemployed seems continually to swell.

In addressing the opening of the Eight Parliament back in 2001, His Excellency the President said, and I quote:

Creating remunerative employment is a sacred objective of the undertaking of national economic development. Worthwhile jobs are the basis for sustaining a dignified life and a healthy family environment and viewed from a national standpoint, employment growth is the most effective way to reduce poverty.

We could not agree more with His Excellency the President. Mr Speaker my assessment of the growth that the Minister has proffered is qualified to the extent that he has not converted it into the most meaningful statistic of all, that is, the number of jobs created, especially in view of the President's commitment to create remunerative employment. As to remuneration in the Public Sector, we are extremely disappointed that with an inflation rate of 14 percent in 2007, employees in the Public Sector only received an increase of 9 percent in their gross pay and for those who are above the income tax threshold the net pay increase was six percent since one-third of the income goes to income tax. Thus, the real income of Public Servants would have declined by between five and eight percent.

What is also a concern for us Mr Speaker is the fact for all practical purposes, the Government has abandoned the collective bargaining process; certainly with the largest

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

union representing Public Service employees namely the Public Service Union. There is usually an initial pretence to collective bargaining, an abandonment of the process at a point of convenience, no pursuit of the mechanism of arbitration and finally the Government dictated increase of its own choosing. This is a charade targeted against a specific Union which is perceived by the Government as not supportive of it. We call on the Government, to respect the collective bargaining process with all Unions so that we do not only preach the involvement of all stakeholders but we also practice it. *[Applause]*

Mr Speaker let me say that we of the People's National Congress Reform - One Guyana have no *apriori* nor principled objection to the conclusion of multiyear agreements in the award of increases to wages and salaries of Public Sector employees, but we again stress that this should be operationalized through the process of collective bargaining. Mr Speaker, the plight of workers in this country has been compounded by the Government's intransience on non-reconsideration of the rate of VAT. Please bear with me, Sir, as I seek to set the background on this very important matter.

Throughout the Debate on the VAT Bill in 2005, all the major Government Speakers and the Ministers in particular, emphasized the revenue neutrality of the tax. We were assured that the solemn intention of the Government was to collect the same amount of money as would be foregone by the taxes that would be scrapped. A

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

regime of Excise Taxes was also going to be introduced on so-called sin and luxury goods with the intention of maintaining the pre -VAT prices on those goods. Thus, the tax of these goods VAT plus Excise Taxes would result in pre- VAT levels of revenue being collected and that overall the collection of VAT plus Excise Taxes would be revenue neutral. That was the Government's case and the claim to the Guyanese people and that was the understanding the Guyanese people had of the application of these taxes. The buzz words to sell the tax to the Guyanese people were '*revenue neutrality*'.

The Government commissioned an impact assessment study which a Special Select Committee on VAT and the Excise Taxes had the benefit of and it was clearly stated in that Report that at the point in which the Report was compiled in 2005, the yield of taxes that were to be replaced by VAT and Excise Taxes was \$16.4 billion. The PNCR-1G supported the introduction of VAT on that basis. In its deliberate judgment, the Government used the combined figure of \$24.8 billion as projected revenue from the VAT and Excise Taxes, no doubt building into those figures the projected growth in imports which would also in the previous regime have attracted Consumption taxes and some of the other taxes that were in place.

So without more, I am willing to accept for purposes of this presentation that \$24.8 billion rather than the \$16.4 billion in the Impact Assessment Study represents

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

revenue neutrality in 2007. Even so, the actual collection of \$36.7 billion in 2007 represents a positive revenue yield of approximately 48 percent. Interestingly throughout the last year, the Government kept avoiding mentioning the revenue yield from VAT and the Excise Taxes, although in the midyear review dated 15 September, 2007 it was clear that the yield was revenue positive to a significant degree. Not only was the Government avoiding talking about the yield, but even more significantly, the words ‘revenue neutrality’ suddenly disappeared from their vocabulary [Laughter] and therefore utterances such as they were, about these taxes. In his Budget speech at Page 12 the Minister blandly stated:

The value added and Excise Taxes yielded collections of \$36.7 billion. The increased collections are reflective of the significant increase in imports realized during the year.

But it is significant that the Minister never spoke of ‘revenue neutrality’ nor did he concede that there was a positive revenue yield. These terms were studiously avoided. In addition, the argument about increases in imports cannot be reasonably sustained and the Minister knows that. In 2005 the yield that was going to be foregone was \$16.4 billion and the realization at the end of 2007 of collection from these taxes was \$36.7 billion, an increase of more than 123.8 percent. I challenge the Minister to say to this National Assembly that the

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

increase from \$16.4 billion to \$36.7 billion represents, and is born out of an increase in imports and that I respectfully submit cannot be sustained.

And I want to suggest that in naming this Budget under the title *Staying the Course* I would not like to stay on this course. That is the first point. I did not recommend it under this subheading he has *Advancing the Transformation Agenda* I would propose that he put another subheading there. *The VAT runneth over* [Laughter]

It is the view of the PNCR-1G Mr Speaker, that this deliberate avoidance by the Minister represents a serious breach of faith with the Guyanese people. He should have come clean and put the true and full picture before the people. Finance is his direct responsibility and it was to him that we would have looked for a full accounting. We know that there has been a significant windfall not only because the figure so indicates but also because the Government in handing out some duty-free concessions to rice farmers said that their cake for the VAT enabled them to do so. And part of the increased expenditure we see on various activities in the Budget is, we submit, a direct result of the positive revenue yield from the two taxes. And maybe they are all deserving items of expenditure. But that is not the point Mr Speaker ... In deviating from the fact with the Guyanese people at the minimum a full explanation is due. And, if all I provoke out of the Hon Minister this afternoon is an oral

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

transparency in the argument for VAT, I would have been of service to the Guyanese people. *[Applause]*

How can it be right, Mr Speaker without at least consultation, for the Government to arrogate to itself the use of that windfall? But alas, this is true socialist behaviour in which the State presumes to know and therefore decides what is best for the people. Whatever the Government's perception about the impact of VAT, we of the People's National Congress Reform- One Guyana, know that in the wake of its introduction great hardships have been brought upon the Guyanese people. If there have been unscrupulous businessmen who have misused and abused the application of VAT, then the Government must deal with them and they must not visit upon the poor consumers of this country the unnecessary burden rising from the implementation of VAT. What we know is that the people need to be relieved of the millstone that has been placed around necks. In the absence of any justification for retaining the windfall and in order to restore some semblance of trust in the Government on this matter, the PNCR-1G calls for an immediate reduction of this VAT to not more than 10 percent.*[Applause]* ... a reduction of 37.5 percent, which is less than the windfall at a percentage of the Budgeted sum, 47.8 percent.

Mr Speaker earlier I spoke of transparency and accountability two precepts that the Government publicly embrace and which we submit are cornerstones of a truly

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

functioning and functional democracy. Yet, in the presentation and execution of the Estimates and the resultant expenditures there is a lot to be desired in that regard. Permit me Sir, to cite some example of what has really been going on.

Without explanation in the year 2006, the Government removed from the Estimates the authorized strength of Budget Agencies, that is, of their staff. Why did they do this? There was absolutely no explanation. But this is an important statistic because it allows stakeholders, including the Opposition, to be able to see what vacancies and how many vacancies and in what categories exist in those Budget agencies and to form an opinion as to whether or not the fall back of the authorized strength is affecting the delivery of the services by the respective agencies. But why was this convention abandoned in 2006? And what is worrying Mr Speaker, up to this day despite repetitive calls for explanation nobody on the Government benches sees it fit to offer this National Assembly, where the people's representatives are gathered, an explanation as to why this has been so. *[Applause]* Why was this convention, Mr Minister, so conveniently abandoned? You quote convention and use it as a precedent when it suits you.

I remember when I drew attention to the layout of that Table on Page 3 of the Budget Speech last year which I am not doing this year, but you persist in putting it in that format. You said to me that was what was done by

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

convention and you were simply following convention. I want to ask you: why on this occasion you choose so suddenly to depart from convention, which would have hurt transparency of Government without any explanation to this National Assembly?

Secondly, Mr Speaker the Government has included a category in the Estimates known as '*contract employees*' and we have again on numerous occasions requested that the information on '*contract employees*' should be fully set out at the back of the Estimates. Do you know for the traditional Public Servants there are appendices O through S, which state the category in which each Public Servant falls, and in another Table gives you the salary scale applicable for those positions? And that is all we are asking for in the interest of transparency that these Contract Officers who many people see as replacing; that is why you do not want to put the authorized staff in the Estimates. They are replacing the traditional Public Servants more and more but there is no transparency of their method of appointment or of levels of salary they are paid. We call upon you to explain to this National Assembly during this Debate, why it is not possible for you to include this as an appendix to the Estimates the framework in which contract employees are employed in the various agencies and the levels of their remuneration.
[Applause]

Thirdly Mr Speaker, there is an abuse of the Contingency Fund, which we draw attention to on each occasion when

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

we have to debate supplementary provisions. Article 220 of the Constitution created this one. But it was created to fill a gap temporarily when there was an urgent need of the expenditure for which no other provision exists. What we have seen over the years ... china for the Prime Minister's residence and cutlery being put under the Contingency Fund. We have seen motor vehicles for which there could be no need, justified as an urgent basis, being a vote given out of the Contingency Fund. We have seen furniture for Ministers offices being given under the Contingency Fund. Mr Speaker we suggest that the Government looks more carefully and studiously at requests for grants out of the Contingency Fund so that the Article of the Constitution will be upheld in the use rather than in the abuse of this Fund.

Fourthly, Mr Speaker, there has been a continued, adamant failure to pay the Lotto funds into the Consolidated Fund. Article 216 of the Constitution requires, and I quote:

"All revenues received by Guyana shall be paid into and form one Consolidated Fund"

If only in transparency to meet your own embraced tenet of transparency, I call upon the Government to please pay these revenues into the Consolidated Fund. *[Applause]*

Fifthly, Mr Speaker, recently it has been a practice of bringing huge supplementary provisions under Capital Expenditures under Supplementary Papers without any

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Project Profile. The Minister again conveniently invokes precedent for not bringing these profiles. I want to say to the Hon Minister we are now in 2007 and not 2008 and not in 1975 or 76 and do not invoke precedent on this one and me also, Mr Minister. The demands of transparency and accountability suggest that, if you have substantial increases under a Budget agency more than the original some voted in a provision for any capital works to be done suggest that you should bring to National Assembly an accompanying project profile, so that we the people's Representative here in the National Assembly could have an opportunity to see a transparent manner the need for the intended further expenditure.

Let me give you three examples, I really want to give them. In the office of the Prime Minister under the electrification programme an initial sum of \$500 million was voted. Supplementary provisions came during last year for \$1.9 billion, an increase of over 280 percent on the initial sum voted. Yet, no information was brought to National Assembly by way of the Project Profile that would define what this additional sum of money was all about. So I can argue Minister with credibility that you intended to mislead this National Assembly when in the first instance you brought a provision of \$500 million and then ended up with a provision of \$1.9 billion by a devious device without bringing a Project Profile. And in the Ministry of Works and Communication on the Demerara Harbour Bridge there was a voted sum of \$90

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

million. Supplementary was brought for an additional sum of \$500 million, an increase of over 500 percent, Mr Speaker.

We want Mr Speaker again to urge in this case the Minister of Public Works and the Minister of Finance who ultimately vets these things when they come to National Assembly to please, in the interest of transparency that you embrace bring to the National Assembly the Project Profile for such large additional sum of money. And, this is the one that draws me most Mr Speaker, the Ministry of Labour Human Services and Security had an original sum under other buildings of \$17 million and under the project profile that accompanied this sum of \$17 million the explanation was *Rehabilitation Of Buildings*. The Minister brought to this National Assembly a supplementary sum of \$176,000; 953 percent increase over the Budgeted sum; and what was this sum for? It was for the construction of a new Ministry with no money provided in the National Budget originally. When the Minister was question as to how it was that he could embark on an expenditure programme for a new Ministry without first having gotten a voted sum in regard to that project from the National Assembly, he said *it was the peoples will* and I regard that as an arrogant and disdainful answer.[Applause]

Mr Speaker, there is one other item of which I wish to make mention at this time point. There is a Capital Expenditure item under the Office of the President

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

headed *Minor Works*. For the year 2008 it has the sum of \$80 million. This sum is in the exclusive and sole control of His Excellency the President. And the description of the Capital Project reads, *Provision For Developmental, Humanitarian And Other Activities*. For 2005 the Auditor General's Report under *Minor Works* for the Office of the President described the expenditure that took place under this heading, *Contribution And Gifts To Organizations And Individuals*. How can that be a Capital Expenditure? Somebody will have to explain Catering Services; Contribution Of Gifts To Organizations And Individuals, \$31.1 million - the bulk of the money in what is clearly a current expenditure at best. How could we entertain these monies at the President's sole discretion deciding to give a gift to somebody as giving it out of his head intended for *Minor Works* - a Capital Project. Rental of chairs and tables and PA system are put under this. Miscellaneous Payments are put under this heading.

Mr Speaker we have a way of saying, talking about the bad days of the PNC ... But I want to tell you something I want to compare what took place in 1992, which was the last year of the PNC Government in office before the PPP/C came. The voting provision on the *Minor Works* ...

The Speaker: Before you proceed any further your time is up...

Motion for extension put and carried

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Winston Murray: Yes, Mr Speaker, in that year the voted provision under *Minor Works* was \$15 million; so over time \$65 million have been added. That is not necessarily something to make an issue of so I do not want that to be misunderstood. But let me tell you that what I am concerned about is what I just said, the description under *Minor Works* at that time read as follows:

The project is intended to finance small ventures that are critical and essential for developmental activity, and is selected at the discretion of the Executive President, and the benefit is the elimination of minor bottlenecks to regional and national developmental projects.

Clearly Mr Speaker these were cast in the context of *Capital Works* as was intended to be the case. [Applause]

Mr Speaker, (Do not get so nervous Mr Prime Minister; it is not you. I am done with you.) Mr Speaker, those in 2008 are projected at 4.8 percent. An examination of the expected sources of this growth suggests that it will largely come from the traditional Sectors of the economy. Even with the projected diversification within the sugar industry, a traditional Sector, I posit that it is far from certain whether we are on to a success story here. We are not told for example and perhaps the Minister of Agriculture will have a chance to explain. Are we still on track to bring down the cost of production? First you said

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

11 to 12 cents per pound and more latterly some have been saying 8 to 9 cents per pound US. Are we on course? Tell us about it. I have a feeling that we are not. But there is no comment in that regard, so I look to the Minister of Agriculture.

While it is expected that the new factory Mr Speaker, is expected to come in operation in August 2008 great uncertainty surrounds the level of utilization of its capacity. In the first place contrary to historical records Berbice, over the last few years has been experiencing relatively wet conditions and according to report from the industry itself of October 2007, I quote:

More worrying is that longer-term projections are not showing any reductions in these higher rainfall patterns

If this must be realised Mr Speaker, the rationale for choosing Berbice rather than Essequibo, for sighting the project would be sincerely undermined. Additionally, although some 30 to 40 percent of the cane to be supplied to the factory is to be provided by private cane farmers, there has been great delay in providing the necessary infrastructure, such as the construction of canals. Further, cane farmers have not shown keen interest in developing the land. They are uncertain about achieving a competitive cost of production especially since the cost of mechanization is an unknown quantity. The price at which GUYSUCO will purchase the farmers' cane is also a cause of worry to farmers. On top of this Mr Speaker, it

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

is the sad fact that many of the Senior people in the industry are migrating. Thus the jury, I suggest, is still out on how this project would perform in reality despite its theoretical success on paper.

In the Forestry Sector we obviously need to put greater emphasis on downstream activities while exports in timber rose by US \$45 million in 2004 to U.S. \$70 million in 2006. This was due mainly to a surge in log exports. On the other hand Barama exports of plywood and of which Barama is the main exporter declined from US \$9.7 million in 2005 to US \$8.5 million in 2006. But more pointedly, 10 years prior, Barama exports of plywood were four times this amount and they did not then export any logs. Surely, these ought to be severe introspection to find out here who or what killed a potential golden goose. There are many who are convinced that given the right environment and incentives, plywood exports alone could reach US\$200 million. Maybe it is already too late to do it with Barama who is in full reverse gear.

This brings me to the issue of Private Sector Development including the issue of Foreign Direct Investment. There are many who believe that the Government although talking the talk is not walking the walk. The body language conveys a negative message, generally speaking. You know, Sir, we have something called the Investment Act. It was legislated in 2004 as a precondition for a loan and it was intended to provide a

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

first investment but essentially in my respectful view, it is useless. The Investment Promotion Council created under that Act is a creature of the Minister and not a Body of strong independent minded entrepreneurs who are dynamos of industry and who can chart an aggressive prosecution of Guyana and its several potential areas for investment. I do not believe either, that there was ever an identification of the investment priority category, which could inform potential investment of our priority areas. I stand corrected and would like to hear if this is so and would certainly applaud it.

I am nevertheless pleased to see that GO INVEST would receive significant resources to improve its capacity for proactive image building, investment facilitation and investment generation. I am pleased, because we hold the view that investors of the world are not falling over themselves to get to Guyana and we have to go out and sell Guyana to them as others go out and market their countries. Of course, in all of this, I assume that we are now prepared to walk the walk seriously.

Mr Speaker, if we can succeed in getting the necessary investments: large-scale, medium scale, and small foreign direct investment and local investment, then we can bring good paying jobs on a sustained basis to our people. This will certainly put a spring in their steps and we will bring closer to realization one of the major yearnings of our citizens. *[Applause]*

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

The other major yearnings of our citizens Sir, is for peace and security in our beloved land. For some years now the crime and security situation in Guyana has been steadily worsening and many will agree that it has now reached crisis proportions. The massacres of Agricola, Lusignan and Bartica have brought many to the brink of despair and however much we would wish to placate our citizens, it is natural and understandable that they are truly fearful. We... all the PNCR-1G mourn with those who have without any justification whatsoever lost loved ones whose homes have been so brazenly invaded and innocent lives snuffed out.

Beyond that Sir, we give full and unequivocal support to the Joint Services to use every means available to them within the framework of our Laws and Constitution to bring those who have perpetrated these heinous acts to justice. This must be of the highest priority [*Applause*].

I am sure Mr Speaker that every right thinking Guyanese supports such an approach. But Mr Speaker I believe we must also recognize that there is something amiss in our society that causes the spawning of persons of such perverted minds and attitudes. I am prepared to ... (*when you have a closed mind that is how you speak*). I am prepared to argue Mr Speaker that the criminal and other violence that we see today are but a manifestation of, among other things, deep alienation within our body politic and I can do no better than to quote from the Security Sector Reform Plan for Guyana which in my

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

understanding the Government has embraced, which States at Page 4 that there is and I quote:

From that Plan there is a need to address the root causes of criminal and political violence, poverty and unemployment, racial and political polarisation and deterioration in the moral and social fabric of Guyanese. These require taking onboard the broad objectives in the multi-donor projects titled, Improving Social Cohesion, Security and Governance in Guyana which is coordinated by the UNDP which is designed to restore conditions for resumed development through, among other things, effective conflict mediation and regular dialogue and consultation between the major political and social interests in Guyana.

Sir, it is clear to the PNCR-1G that development, peace and stability are inextricably intertwined and if we in this House together with all other stakeholders genuinely see them as our common collective goals they will be within our grasp and our nation will forever be thankful to us.
.[Applause]

Sir, as I take my seat I wish to say that I refuse to countenance any other alternative. Thank you very much.
[Applause]

This Speaker: Thank you Mr Murray ...

Honourable Member Mr Nadir ...

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Hon Manzoor Nadir: Mr Speaker, firstly on behalf of my Cabinet colleagues and the members of the PPP/C and on my own behalf, we offer our congratulations to the Hon Minister of Finance for crafting the 2008 Budget amidst much grief, hurt and pain such as this nation has never seen over four decades. Mr Speaker while we have seen them all the public condemnation of what happened in Lusignan and in Bartica I would like to put on record, the record of the highest deliberative forum in the land again our sincere condolences to the families this time of those who died in Bartica. I speak of the families of

- Ashraf Ali Khan of Middlesex, Essequibo
- Deonarine Singh and Errol Thomas of Wakenaam
- Zahir Zakir of Tuchen
- Ronald Bourne of Kamarang
- Edwin Daniel Gilkes and Erwin Perreria of Bartica
- Ronald Gomes from Morawhanna and Kuru Kuru
- Dexter Adrian of Tucville, Bartica and Soesdyke
- Baldeo Singh of Montrose
- Abdul Yaseem of Essequibo and Goodhope

and

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

- Officer Shane Fredricks living in Herstelling the next village from where I live on the East Bank of Demerara.

Mr Speaker, if Lusignan raised the eerie of the nation, Bartica spread terror throughout the length and breadth of Guyana. Mr Speaker whether the Minister of Finance had to craft the 2008 Budget amidst all that happened in this space of three weeks and I know while we have planned a certain date, he and his staff had to return to the drawing board over and over again to come up with a Budget that will deal with our immediate plans and also continue the transformation of the Guyanese economy and the furthering of the development of the people of this dear land of ours.

Mr Speaker I want to offer my compliments to the educated, learned, experience and skilful Honourable Member Mr Murray because what he just did was use his knowledge of economics, knowledge of the Law, his experience as a former Minister. He used his skill as an orator to weave a lot of innuendos about the performance of our economy and about how this particular Budget was crafted.

Mr Speaker, the first one he says, a public official sometime ago opined that 20 percent of the Capital Revenue of this country leaked expenses; he said it was the view of one public official who had just resigned. That official opined that 20 percent of the expenses

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

leaked and then he went on to say that if Mr Speaker, if that were true and he goes on to use the 48 billion in this Budget to say in 2008 we are going to have 20 percent of 48 billion leaking out. A big IF and the perception of one person is the foundation on which the People's National Congress Reform-One Guyana ... the first Speaker based his entire presentation, a big IF, on the perception of one person. *[Applause]*

Mr Speaker he spoke of transparency and Transparency International and he looked at the Transparency International Index, which is based on perception. And how is that perception arrived at on the Transparency International Index? It is based on Transparency International calling some people, I think of calling about 10 or 12 persons in the Guyanese society and of course, if they call the Honourable Member Deborah Backer she will have nothing good to say. If they call certain accountants who are always writing in the newspapers, they will have nothing good to say. We do not know the ten persons, but Mr Speaker what is instructive here, prior to Guyana appearing on the radar of Transparency International; prior to 1992, we did not have a chance. Things were so bad; Transparency International could not call anyone so we were not even on the screen. We are happy Mr Speaker that we are on the radar screen *[Noisy Interruption]* and what we are doing is in a transparent manner and *[Interruption]* we are doing it under all of the Laws of the land.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

The Honourable Member Murray made mention of these Capital Projects, which are coming out of the Consolidated Fund and questioned that the Constitution of Guyana... and says that these expenses, and he is right, should be used for emergencies but that is the Law that authorizes us when there are emergencies to go to the Consolidated Fund and it is kept ... we can go on... take all the money we want from it. Mr Speaker, we still have to come to Parliament to lay those contingencies here. That is the Law, Mr Speaker. We all recognize that after you present a Budget, there are going to be conditions that develop that require you to go and make emergency expenditure. So he says what do we use these emergencies for? He says 'vehicles'. Of course if the President's vehicle crashes we have to get another one for him, you expect us to get a donkey cart? *[Interruption]* Mr Speaker, if the seawall breakaway, we have to go repair it. He goes on with the Sector and says that we authorize the expenditure for new offices of the Ministry of Labour Human Services and Social Security. Mr Speaker, we had a five-year search since the fire of unknown origin. But when that fire happened it was the period of '*more fire and hot fire.*' *[Applause]*

We have had a search since July 2001, Mr Speaker, for a new building. The workers of the Ministry of Labour Human Services and Social Security are scattered over five locations and they speak of the welfare of the workers especially the Public Servants and we found it

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

necessary, more needed at this time as the Ministry was spending more and more of the Government revenue on social services to provide proper facilities for the staff and for those poor people who use the services. He objects to us using that money as a priority. He calls that misuse and abuse, Mr Speaker. [*Interruption*]

Then he goes to the Minority Works; part of the Budget that falls under Minor Works under Office of the President. He says that in 1992 under the People National Congress Reform Regime \$15 million was allocated. The 1992 Budget was \$11 billion. What they allocated to the Office of the President then was .001 percent of the Budget in 1992. This \$80 million of a \$119 billion represents .0005, half of what they used to allocate in terms of percentage to Minor Works. Half! \$80 million dollars and what are we doing? We are helping to build the Theatre Guild, we are helping the Blind Institute; that is what we are doing. Except Mr Speaker, there is a category that says *and individuals*, of course, if something happens to an individual; Minister Manikchand goes out there ... we have to prepare a small humble home ... It will have to come out of there. And so, Mr Speaker Minor Works assist in alleviating the poor conditions under which many of our people live and speed up the implementation of several projects of the Government.

The Honourable Winston Murray ... I again have to say he had to dig deep and go to all the reserve of his

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

knowledge and his political acrobats and what we have to do ... I want to once again use another example. In the performance of the economy, he said it is '*difficult to see evidence of the growth*' while the Finance Minister said the Guyana economy grew by 5.4 percent, more than the world economy which was 4.8 percent, I think. He says that in the two substantive years of growth that we had in 2006 and 2007 and what we are projecting in 2008, most economists will tell you that if you have three years of more than 5 percent growth you are heading for a boom economy. They would tell you that; we know that with three years successive, positive growth at a minimum of five percent you are heading for a boom economy.

So Mr Speaker he says, *It is difficult to see the growth*. I hold in my hands the Bank of Guyana statistics for December, 2007 which he has a copy of, and he can turn to Table 2.18 where he will see that the Private Sector in Guyana borrowed 15 percent more money than it did in the previous year. Fifteen percent more money went to financing development in Guyana. If he goes to the next Table 2.1B ... and in any economy, Mr Speaker, saving is a barometer of good times.

Mr Speaker, in 1997 ... and I would not go to 1992 ... in 1997 the Guyanese people saved \$52.1 billion. In 2007, we saved \$131 billion. In the last 10 years the people of Guyana saved in excess of \$80 billion more. Where did that money come from? Somebody mentioned a certain person who is locked up right now in the US jail.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Anytime you go to make a significant deposit in any Bank you have to report where it came from. That is the transparency that we have now and you can go to Bank of Guyana that now has offices and you can check to see who is depositing what. You can go to it now. I do not think you could have done that 15 years ago. *[Applause]* And Mr Speaker, what we have is savings - savings of our people. The marginal propensity to save under this Government has increased and that is used to fuel our development. Mr Speaker, let me give you some statistics.

In 1998 Guyanese people saved 8.3 percent more than what they saved the previous year. In 1999 we saved 10.2 percent more than we saved in 1998. In 2000 we saved 12.5 percent more than we saved in 1999. In 2001 we saved 9.6 percent more and in 2002 instructive, Mr Speaker the jail break, and I'll just stick a nail here; we only saved 6.4 percent and in 2003, 6.4 percent was increase in savings and in 2004, 6.9 percent was increase, Mr Speaker. In 2005 after we were getting a handle on the crime situation and confidence was coming back in the economy, Guyanese saved 8.3 percent Mr Speaker. In the boom year of 2006, Guyanese saved 13.4 percent more than the previous year and last year the savings rate went up to more than 14.3 percent more than the previous year. The savings rate, Mr Speaker, the increase in savings has started at 8.3 percent over the previous year. When we had the crime spree from 2002 it started falling

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

6.2 percent, 6.4 percent, 6.9 percent. But in 2006 we started saving more than the previous year - 13.9 percent more than that previous year and in 2007, 14.3 percent. This is evidence Mr Speaker, of where the growth is. There is money in the Bank and money out there propelling the economy. *[Applause]*.

Mr Speaker I want to deal also ... the Honourable Member tried to spin a tale around our VAT revenue. He tried to spin a tale around our VAT revenue to say that we collected all this supernormal taxes from VAT. The VAT revenue is \$12.4 billion more than projected. We need to disaggregate that. \$8 billion of that, Mr Speaker, is from imports and that is because of the growth in the economy. VAT was not supposed to tax the same people. VAT was introduced to widen the net and so Mr Speaker at the point of import because the economy was growing and because Guyanese are enjoying a better standard of living they are reporting more.*[Interruption]* So that \$8 billion of that additional \$12 billion was collected at the point of import. Five billion dollars of VAT additional revenues came from domestic sources. Mr Speaker out of that \$5 billion, if you want to say that we have been taxing local imports more, go to the Tables and you will see VAT revenue in certain categories. For example, alcohol beverages are less than what we projected; you can go right to the Tables there.

Mr Speaker what the Hon Finance Minister did ... Three things propelled the VAT revenue ... the increasing of the

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

net, the widening of the net, so we cannot say that *revenue neutrality* has to exclude that. That is the more efficient tax system; that is what VAT is supposed to do, propel it. Secondly Mr Speaker, the VAT is also propelled by the high world prices of food and goods that we have to use. And thirdly, yes, there could be some level of VAT increase that have fallen upon some poor people and that is why we said,

Give the Finance Minister the opportunity as he sees fit to add additional categories of exemption of zero-rated products ...

so you do not have to come here all the time. Mr Speaker, of those additional \$5 billion of revenue let me explain how the Finance Minister has reallocated at least \$3 billion.

Because of carrying up the threshold, over \$2 billion of that revenue will be released. Just because of carrying up the threshold; and Mr Speaker on the zero-rated items we are going to forego, as the Finance Minister said on Page 49, an additional \$1.2 billion in revenues from VAT. Here we have \$3.2 billion immediately being returned to the people of Guyana and that is being criticized as overtaxing. Mr Speaker I am not going to say that we have allocated even more money and spend more on the social services. My dear colleague will do that quite admirably.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

But we have a tale being spun around that we have an economy that is stagnated, that we have an economy that is being fuelled by revenues that we cannot account for; that we have bad governance; we do not have transparency ... [*Interruption*]. We have debunked all of that. I thought that the Honourable Member would come with something new. We respect his contributions and we respect his talent just as we respect the contributions made and is being made by the Leader of the Opposition. No one can deny that change in this country started prior to 1992 with the PNC. I do not think that anyone can deny that. No one can deny the contributions of the Leader of the Opposition in terms of accepting the results of the last General Elections and his contributions towards maintaining the Democratic traditions we are building. No one can deny the contributions that the Leader of the Opposition is making in the current situation and at the meeting yesterday with the His Excellency, the stakeholders; it was the highest level of Statesmanship and decency that I have seen. No one can deny that.

But Mr Speaker, we know that things are not all that we want them to be in Guyana. No one is denying that. The Minister of Amerindian Affairs would certainly like more money. If we are going to link poverty with crime as one PNCR-1G person said to the BBC, the member from Bartica, she said that there is a link, then the most criminal people in the country should have been our

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Amerindian people, if there is a poverty and crime linkage. All is not well and we are transforming the economy Mr Speaker and the transformation continues with the Budget. I was so pleased when I opened this paper today; the Kaieteur News, in fact, I did not have to open it Mr Speaker to see that the bridge over the Takutu [*Noisy Interruption*] ...

The Speaker: Honourable Members the noise in the House is at an unacceptable level on both sides. Honourable Members would you, please allow Mr Nadir to continue his speech with some order?

Mr Manzoor Nadir: Mr Speaker, the Finance Minister entitled his Budget *Staying the Course, Advancing the Transformation Agenda* and when I saw this Newspaper and I saw that this Takutu Bridge is now closing the gap linking on dry land. Mr Speaker, Brazil and Guyana, the transformation is being completed here in Region 9. Similarly, if we look at the cover of the Budget, the bridge that is going up is the dream of every Berbician. A bridge across the Berbice River is part of continuing the Transformation Agenda. Mr Speaker. I was in Linden a few weeks ago and there was one person who is sighting a bakery in Linden. Mr Prime Minister, I think it is over G\$2 million and he said, *I see myself, with the bridge across the Berbice River, as baking my bread in Linden and selling it as far as Suriname because I can do that in one day.* The Finance Minister quite correctly labels this issue of transforming Guyana positively.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Speaker as the transformation comes, the transformation continues even within the Ministry of Labour, Human Services and Social Security. In the Budget, \$376 million that will further go towards the completion of the new offices is going to transform, or start the transformation of our Public Service infrastructure. It has started and the inclement weather has prevented us from continuing apace and that is not only symbolic of transforming the working conditions of our Public Servants, but it is tangibly happening now in this Budget and thank you Mr Finance Minister for ensuring that transformation starts in the Ministry where we were all ridiculed, Minister Manikchand and I, when we were told, *you were going to donkey city*; we were ridiculed. By the end of this year the Ministry of Labour, Human Services and Social Security will have a model building that would set the stage for the modernization, the transformation of the working environment for Public Servants. *[Applause]*

Mr Speaker in this regard we continue the 2008 Budget to receive significant support in the area of labour; one part of the portfolio of the Ministry of Labour, Human Services and Social Security, and we are transforming that also.

The Chairman: Hon Member your time is up.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Hon Samuel A A Hinds: I beg to move the motion that the Hon Member be given fifteen minutes to continue his presentation.

Mr Manzoor Nadir: The Labour Portfolio ... In every department within the Ministry of Labour there is high-speed Internet today. In every department within the Ministry of labour there is enough equipment to increase the productivity of the labour staff. Mr Speaker, it did not come overnight. It had to come from the commitment of the Government to ensure that the transformation that we see happening out on the streets also happens within our Government and because of some of the changes that we had in the last Budget, and we are staying the course, you will see significant increases in the output of the Ministry of Labour.

In 2006 Mr Speaker the Ministry of labour conducted a little less than 600 inspections at workplaces. In 2007 we did over 2,200 inspections - because of the foundations laid. In every area when we look ... (someone talked about wages yesterday, Mr Speaker) we signed minimum wage orders for 12 categories of workers ... I go back to Labour ... When you look at the performance of the staff that are better equipped and better motivated, there were significant increases. In 2006 Mr Speaker, the Central Recruitment and Manpower Agency, which falls under the Labour Portfolio, located in Camp Street in the SIMAP building - in 2006 we just placed about 992

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

persons in jobs. In 2007 we placed 1,454 persons in jobs; almost 50 percent more.

In terms of the functions of Labour Officers looking after the welfare of workers, in 2007 over \$20 million in unpaid wages and salaries, in fact just around 20, were collected on behalf of workers. It is, Mr Speaker, the second-highest ever collected in the history of our country, on behalf of workers. This year, Mr Speaker we are committing with the resources allocated in the 2008 Budget, to further improve the surveillance at workplaces to ensure that 80 percent of the working people in this country who are not unionized can depend on the State to look after their welfare. 230,000 people are estimated to be gainfully employed in this country. Our Unions represent just under 20 percent of them, Mr Speaker, and we have an obligation to look after the welfare of all and in particular the 80 percent that are unrepresented.

Mr Speaker, we are going to ensure that this year we have three priorities. Those priorities are going to be a safe and healthy work environment because many of our workplaces need a lot of training and help in terms of protecting the health of workers and providing a safe work environment. Mr Speaker, a second priority of the Government in 2008 is going to be the issue of tackling any incident of child labour that exists and while some people feel that they have the records and I challenge those who have got work through certain programs, we do not discriminate. Whoever gets the job gets the job.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

We are going to ensure, Mr Speaker that tackling of child labour is one of our priorities and perhaps even significant, is going to be the issue of assisting with training our people for gainful employment.

Mr Speaker in the Budget of the Ministry of Labour, Human Services and Social Security under the National Training Projects for Youth Employment, the Finance Minister has followed up on the \$50 million he provided last year in November and December with an additional \$50 million in this Budget to help young people, in particular those young persons who dropped out of school, to give them another chance. I want to say to those young people, it is not only a second chance, it is another chance. And if you need another chance after that to gain a skill so that you can get employment, we are going to work with you. *[Applause]*... So in the space of three months the Hon Finance Minister has provided to this programme \$104 million. This is really putting your money where your mouth is.

Mr Speaker, when we debated a supplementary provision last year, a certain member of the opposition questioned and challenged the \$54 million that was going to this programme and making ... I had to say that we cannot postpone till 2008 the development of our young people and giving them an opportunity to get gainful employment. But they challenged that Mr Speaker ... *[Interruption]* ... I can deal with the Critchlow Labour College issue. Critchlow Labour College does not need

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

the Government to defend or attack what is happening there. Critchlow Labour College has a principal called Dr Rupert Roopnarine and at an interview with the Kaieteur News, said he resigned because the place was being run like a cake shop. *[Laughter]* Mr Speaker, Critchlow Labour College will have to put its house in order.

The Finance Ministers over the years have knocked out the subvention from many agencies including the youth arm of certain political parties, because they have not provided the activities. The accountability and transparency they are asking for they are getting now. We hold everyone that gets a dollar of the taxpayer money to that same level of accountability and transparency. *[Applause]* The discussion with the Critchlow Labour College still goes on. Dr Roopnarine, however, may have put a certain nail in the coffin. I do not want to say the final nail, because I would like to see that Institution flourish, but we have issues that we have to work on.

Mr Speaker, the other thing was when Dr Roopnarine resigned, some gentlemen wanted to fire him. They had a special meeting and they wanted to change his resignation into a firing, termination, but Mr Speaker I do not want to deal with the Critchlow Labour College. We recognize the contributions of all the tertiary Institutions in this country - all of them, to the development of our people. Every single Guyanese under this Government has an equal share of all the wealth of this nation. *[Applause]*

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Employment, as I said, is going to be a top priority for the Labour Division and in particular dealing with the National Training Projects for Youth Empowerment. Our target this year Mr Speaker is to put 1,000 of these young people that are going to be trained, and we have to take in about 1,700 of them ... at least 1,000 of them by the end of 2008 must be in gainful employment. The Government, unlike previous Governments, have \$100 million - \$50 million in this Budget and \$50 million at the end of last year - to ensure, Mr Speaker that this programme gets off the ground with the speed that is necessary to help those people who need it most. Our young people who did not get the chance to complete Secondary School, who require a skill; those who ought to know that there are some occupations which they ought not to be involved in and never again should a young man, who last month died by getting his head crushed in a container on the East Coast, it happened 17 years old. Never again should it happen. And yes, we are going to prosecute to the full extent of the Law.

Mr Speaker, last year because of all the reorganizations and some of the other initiatives that we were undertaking, prosecution fell. If you look at the records, you only had about 8 convictions in about 20 instances that we brought to the Court. This year we will ensure, Mr Speaker that the full force of the Law is brought against those who do not abide by the Labour Occupational Safety and Health Laws.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr. Speaker, we are in this Budget and if you check, under the Labour Employment there are \$75 million to deal with wages and salaries. Someone made a big issue and that someone is Mr Murray on this authorized strength being removed. I want to say to him that the transformation of the Public Service has begun. What you started with the then President Hoyte, in terms of looking at the entire bureaucracy and reorganizing of the Ministry, continues. We are going to stay with those same fixed establishments every day. Every day we are badgering Minister Westford about our establishments, I am sure she is going to be dealing with that quite timely and effectively Mr Speaker. So when you listen to the presentation of the first speaker, Mr Speaker, it appears that everything good that is happening happened because of something else and not because of the prudent, efficient and also caring way this Government has been managing the country, especially over the past 15 years.

Mr Speaker if we look ... the first company to put out its audited Statement of Accounts is Banks DIH and if you are privy to the report of the Chairman... I just want to read a quote from the 2007 report of Banks DIH. Mr Clifford Reis reports:

I am pleased to report that the Banks DIH group has produced excellent results for financial year ending 30 September, 2007. The profit before taxes for the group was

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008
*\$1.5 billion compared to \$1.4 billion in
2006 an increase of 7.7 percent.*

If there is any one agency that we can look to, with respect to management of the economy and the performance of the economy, Banks DIH holds no brief for the Government, none whatsoever.

So Mr Speaker, what we have seen with this Budget *Staying the Course: Advancing the Transformation Agenda* presented by the Hon Finance Minister, is that it will take Guyana into accelerated growth in 2008. Only one thing can stop it Mr Speaker and that is the issue of crime. As we have here today before us, it is a Budget that will continue this transformation but accelerates the development of a better standard of living for our people and in this regard, Mr Speaker, I give my full support to this Budget. Thank you very much. *[Applause]*

The Speaker: Thank you Hon Member, I prematurely stopped you at half an hour; you are really entitled to 45 minutes.

Honourable Member Mr Basil Williams, you are entitled to thirty minute like Mr Murray who I unfortunately missed. He went on to forty-five minutes.

Mr Basil Williams: Thank you, if it pleases you Mr Speaker... I would also like to add my commiserations to the family of the persons who were slain in those horrific events, in both Lusignan and Bartica and join with my

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

fellow members in the People's National Congress Reform, in condemning such killings. Being a man from Bartica myself, having being born in Bartica, you know, my feelings are even deeper and graver and so, Mr Speaker, I would like to add my name to that record.

I have listened to the Minister of Labour who has, as usual, been treated, with scant respect by the Minister of Finance, because he has never addressed any item of issue, emanating from his Ministry, in his Budget Speech. *[Laughter]* So I can understand the ramblings from my Honourable friend Mr Nadir, because despite his inclinations about the boom in Guyana, it is an undisputed fact that, Guyana has the highest outward migration of skills in the entire CARICOM, if not the entire hemisphere.

Mr Speaker, at this time, in this country a living wage continues to be elusive for our workers and Public Servants. They have to eke out a miserly existence, on the little pittance that they receive and this Government, this PPP/C Government, after making reference to Wages Policy since 1994, is yet to develop one. Instead it continues the piece-meal approach to wage increases, effectively increasing the wage debt that has accumulated over the years, and at the same time putting one class of workers against the next.

Mr Speaker the Cheddi Jagan administration, compensated workers from inflation as well as giving

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

them a share in any productivity gains of our economy. Under this administration, Public Servants' lots have become more strangled; their income has become more meaningless in terms of what they could buy in this economy. The nominated representatives of the workers have been sidelined by this administration ... bypassed and unequivocally marginalised. Presently, this administration is involved in depriving the workers of income, I was going to say robbed but I know the Speaker would not be too pleased. This Government is engaged in depriving the workers of income, instead of sitting with their representatives and fashioning a living wage.

Since 2001, Mr Speaker, Public Servants have watched their real income systematically eroded, under an extremely high cost of living, that is not properly reflected in the announced annual inflation rate. They have been forced to accept increases that are below the sub-Sector inflation rate, because we believe that the measurements that they are using to determine the rate of inflation are grossly under-stated. I have a Table, and it appears that I did not circulate this Table to you, but it deals with the year 2001 to 2007, and it speaks of the inflation rate, the salary increase, the minimum wage and the adapted minimum wage. Look to your estimates.

In 2001, it showed that the inflation rate was 2.6 percent and so we had a salary increase of 5.5 percent. The minimum wage then was \$20,045. In 2002 the inflation rate was 6.1 percent, and herein we come to the fact of

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

the matter. This heralded the beginning of payment of salary increases below the rate of inflation. The salary increase that year was 5 percent and it continued, except for 2006 where, as I said, the stated inflation rate was 4.2 percent. The rate of salary increase was 5 percent. But Mr Speaker in 2007, even if we accept, which we don't necessarily do, the inflation rate being 14 percent to pay 9 percent to public workers is an acknowledgment that you are telling them that you have to strive to keep alive. Would you like that? But you can surely die ... This table that I have here, Mr Speaker, reflects that workers income get paid with announced rate of inflation between 2002 and 2007 the minimum wage would have been \$30,451, well below the living wage but higher than the minimum wage of \$28,417, at the end of 2007.

What justification, and I keep asking this question every year ad nauseum; can this Government give for short-changing our workers; our Public Servants? They are quick to say they cannot afford more, but is this the true picture? Let us examine it; from the standpoint of revenue; Current Revenue exceeded the Budget every year between 2002 and 2007. In fact, last year the increase was a massive 15.4 billion; so in this case, there was the ability to pay inflation related increases for those years, but the Government never did. Then we have the windfall from VAT, which the Honourable Member, Mr Murray addressed earlier; they never paid any money from the windfall; you know what they said, it was

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

revenue ... that \$16 billion would come from the six taxes that were assimilated into the VAT. Even as they were saying that, the projection for 2007 was \$24.8 billion. In other words, while they were telling the nation about value neutralising they recognized that they were budgeting for a windfall. They could have paid Public Servants out of that, but again, they never did.

Then the Petro Caribe facility ... I perused the Estimates, and I have not seen anything in the Estimates relating to this facility or fund, so we have some questions for you Hon Member, Minister of Finance. The question is, Mr Speaker, how much money has been accumulated in this Fund? That is the first question. What amounts are located in the Consolidated Fund? Because we just mentioned, the Honourable Member Mr Murray mentioned the Lotto Funds, which is still not going in, and I have heard him every year talking about that; still not going into the Consolidated Fund as mandated by the Constitution. Under the Fiscal Management and Accountability Act, stressed the rules in respect of funds, but the rules must be made known. So if the money from the Petro Caribe facility is going into a special fund, then it should have been disclosed. What we know is that, that fund has enough money to pay 13 percent increases presently, to all Public Servants across the board. What we also know, is that money from that facility was used to acquire those GPL engines ... the GPL generator sets.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

So, Mr Speaker, this Honourable House, must know and that is what Mr Murray was talking about, transparency and accountability. So what do we have here, another massive Trust Fund like the Lotto Fund that you can just find \$1 billion and pay for these generating sets off the bat? So where is the money? And we demand to know what is the situation What we are saying is that this Government has always had, over the years, enough money to pay Public Servants, but yet they try to confirm them in their poverty. And all because of this relentless war that this Government, from the outset, since 1992 has been waging against the traditional Public Service. They never viewed it as their own and they have always been trying to manipulate it down and emasculate it. That is what we are having, notwithstanding that they have all this money and they continue to refuse to pay Public Servants a living wage our estimates tell us, that a living wage at this time in this country could be no less than \$90,000. I see the Minister of Finance looking at me intensely; he does not have to look very far, right in front of you.

Even when they condescend to pay some form of increase, and it has always been below the rate of inflation; and then we pack in one third or 33 percent tax, and then we kick in Mr VAT. So basically, the Public Servants, our workers have really been assaulted by this taxing regime in this country. And so what is devised is a strategy of pitting one set of workers against the other.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

They give the Disciplined Services and Teachers an increase; we do not mind that, we know they need more than what they are getting, but then you do not give to traditional Public Servants or the Nurses anything. And then when you do give them, you give one set at the beginning of the year in January, so they could at least cut back the increases in prices between then and December, and then they give the other set until December when they would have had to defray to meet the rising cost of living. So you are pitting one set of Public Servants against the other, so we are saying, “Cut that out! Stop being divisive! Stop attempting to divide the workers of this country!” You should make across the Board payments bearing in mind the revenue windfall which you have garnered, of not less than 13 percent increases, for this year.

Mr Speaker, strangely enough, this Budget assignment on employment ... if you are booming as the Honourable Member Mr Murray said you must be employing people and you must indicate the areas in which this labour is going. *[Interruption]* So the Honourable Member Mr Nadir, just cannot come out and flippantly tell us that, he employed 952 for last year and just 1400 this year and don't tell us about categories of workers - where they are; where they are situated; for all we know, they might have been temporary workers employed for three-months and then they slide down the line again. Because what they are on right now is trying to find employment for all of

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

their workers in the sugar industry that are being displaced. So when you look ... years ago, I mentioned that they were employing contracted workers and paying them more than any Ministry's Budget than the traditional Public Service workers.

The Minister of Labour at that time Dr Dale Bisnauth said that it was because they had not constituted the Public Service Commission. But we discovered that even after the Public Service Commission was constituted there was an increase of the employment of contracted workers and if to add insult to injury there are certain categories of temporary employees looming large. And certainly in the Estimates, when you check them you see contracted workers and temporary workers outstripping employment in the traditional Public Service and this is all part of this grand design of this Government to create a parallel Public Service and emasculate the traditional Public Service who they feel might not necessarily see eye to eye with them.

Mr Speaker, it is also silent on job creation. Surely it is the duty of this Government to create jobs for the people. Mr Nadir tried to allude to something elliptically by talking about training - some training of workers, but we do not know what he means by that. The question is, what deficit in the Estimates or why did not the Hon Minister of Finance address this promptly in his presentation to this Honourable House? Job creation is very important, every year thousands of students come out, after leaving

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

school, looking for employment. Every year thousands come out of the University looking for employment and so I am saying with respect, Mr Speaker, the Hon Minister of Finance is remiss in his duty by not addressing the question of job creation for the year. [*Applause*]

I am not going to spend time on the impact of VAT on Public Servants because it is self evident and the Honourable Member Mr Murray has addressed that. What I wish to say is that the PNCR-1G wishes to reiterate certain recommendations. This, of course bearing in mind the figures that the Honourable Member Mr Murray mentioned, of 36.7 billion and projections for 2008 for 41.4 billion - so much for '*revenue neutrality*'.

The PNCR-1G, Mr Speaker, reiterates the call for the immediate establishment of an all Parliamentary Committee to examine the incidence of VAT and to make recommendations for the reduction of the rate of VAT and for widening the range of zero-rated and exempt goods and services. Secondly, the Government (this is also reiterated), the Government should, in collaboration with the Trade Union Congress - the only really viable, creditable established umbrella organization in this country for labour - immediately implement significant levels of salary increase for those categories of workers that are most adversely affected by the incidence of VAT. [*Interruption*] I am coming to that, Mr Speaker. VAT falls heavily on single parents, pensioners, the unemployed and underemployed. What significant

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

measures have been taken by this Government to address this burden, this albatross - that is VAT? That sits around the necks of these hapless Guyanese people of this country?

Further the PNCR-1G reiterates, that the Government allow the collective bargaining process to work to its logical conclusion to provide a natural guide to the wages and salaries level in this country of ours. The overriding consideration Mr Speaker, in any wages policy ought to be that wages and salary increases should always be above the rate of inflation.

Mr Speaker, as I touch on Collective Bargaining, let me treat with it more in-depth. You know in 2007 this PPP/C Government continued its policy of breaching its Collective Bargaining Agreement with the Guyana Public Service Union by derailing negotiations for wages and salaries for Public Servants and then imposing policy increases on the workers well below the rate of inflation. The question Mr Speaker is, what can the GPSU do? It has challenged in the Supreme Court a previous breach that is still pending and may never see the light of day. Therefore, Mr Speaker the PNCR-1G is proposing the establishment of an Industrial Court. Such a Court exists in the United Kingdom, Bahamas, Trinidad and Tobago and in the latter it has been in existence since 1965, and I really have not heard of any significant upheavals there that is industrial relations related, so it must be working.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Any Government Mr Speaker, that describes itself as a working-class Government ought to have no difficulty with introducing such a Court. I think this present administration claims that aptly.

The Industrial Relations Act is instructive of 1972 of Trinidad and Tobago and I will deal with just a few elements of it to reinforce my point that we need such a Court. The Constitutional Court should be established in this manner:

- a. A president who must be a Judge of the Supreme Court of Judicature or a person who is qualified to be appointed as Judge.
- b. A Vice President who should be an Attorney-at Law of not less than 10 years standing.
- c. Such number of other members as may be determined by the President ... (and these are my words) after meaningful consultations with the Leader of the Opposition but they must be individuals experienced in industrial relations or qualified Economists or Accountants or an Attorney-at-Law with at least five years standing.

Immediately Mr Speaker, it brings to mind experienced trade unionists that are about to retire for example Mr George Depena ... a wealth of experience. There is nothing precluding us from including people like Sir

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Leroy Trotman and a host of other stalwarts in the Region to people and staff this Court of ours. Each member, Mr Speaker, of such a Court except the President who is a judge of the Supreme Court would be appointed for three or not more than five years and would be eligible for reappointment. The jurisdiction of this Industrial Court shall include:

1. To hear and determine trade disputes.
2. To register collective agreement and to hear and determine matters relating to the registration of and arising out of such agreement.

This is very important because when the Government derails negotiations for wages and salaries of Public Servants that have been conducted with the GPSU, the GPSU can now go straight to the Industrial Court and seek redress, because the benefit of such a Court, Mr Speaker, would include:

1. Fast tracking of all industrial relations disputes.
2. It would also contribute to conflict resolutions in the industry and Sector.
3. It would reduce resort 'to disruptive measures'.

So there are lots of benefits to gain from such a Court. Additional jurisdiction will be the enjoining of a trade union or workers or other persons or an employer from continuing to take industrial action.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

4. To hear and determine industrial relations affecting any Law.

Such a Court, Mr Speaker, to be a Superior Court of record and in the exercise of its jurisdiction has all such formal rights and privileges as vested in the High Court of Justice as dealing with and adjudicating upon any action brought before it.

Mr Speaker, importantly such a Court would have power to reinstate a worker in a Firm or similar employment or direct or order the payment of compensation or damages whether or not in lieu of any such reinstatement. So Mr Speaker the PNCR-1G continues to recommend the establishment of such a Court for this country of ours. Notwithstanding the position of the Honourable Member Mr Ramotar that the trade unionist in this country and trade unions are not interested in an Industrial Court. Because even when he said that, it collided with the opinion of his sidekick ... (sorry) his personal friend, the General Secretary of the GLU who said he was fully in support of such a Court in this country. *[Interruption]* So Mr Speaker trade unionists, the PSU, GLU, GTU, everybody – they want an Industrial Court in this country and the PNCR-1G recommends that. *[Applause]*

Mr Speaker let us come to a matter that is so grievous one wonders that persons can try to defend it and we are talking about the Guyana Trade Union Congress and the Critchlow Labour College subventions. This is not a new

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

matter, *[Interruptions]*... 'You are right, you notice it is not in the Budget' Mr Speaker this Government has always trampled upon the rights of the workers of this country and their representatives, the Trade Unions. *[Yes]* Since 2001, this Government has withheld the erstwhile annual subvention to the Guyana Trade Union Congress.

In the beginning it suggested reasons, but luckily has defused ... They do not give excuses any more. It is just an outright withholding. It April 2004, this PPP/C Government turned its attention to the Critchlow Labour College and conducted what I would call, a feasibility study into the withholding of the annual subvention from the students of that institution. *[Laughter]* Therefore between April 2004 and December 2004, the PPP/C Government withheld subvention from the Critchlow Labour College. It was a dry run. Now it appears Mr Speaker, the Government intends permanently to withhold the subvention from the Critchlow Labour College since it has made no provisions for this annual subvention in this year's Budget. Mr Speaker this amounts to a serious infringement of the rights of these students to dream, to hope to be able to contribute to their own development and the development of Guyana. *[Applause]* Therefore, notwithstanding the Hon Member Mr Manzoor Nadir's suggestion that this Government is concerned about young people and wants to give young people and drop-outs a second chance, Mr Speaker, that basically is the purpose of Critchlow Labour College ... It

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

is there to give young drop-outs or student who did not complete secondary education a second chance.

The Speaker: Your time is up.

Mrs Deborah Backer: I beg to move the Motion that the Honourable Member be given a further 15 minutes.

Motion is put and agreed to

Motion carried

The Speaker: Continue Mr Williams ...

Mr Basil Williams: Thank you Mr Speaker. Thank you Hon Members.

Notwithstanding, the intimation of the Hon Member Mr Nadir that this Government is interested in giving young people and drop-outs a second chance [*Pause*] you know, Mr Speaker, the PNCR-1G is overwhelmed with a feeling of pathos for our students and so I call on the Government to reinstate the award of the subventions to both institutions. And it is apposite to note that the reason given by Hon Member, I know that he is looking at me because he wonders if we are coming ... the Hon Member Mr Baksh said that the withholding of the subvention from Critchlow Labour College is related to the existence of some GTUC, FITUG conflict ...

The Speaker: The Hon Nadir or Roopnarine?

Mr Basil Williams: The Hon Baksh told this Honourable House that it was due to the existence of two conflicting

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

umbrella organizations ... the GTUC ... Mr Speaker I am sorry to say that that explanation is wholly unacceptable on this side of the House. Even before FITUG existed, this Government had started to withhold the subvention to the Guyana Trade Unions Congress. So that is not an acceptable excuse, but it is clear that it is a continuum of the malevolent attitude of this Government towards the trade union movement in this country... (Thank you Honourable Leader of the Opposition ... you have done well to dignify that for a response).

Mr Speaker, might I now respectfully turn to this question of Local Government. I would like to spend more time on Labour, but I go quickly to Local Government. Mr Speaker in 2001 the Joint Task Force on Local Government Reform was constituted by President Jagdeo and the late Leader of the PNCR-1G, former President Hugh Desmond Hoyte. The dream was to implement the provisions of the Local Government Reform Legislation which inheres in Chapter 7 of the Reformed Constitution, and to do so within 12 months. Many moons later the Task Force is yet to complete its work and this was due largely, Mr Speaker, to the intransigence and dilatoriness of the PPP/C Government.

The Local Government Reforms are designed principally to give greater autonomy to Local Government organs administratively, and swiftly to empower people in communities in which they live and to involve as many people as possible in managing and developing their

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

communities in which they live. The Task Force however, Mr Speaker, still has left on its plate the finalizing of the new electoral system for Local Government organs below the level of the regional development councils and a devising of a formula for fiscal transfer from the Government to Local Government organs. The Peoples National Congress Reform- one Guyana has always maintained that the Local Government reforms must be implemented before the next Local Government elections are held. *[Applause]* This would prevent new counsellors having to function in this present discredited system of Local Government. The PNCR-IG to this end has maintained that all legislation relevant to the completion of the mandate of the Task Force, that is, the new Local Government electoral system, fiscal transfers and the Local Government Commission should all be brought to Parliament as a package and not singly. In this manner the Local Government reforms would proceed together with the next Local Government elections or be in place even before.

Presently the Task Force is engaged in monitoring ... new)... Mr Speaker, the Task Force is presently engaged in monitoring and guiding the Local Authority Elections Amendment Bill embodied in the proposed new electoral system. Both the fiscal transfer and Local Government Commission are yet to be deliberated upon. Mr Speaker, in pursuance of the general terms of reference to wit:

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

- 1) specifically to monitor and guide drafting, passing the implementation of legislation and
- 2) to recommend measures for a continuous education program on the new Local Government system, the Joint Task Force agreed after a meeting with USAID and RPI to accept an offer of assistance from USAID in the area of drafting and in the area of public education of the Guyanese people.

This agreement, Mr Speaker, was confirmed by the Honourable Local Government Minister in this Honourable House recently. However Mr Speaker at the last meeting of our Task Force the PPP/C's Co-Chairman informed the Task Force that the Government had changed its mind and had rejected the offer of USAID/RPI on the ground that the Government was dissatisfied with the governance component in the USAID programme for Guyana. Mr Speaker, the PPP/C Government has therefore arrogated to itself the right to negate the set terms of reference that has been agreed to by a partisan process and to derail the work of the Task Force.

Mr Speaker no one can gainsay the need to conduct public education to enable the Guyanese people to understand what the proposed new electoral system is and the fact that it is to be a hybrid system et cetera. Likewise, to educate them about the proposed new reform in the

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Local Government organs in which they live and which guarantees them unheralded participation in the decision-making processes in their community.

Mr Speaker the rejection of the provision “*of competent legal draft persons within CARICOM*” can only prolong the time for bringing our legislation to Parliament and has ominous potency for the Local Government Reform and for the holding of the next Local Government Elections. I know you all do not want it to come out that you rejected the USAID package. Mr Speaker ... (*you know when you are standing here you will understand what is going on*) ...Permit me now to respectfully turn to the Public Service Ministry. (*I like when this I know I am getting through to the members on the other side*) [*Interruption*]

Mr Speaker when we come to the Public Service Ministry in this country the question which looms large is ... the Public Service Ministry, whether ... Mr Speaker, the public management modernization program. One would recall a few years ago a hefty sum of money was borrowed to proceed with this programme and we are still paying for that. But yet when you look in the Estimates, *nari a reference* to any such project. In other words, Mr Speaker the Government has simply abandoned the public management modernization program and that project has a very important component, that is, the need for transparency and accountability within the Public Service. Permit me Mr Speaker to say that is the reason for this sudden abandonment. The PSM is still embarked on a

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

course to emasculate the traditional Public Service. (*That is the trick to deal with what yuh lef out*)

Pursuant to the PSM Circular No. 1 of 2004 which directed that no person can be employed in the Public Service unless and until approval was granted and obtained from the Public Service Ministry and the Office of the President debarring the Public Service of contract workers and temporary employees who are outstripping the workers in the Public Service. I respectfully refer the Honourable Members to the Estimates to show a complete outstripping by these two categories of workers. If you look at Page 19 Table 10 you will see all of that. ... [*Interruption*]... (*Do not come to me with that. I am like an elephant. I do not forget.*)

Let us look at the consequences of the malevolent course and attitude adopted towards the traditional Public Service.

1. The consequences flowing from this includes the eclipsing of the Public Service Commission by PSM and Office of the President. The PSC is just the rubber stamp now. All employment is effectively being done by the Public Service Ministry and the Office of the President.
2. This is no accident because it is designed to undermine the Guyana Public Service Union since the termination of the Agency Shop Agreement means that these new workers do

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

not automatically become members of the GPSU. It is a two-pronged attack on the Public Service Commission and on the GPSU.

The Budget has been Budgeting every year, for the Public Service Appellate Tribunal that is something they are not talking about. We have all talked about the thing that no one can talk about in this Honourable House and we are saying that you must constitute the Public Service Appellate Tribunal. For years you have not done so and let me tell you now, there is a requirement that the Chairman must be an Appellate Judge or a former Appellate Judge and they do not intend to do any appointment; but you know, it would not be inconceivable that we could have an appointment to that office in a couple of months.

Mr Speaker what is important about the Public Service Appellate Tribunal is that it provides immediate redress to aggrieved Public Servants who now have to go to the interstice of the Court system as it were, where their cases are lost in the mass of cases that are there for attention. The question is, why does the Government not constitute this Tribunal? We await anxiously for a response to that question.

In this one minute I am given, (*I know when I speak it is torture for the other side.*).. [*Interruption*] Listen and learn Honourable Members as Romans Chapter 13 says and this is from the good Book. I do not know how many

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

of you know this is from the Good Book, “*Let us therefore cast off the works of darkness and let us put on the armour of light.*”

Mr Speaker we need to be enlightened as to what are the causes for the carnages in Lusignan and Bartica. Most certainly Mr Speaker the approximate cause is that of the failure of perhaps internal security which in turn can be sourced in the lack of good governance.

The Speaker: Honourable Member you are moving on to another topic. Your time is up ... [*Interruption*] Is there a seconder? The question is that the Honourable Member be given 5 minutes to complete his presentation.

Honourable Members the House is getting unruly. Would you please allow me to put the question?

Question put and negative

The Speaker: The next person on the list is the Hon Member Mr Robert Persaud.

Hon Robert Persaud: Mr Speaker first of all I would like to join with the previous Speaker of this House in commending the Hon Minister of Finance for a very excellent Budget presentation and consistent with the theme which is very relevant in this time for our country that is, *Staying the Course: Advancing the Transformation Agenda.*

Mr Speaker, before I turn to issues concerning that very important Sector - the sustenance of our life - the Sector

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

that provides food; the agriculture Sector including pigeon peas, I wish to address a few points made by Honourable Members on the other side and subsequent speakers will further elaborate certainly on some of those issues.

First of all, I want to commend Honourable Member Mr Winston Murray, for bringing national attention to what the world community has recognized; that is, the calamity being brought on by climate change and the need for us nationally across political and other devices to work on a common program within the context of our vulnerability in addressing the challenges of climate change. The previous Speaker I think did an excellent job of diversion. It was an excellent act of diversion from the spirit of the text of a Budget in many of the points that he made.

I wish to touch on some of the issues that he covered. We debunk these and it seems that with all due respect, the Honourable Member seems to have taken notes out of the previous year's Budget speech, made a few changes, added a few new things and then reeled down.

Mr Speaker, let me address this important position of this Government of the working people of this country. The records and the facts will show that this Government has and not only protected but advanced the rights of our workers and more so has improved the working and living conditions of the working people of this country. That cannot be disputed. *[Applause]*

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Speaker let us look at what is commonly used as the indicator in terms of increasing the Public Service minimum wage. Someone referred to 1992. It was not my intention to talk about 1992 because over this side we deal with the present and we prepare for the future. In 1992 the minimum wage was just about \$3,100 and if you were to convert in U.S. currency it was just about US\$15. Today the minimum wage is \$28,415 and if we want to convert to US dollars ... close to US\$143. That means there has been an 806 percent increase in the minimum wage. That is what it means and during that period there is talk about inflation. During that period if you look at the accumulated inflation it has been just about 200 percent. So the real wage increases for the working people of the country has been in excess of 600 percent and tell me if that is not evidence of a working peoples Government!

To the issue of job creation it sounds very good and everyone can relate to it, and if we look at the whole course of the Budget, on the whole focus of the Budget, it is about job creation. When we talk about investments, in terms of our traditional Sector, dealing with foreign investment as well as local Private Sector investment, we are talking about job creation. When we talk about maintaining a sound macroeconomic environment, pursuing the right policies to ensure that the investors and the Private Sector can operate, we are talking about job creation. *[Applause]*

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Speaker I want to touch also, on a few issues that the Honourable Member Mr Murray raised because they are very pertinent issues and I am happy that he has prompted these matters. I did not intend to deal with them. But let us look at the issues in terms of GUYSUCO.

The GUYSUCO project ... The factory at Skeldon is 95 percent complete and I have said it publicly, so it is no revelation and I have said this just weeks after I was given this portfolio; that the area of concern was not the factory and where the factory was going. An area of concern was the agricultural side, meaning getting the lands prepared so that we can have the canes planted to put into that factory. But I want to report that over time this problem has been recognized, over the past several months, and tremendous work has taken place in addressing this issue.

One such work is the confidence of private cane farmers. There is tremendous confidence by them in this project so much so that six large farmers who will cultivate some of the 4000 hectares that we hope to come from the private cane farmers have already signed an agreement with GUYSUCO. These agreements are covering nearly all aspects of what is required for them to supply cane to this factory. Also the Government has been working with these farmers in terms of attracting financing and through GUYSUCO it is providing assistance so they too can expedite the land preparation so that we can get the necessary stock for the mill so that it can fully realize its

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

capacity. So the project is on track, but there are challenges that have to be dealt with.

The cost of production is an important issue and is an issue of concern to the Government. Recently at the strategic session that was called by the President involving management, directors and the union, this was one of the issues that was given a lot of attention in terms of ensuring that we stick to the plan in bringing down the cost of production which is so critical in ensuring the sustainability and viability of the industry. So all the critical issues that concern this project are being addressed, and there are challenges of the weather.

At one time in our country, we had Opportunity days in the sugar industry of close to 125 days. We are down, across the sugar belt, to about 70 to 75 on a good year and that would require more investment in equipment - in machinery to advance our mechanisation program and so forth. Those investments and adjustments will have to be made. Certainly, when the plan was conceptualized, close to a decade ago, there have been changes, changes in the reality but to say because of these changes we have to shut down and give up I do not think it is wise. It is not a wise way to go, but because of these changes some of which were foreseen and others unforeseen there have been adjustments to the original program and investments had to be increased or made in other areas. So I want to put that issue to rest.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Speaker the 2008 Budget, from the agricultural standpoint can be considered, in my view, as a maintenance Budget, maintenance, in the sense, that it wants to maintain and build a steady growth in our economy, certainly in the Agricultural Sector which accounts for 36 or 37 percent of GDP. But this is taking place in an environment where the world economy in 2007 has undergone some turbulence. We have seen the world economy facing various challenges and certainly the multilateral institutions have had to, over time, especially recently, revise their projections and growth figures. We have also seen with these challenges, too, some opportunities for our local Sector, that is, the rapid increase in the world food prices.

In some countries and in some parts of the world there is threatened food security but in countries such as ours it presents opportunities in terms of responding to this need.

It is important to note, Mr Speaker, that the most recent world development report entitled and which very importantly and timely was captioned, *'Agriculture for development warns that the international goal of having extreme poverty and hunger by 2015 will not be reached unless the neglect and underinvestment in the agricultural and rural Sectors of the past 20 years is reversed.'* And this is a challenge for agriculture globally; but we are happy to report that our Government did not have to wait for a world development report in agriculture to recognize the importance of investing in agriculture and if you look

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

at investments over the past years you will see that they have been substantial and today Guyana's progress in agriculture and the advances that we have made, not only in terms of our domestic food security, but the potential to satisfy regional food security has been hailed.

But looking also at the international environment Mr Speaker, there has been some serious threats and the changes to the global trading arrangements some of these changes are and will continue to impact negatively on an economy such as ours and also on the Agricultural Sector of any other country. Take for instance the economic partnership agreements. The impact on Guyana's economy, and we can speak to sugar, will be enormous and this comes at a time when our sugar industry and the country as a whole is reeling from the EU price cut. Last year it was US\$5 million and they say this year it will be in the vicinity of US\$5.5 million and these are realities that we have to recognize when we talk about progress within the Sector.

Mr Speaker, having recognized some of those international constraints, challenges and opportunities we are forging ahead in the Sector. For me and for our Government we see these challenges as an opportunity to diversify, to grow and to build on our solid achievements of the past year, particularly last year. Our achievements based on the presentation by the HonMinister are consistent with the objectives we have set ourselves in the 2006 manifesto of the PPP/C and also of the goals that are

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

contained in the national competitive strategy. We take very seriously our commitment because we see this as a binding social contract - our manifesto. In our manifesto we said we will continue to pursue policies aimed at development both the traditional and non-traditional Agricultural Sectors through research and technical services, better market information and support, improved drainage and irrigation and more fiscal incentives thereby making the Agricultural Sector more competitive and viable. And if we look at these achievements, Mr Speaker, you will see that they are in line with many of the targets we have set ourselves.

And the Minister of Finance in his speech touched on the progress that was made in the rice industry, while we saw, due to the effect of climate change there was a decline in production of just about 2 percent. We have been able to increase our exports by more than 31 percent and increase the value of our exports by 36 percent, recording the second-highest income in 2007 since 1997. They have also been other progress in improving the environment for our rice farmers in 2007. In the sugar industry too, Mr Speaker, we have seen there is a growth over the 2006 production level, but we recognize it was below the target that we set ourselves and there was an acceleration of the project at the Skeldon Sugar modernization project, which is the jewel of our sugar industry and some of the highlights are:

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

- we were able to complete the ten megawatts power plant which commenced supplying power into the Berbice grid on 17 December 2007;
- we were able to enter new markets for our sugar with Australia, New Zealand and the United Kingdom;
- we were able to increase our packaged sugar sales from 4300 to over 6000 tonnes. Not only were we able to satisfy our existing markets commitment but we were able to take care of the shortfall in St. Kitts and other ACP countries.

In the Fisheries Sector, we are advancing in terms of improving the management of that Sector. The FAC, the Fishery Advisory Committee was reconstituted. We have launched the Arapaima Management Plan in Region 9. We continue to enjoy recertification of our exports to the United States. The Ministry continues to work with our sister Ministry of Home Affairs and other agencies in dealing with the scourge of piracy and we have been able to make investments from our own resources to support those activities. We finalized the Strategic Fisheries Management Plan which outlines what our goals and activities will be for the Sector and importantly for the Agricultural Sector which has been identified on the National Competitiveness Strategy as a new growth area.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

We continued to work with the National Aquaculture Association of Guyana over the past year and we have seen close to 75 percent increase in investment and activities within the aquaculture Sector, so much so, that for the first time in August last year, for the first time in Guyana's history, we were able to export tilapia to North America.

Mr Speaker, in terms of crops, a very critical area has been our extension services and in 2007, last year we have been able to launch a revamped extension services whereby we have been using farmers themselves as extension agents working within the structure with our officers. Also we have commenced to use Information Technology in getting the message out and also in servicing our farmers. We have created so far six Information Technology Service Centres for farmers and they are located in Regions 3, 5, 6, 4 and 10 and we do hope that this will continue as we constantly work towards improving extension services. There is much more work to be done in that area ... *[Interruption]*

The Speaker: Thank you Honourable Member.

Honourable Members it is time for a suspension. I said earlier, half an hour but we will suspend for an hour. You will continue upon resumption.

17:00H - SUSPENSION OF SITTING

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008
18:03H - RESUMPTION OF SITTING

The Speaker: The Honourable Member Mr Robert Persaud ... You may now continue ...

Hon Robert Persaud: When we took the break, I was alluding to the increase in production that we are experiencing in the non-traditional Sectors ... last year we saw exports in the non-traditional crop Sector increase by more than 42 percent and to support this we have been able to establish the marketing information centre. We have refurbished the main packaging facility at Sophia and also we are in the process of implementing ... work started in 2007 ... a modern database, an updated database to gauge production numbers and also where these activities are taking place.

NARI, Mr Speaker, has also been able to continue its work with regard to transfer of technology to our farmers in areas such as shaded cultivation. Because of the effect of climate change we also had to encourage the development of seedling houses so that we can have seedling material available all-around and through the transfer of technology some 700 farmers were able to benefit; both crops and livestock farmers. As a mobile aqua crop facility, which we have as a Government gift from the people of India, we have been able to take that to many communities that are taking over 200 farmers.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Our emphasis in agricultural diversification continues and the highlights were ... by the IDB board of our agricultural diversification and export project which is to the tune of US\$20.9 million and the rural enterprise and agriculture development project being funded by the International Fund for Agriculture Development to US\$6 million. Those two projects were approved by their respective Boards last year.

The Ministerial Committee which is the multi-stakeholder body in terms of advising on the way forward for agricultural diversification is to continue its work. In terms of livestock; the emphasis that we are placing right now which we started in 2007, is the introduction of new breeding stock, particularly in the areas of cattle and swine or pigs. We have been working with the Private Sector in the area of cattle and also through our own dairy development programme through the use of artificial insemination ... similarly for the small ruminants, through NARI we have been able to access new breeds and we are also working with the United Kingdom Government in sourcing the British textile breed to be introduced in Guyana.

Importantly and because of the increase in the price of milk ... this has served as an impetus to dairy farmers, many of whom had abandoned their animals and were not paying too much attention. The increase in price globally has seen many farmers going back to dairy production and last year we saw an increase by as much as 700,000

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

gallons over 2006 in terms of production and this we hope will continue.

Turning now to the area of Drainage and Irrigation, which is very critical ... in light of the effects of climate change, and more importantly it is the blood of the Agricultural Sector, like the blood vessels in our body,... To ensure that it functions, a lot of attention was placed in this area in terms of rehabilitation of canals. Some 77 miles were rehabilitated, including drains. We did a number of revetment works at the East Demerara Conservancy, constructing of culverts and kokers. We also purchased and increased our pumps in terms of supplementing what is taking place at the sluices; two were purchased in 2007 and we also expanded the government's fleet of excavators whereby we were able to carry out much more earthen works in our farming communities; we were able to purchase six long reach excavators.

Under the European Union Rice Competitiveness Project, there is also a component that deals with water management on the Essequibo Coast. That one started on the Essequibo Coast where four new pumps were purchased and these are being installed as we speak, to improve irrigation and that is a major project which will also bring under cultivation greater acreage of land. Also in the MMA area we have seen for this current crop, more acreage being put under cultivation. Certainly that will be as a result of the enhanced rehabilitation works that are taking place not only in terms of the primary system but

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

we also decide that we will rehabilitate the secondary system of the MMA, both for rice and focus also on livestock within that scheme.

I turn to the Forestry Sector, Mr Speaker. I am not going into much detail because some of this would have been covered by the Minister of Finance but in the interest of time I am going to move quickly thru the different Sectors and sub Sectors. In terms of Forestry, we saw last year 2007, an increase in value added activity; but at the same time we saw a reduction in extraction. For that reduction in extraction importantly did not affect our ability in terms of supplying, meeting the commitments of our domestic and international markets. As a result too, we saw our exports increasing ... in 2006 it was U.S\$59.5 million and last year we recorded in the vicinity of US\$61.5 million, which is an increase. This tells us that our investors and those who operate within the Forestry Sector are paying a lot of emphasis on value added to ensure that we get the greatest return on whatever cubic metre we extract from our forest. Also, because of the work that we are doing in sustainable management, our Forestry Sector continues to win international recognition. As such we had the International Tropical Timber Organization making available close to US\$100,000 in a special project targeting the lesser used species. Right now there is a short list of species which are being utilized and put under a lot of pressure but because of the vast number of species that we have

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

available, we have to introduce these; we have to do research on them and they are going to help us in this area.

The issue of legal verification system or traceability ... The markets that we are supplying want to be guaranteed that the products that they are buying are sourced from an area forest where sustainable management is practiced. The legal verification was introduced in this regard. We are also going to be moving in the area of using Internet Technology for tracking and we have already contacted the Brazilian Government because they also are not only employing Internet Technology but are also using Satellite Technology in tracking what is taking place.

Last year was a very good year for the Forestry Sector in improving its capacity to monitor what is taking place in our forest by the different concessionaires, and last year, we know because of breaches we have detected, we were able to charge breaches amounting to G\$275 million. In terms of improving the function of the DFC, the National Assembly last year approved the amendment to the DFC Act and I am quite sure in our discussions when the Report of the Special Select Committee comes before the House, we will have some further deliberations on the Forestry Sector as an important piece of legislation would be brought to the House. However, the Report of the Select Committee will be discussed.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

In response to the Honourable Member Mr Murray's query I wish to provide a breakdown of the exports and where that took place. If we look at log exports, in 2006 US\$22.3 million was earned. In 2007, last year, that declined to just about \$20 million which I think is a positive indicator. At the same time though processed timber went up, we had an increase of 20.4, to 21.9; round wood moved to 22.3 million from 2.9 million and I am comparing 2006 and 2007, the former number representing 2007. Split wood moved from U.S\$1.2 million in exports to \$1.7 million last year. Plywood increased over the 2006 figure; it was minimal, but there was an increase from US\$8.8 to US\$8.9. Significantly, other value added products within the Forestry Sector moved from US\$4.3 million to US\$5.5 million and that was the trend that we saw.

In terms of Plywood Production, it is true and there is a number of reasons some of which I would not State here, why we saw a net emphasis being placed on plywood production by Barama and last year we had cause to call them in on three occasions to remind them of the need for them to focus on their core activity and in that regard the explanations they gave were the shortage of fresh felled logs, mainly Baramali which they used to convert into plywood, and some other issues ...

However, last year we saw plywood production increasing by about 14 percent over 2006, I am talking nationally. In terms of value added, we have five major

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

investments that are focusing on value added including plywood production, veneer and other types of forestry products such as Puruni Wood Products which has an investment of about US\$5 million and that is Phase One. We are currently doing the forest inventory work; Timber Traders Limited - US\$15 million and they are expected to start sometime in June 2008. Simon and Shock International, US\$26 million and they are currently ... they were in Guyana last week looking at sites for the establishment of the mill. Barama Company is expanding its investments in terms of value added and is spending \$32 million at Buck Hall. If you go there you can see the transformation taking place. Jay Link Forest Enterprises have already commenced investments of US\$5.5 million in Phase One and US\$7.5 million in Phase Two and US\$3.5million in Phase Three. That project is moving ahead. All these investments that I refer to are in the area of value added and I must say in responding about the concern for job creation they will create hundreds and hundreds of employment opportunities for our people.
[Applause]

Some other areas that we are focusing on are ... the Hydromet Services which we are currently seeking to improve its technology, expand its capacity in forecasting and yes, for another year we are still talking about the Doppler Weather Radar System ... we have had difficulty about its location, which had been raised, but that has since been ironed out. The new location has been

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

identified and this project is proceeding according to the revised plan.

In terms of our chemical toxic and pesticide work, the lab was completed last year and was commissioned earlier this month. Guyana has also acceded to a number of international conventions and we continue to work with our farmers on the safe use of pesticides and its application. It is important to note that there has been a reduction in the use of pesticides and we are also able to ensure that banned or illegal pesticides which can be dangerous to those who apply them, and also for the consumers of foods ... we have been able more or less to eliminate them from the shelves of both illegal and legal shops and there is ongoing surveillance taking place.

There are two new areas that the Ministry has been focusing on and I want to deal with the area of Agro Energy and Bio fuels. As you know, we had a high level hemispheric Bio fuel and Agro Energy Fuel Seminar looking at the experiences of other countries; bringing both public and private investors to talk about the developments taking place in these areas regarding the hemisphere. This also provided Guyana with the opportunity to present the possibilities and the very strong possibility which exists. There is currently a presidential working group which coordinates the strategic focus which we hope in the future will be a budding new Sector. Already we have seen limited Bio diesel production. We have seen a private investor in that area.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

We are also looking at the tropical and other types of feedstock to move in this area of our country.

Currently there are 11 proposals for consideration before the Government, investment proposals, and there is active engagement with these potential investors in moving forward in this regard. The only area which is very important and which I alluded to at the start of my presentation is the issue of climate change. The Government recognizes that there is the need for greater attention in this area and that is why last year, to be exact in April, a climate unit was created within the Ministry of Agriculture and that climate unit has been doing an enormous amount of work, working with the national climate committee in terms of bringing all stakeholders together and coordinating the different policies and other interventions which are necessary.

Guyana has also been able to participate in a number of international forums including Mount Bali Summit on the way forward in terms of the Kyoto Protocol. But I also want to say that even before that work had started in this area last year, because of the progress that we are making through the United Nations, we were able to conclude the second communication which is called the Climate Change Project to the tune of US\$400,000 in preparing Guyana to meet its commitment to the UNFCCC.

Importantly we must recognize, Guyana is earning the reputation of being a leader in terms of proposing

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

mitigation as well as adaptation strategies and approaches in dealing with climate change. We all know we are not a major emitter of greenhouse gases, in fact, we are a net sink. But the vast potential or service that our rainforest provides as a major sponge for carbon dioxide is of immense value. President Jagdeo in his offer, *President Jagdeo's Initiative On Climate Change*, clearly articulates Guyana's position and even makes the suggestion for the development of a market-based mechanism whereby Guyana can be compensated for that service.

The stark reality is that while we do not contribute to the negative effect of climate change we are feeling the full brunt. The country is feeling the full brunt and the Sector that takes the hardest hit is the Agricultural Sector and we are currently through the Five C's Program and MAC. We are in the process developing the Agricultural Adaptation Strategy to deal with the effect of climate change. We have also revised a number of our designs and layout for infrastructural works. For instance, I am quite sure that Minister Benn would talk about the sea defence where there have to be adjustments to designs. Our drainage and irrigation programs too have to be designed, re-designed or modified as such that it could deal with the effect of climate change. Many of the sluices which were abandoned in the 70's and 80's are now being reactivated. Pumps which were shut down ... we do not have to invest, get these going or get additional capacity and that is what we have to do in terms of approaching this issue.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

But I agree there ought to be national consensus on this issue and the reality is, as the People's representatives, sometimes we are a bit fearful of raising tough questions and tough issues. But the question that we have to address is: how long will we be able to survive living along the coast? That is the hard question or issue that we have to confront. Perhaps this or the next two generations or three generations may get off but I am not sure what will happen beyond. We have started thinking in that direction as we need to prepare our minds in this regard and I am quite sure as the People's representatives here, we must engage in that area.

The Speaker: Your time is up Honourable Member.

Hon Samuel A A Hinds: I beg to move that the Hon Minister be given another fifteen minutes to conclude his presentation.

Question put and agreed to

Motion carried

The Speaker: Continue Honourable Member ...

Hon Robert Persaud: Let me turn, Mr Speaker, to some of the projections for 2008. I said in my earlier remarks that this is a maintenance Budget. But it also seeks to promote the transformational agenda for the country and certainly for the Agricultural Sector. And the diversification of the Agricultural Sector is an important pillar of that transformation activity and I referred to two

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

major projects which were approved and will be implemented. Also the continuing focus on restructuring of the traditional Agricultural Sector too is also part of that transformational project ... I refer to rice and sugar, and we spent a lot of time earlier talking about sugar. The Minister of Finance in his Budget Speech would have referred to some of the indicators and projections: the production of 321,000 metric tons and exports going up to 234,600 metric tons earning close to US\$80 million.

In terms of sugar, it is the acceleration of the modernization project; it is dealing with the issues of cost reduction; it is ensuring that the new factory comes on stream by ensuring that we get the agricultural components going. The value-added elements of that plan to include the Enmore packaging plant is up and going, improving management efficiency and to ensure we have a stable industrial relations environment and also the acceleration of our mechanisation program.

For the Fisheries Sector Mr Speaker, we are now targeting the polemic or deep sea fishing and this year we hope to sign on to the International Commission for the Conservation of the Atlantic ... which would allow us to harvest deep sea resources. The Fisheries Department too, will also be undertaking research and data management activity in this regard.

Agriculture will see increased attention. The hatchery at Mon Repos is about to be completed and certainly will

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

provide a lot of resources and support to our farmers. We are also widening our services and a station will be created involving the Private Sector at Onverwagt and at Hampton Court.

In terms of crops, while we are doing a routine activity, a lot of emphasis in 2008 will be in terms of production of safe and healthy foods with emphasis on exports. The markets demand that we ensure that the exports are wholesome and food is safe. The attention that we are placing on sanitary and phytosanitary environment is unprecedented.

The Hinterland Regions, too: last year we started a program to resuscitate hinterland agriculture. This would be accelerated especially in light of the increasing food prices and we know that transportation costs for taking food into some of those communities with a lot of mining and other activities, is very high. There is a demand for food and this also provides an opportunity for hinterland communities and we will be providing support.

Given the anticipated growth in exports in the Non-traditional Sector, the new state-of-the-art packaging plant at Parika which is about to be completed will be commissioned and put into operation. At Charity too we will be establishing a centre. Already exports were done directly from Charity and also there is the possibility of establishing a similar facility in the North West Region as a number of Trinidad buyers are looking at land for

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

cultivation but also sourcing their food because we recognized there is a short distance from the North West to Trinidad and other Islands.

We just completed for NARI the research and development strategy from 2008 to 2012 and that implementation will commence. The Minister of Finance in his Budget Speech referred to the modern laboratory which would be created there especially for the training in crop protection, for research purposes and so forth.

We are really seeking to advance our collaboration with agencies such as EMBRACA, working with the Chinese research agency as well as with India. At Hope Estate which has been dormant for some time we are trying to encourage private investment or private activities within a given area. Also the farmers who are affected in the upper regions of the Mahaica River, we have already identified certain areas for them so that they can move their cultivation activities to the Hope Estate. They have already been allotted housing plots there because they will always be affected once we have the intense rainfall more so during the rainy season.

In terms of livestock, we will continue the programme that we started in genetic improvement. The export of beef ... we are doing some exports of beef already and we want to also improve our facilities and I must say this will be covered under the agricultural diversification program

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

where we intend to have a state-of-the-art ... an abattoir that meets international standards.

Drainage and irrigation, Mr Speaker, a number of infrastructural works have been planned for Supernaam, Parika, Leguan, Wakenaam, Enmore, Buxton, Little Biaboo, Moleson Creek to name a few. also focusing on the critical areas of the Demerara Water Conservancy, the Mahaica, Mahaicony, Abary areas ... we are doing a lot of work in that area. In Region 10, East Bank, looking at some areas whereby there is need for much more intervention; we will be putting some emphasis in that area. Again we hope to increase the amount of pumps that we have so that we can be able to deploy these especially when we are dealing with situations as we are currently experiencing due to the La Nina weather conditions. Under the Restructured Agricultural Support Services Project, a number of civil works will be undertaken in designated areas both in Regions 4 and 3. Also we have some plans to take a program to Region 6. The MMA ... we will be focusing a lot in the area that is within the MMA area. This year the scope or the area that falls under the purview of the MMA has been expanded to the right bank of the Mahaica River.

In terms of Forestry, Mr Speaker, the goal or the objective this year is to do a lot of work in industry development. A lot to focus in terms of value added, ensuring maximum efficiency, improving the rate of recovery and also increasing monitoring. This year we

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

will be employing another 50 Forest Rangers and we hope that with the large concessionaires' locations we would have close to two officers to monitor these activities. I am quite sure we would be elaborating on these when we debate or discuss the Forest Bill.

In winding up Mr Speaker, (*I have Region six to come to so do not say Aye as yet*). This year's Budget as I alluded to has come at a time when the world food prices have increased significantly. They also alluded to some of the challenges that the Sector faces, both here and in other parts of the world, climate change and increase costs of imports namely fuel and fertilizer. But because of the investments that we have put in agriculture and the support given to our farmers, we were able to cushion those increases significantly so while in some States it has been a very hard knock, in our situation we are able to minimize that.

We intend to push a market-led development of the non-traditional sub Sectors and as I said this will be given impetus for diversification projects. Also agricultural development in CARICOM remains a very important area of work for Guyana. Guyana is the leader in agriculture and to address the binding constraints, Guyana will continue to offer leadership in the transformation of agriculture within the framework of the Jagdeo initiative. We will continue to work and support the recommendations of the special Caricom Heads meeting, to ensure the adequate supply of food and also the

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

distribution of food inter-regionally. As such the offer Guyana has made to make land available or to position ourselves for joint venture ship is being pursued both in the agricultural production and agro-processing. We are committed to maintaining and increasing food security but at the same time facilitating and supporting the food security drive of the Region.

Mr Speaker it will be remiss of me if I do not mention the area of safety and national security.

The Speaker: Honourable Member if you are going to move on to another topic you have to get an extension of time.

Hon Robert Persaud: Sorry, I am bound by the rules.

The Speaker: Your time is up.

Hon Samuel A A Hinds: Mr Speaker I am asking for another five minutes for the Minister to conclude.

Question put and agreed to

Motion carried

The Speaker: Please continue Honourable Member ...

Hon Robert Persaud: Mr Speaker my humblest apologies for exceeding my time. But as I said the issue of security is a concern for farmers and while I may want to pick a bone with the Minister of Finance for having reduced allocations comparing 2007 and 2008, we understand the need to prioritize the utilization of our

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

resources because our farmers and our Sector require a safe environment in which they can operate.

Finally Mr Speaker, this Budget continues to address many of the constraints facing the Sector and I am happy and I am quite sure many of our farmers and fisherfolks are happy to know that the Minister of Finance in his Budget Speech announced the removable VAT on peanuts, paddy and essential equipment of the Sector. Certainly this will bring enormous benefit to our farmers and fisherfolks and I wish to record their appreciation. The vision, Mr Speaker is not only to cushion the impact of these constraints but to help to expand Guyana's agricultural frontier and transform the Sector into one that is diverse, thriving and productive, acting as a bigger critical growth centre for the economy and bringing prosperity for our farmers and for our people. Thank you very much Mr Speaker. *[Applause]*

The Speaker: Thank you Hon Member.

Hon Member Mrs Sheila Holder.

Mrs Sheila VA Holder: Of the five measures listed in the Budget for this year, two were earlier revealed by his Excellency the President. They were the increases in Old Age Pensions and Public Assistance and the other a 25 percent increase in personal income tax allowances. The announcement of additional items to be value added, to be zero rated for the purposes of the VAT as from the first of next month, from my perspective, appears intended to deliver something in a Budget that is

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

otherwise uninspiring and fails to address the prevailing Reality - protecting the people of our country.

Mr Speaker, crime and security ought to have been treated as a cross-cutting issue in this year's Budget because the recent frightening levels of violence and public safety issues have already begun to seriously affect specific Sectors like the Tourism Industry and tangential enterprises, not to mention businesses and the effects that it has had on many communities, and which is also affecting the personal lives of our citizens.

Well, Mr Speaker, in this self preserving preoccupation of this administration the crime situation is being treated with the usual band-aid type solutions. For example, Mr Speaker, the President of the Republic and others in the governing political party have placed great emphasis on calling all and sundry to condemn the brutal murdering of innocent women, men and children as if we are being urged specifically to use the word 'massacre' as we might recall the other members across the room have said , Mr Speaker, as if implying the form and description of these heinous crimes will somehow in itself translate into major crime fighting achievements. *[Applause]*

Mr Speaker, the prescription has been followed by a more recent engagement between the social partners and the political players in this House and we hope Mr Speaker, that these engagements will deliver on the expectations of the people even though I must point out that these social partners and the political players have willingly and

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

unconditionally risen to the occasion when called upon to do so without any expectations of a commensurate promise by the administration to apply the recommendations that they will propose. Mr Speaker I want this Honourable House to understand that the Security Sector Reform Plan that the administration has bandied about as a cure all for the terrible situation in the Security Sector which this country has experienced, did not predict the kind of successes that they would have us believe, and I would like to quote from it. Mr Speaker this line says

That failure will follow if the following occurs,

- 1. A selective approach to reform and reluctance to pursue reforms beyond policing*
- 2. Pursuing operational issues without concomitant. governance or justice reforms.*
- 3. An overly controlled process and lack of inclusiveness, bolstered by Government's recent election victory*
- 4. Lack of required human resources and/or weak implementation, capacity will relapse into a tradition of non-implementation.*
- 5. Challenges in locating local partners outside of Government given the weakness and polarization in Parliament and civil society.*

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

6. *Lack of political will to break the perceived linkages between crime and politics.*
7. *The disruption arising out of politicized, racial, ethnic cleavages and the possibility that militant wings of the Opposition will reject collaboration with the Government"*

Mr Speaker the Report goes on and I quote:

In spite of encouraging developments and given these risks Guyana remains dangerously closed to a tipping point. The consequences of failure of the various stakeholders to seize the moment to engage and initiate decisive action may well be the transformation of Guyana into a failed State and/or haven for international criminality with all the regional and international implications this may entail.

Mr Speaker, I continue to quote,

This is a development that should be avoided at all cost and will entail some give and take and flexibility on all sides in the interest of the long-suffering people of Guyana. And our conclusion in this is less clarity and consensus over this scope and duration of the reform programme as well as uncertain commitment to a Government dimension

Mr Speaker, when the Honourable Minister of Home Affairs submitted to this Honourable House the Government Security Plan, it was a mere sketch and we

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

now understand the reasons for excluding the significant portions of the reform. One last quotation from this Report which has been bandied about as a cure all for what we are experiencing:

Despite the high premium that the Government of Guyana is laying on the Security Sector Reform to fight crime and violence there appears to be no comprehensive and strategic coordinating body, formal or informal, at the level of the Office of the President to take the lead in the reform process. Approaches so far have seen a piecemeal of the methodology, for the security Sector focus is also unclear. The lack of an over-arching national body to derive and direct the process may also be one of the reasons for the relatively low impact for the reform process.

Mr Speaker, I advised the Hon Minister of Finance last year that for a National Budget to be relevant it has to address the local social, economic and political realities. The Government Security Injustices Agenda as listed on Pages 33 and 37 of the Minister's presentation follows these same four patterns. The Minister engages in throwing, I think, \$13.7 billion behind the national security problem, no doubt to impress us while ignoring the fundamental issues surrounding the kind of brutality this country is experiencing.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Speaker, a growing disaffection of sections of our society is one such reason. The high rate of unemployment of skilled, unskilled and university graduates in our country offers contributory factors. Mishandling of police intelligence and police investigations is another one high on their list, corruption and brutality, a loss of public confidence in our security forces and of course the consequences of Government's failed Poverty Alleviation Programme. Mr Speaker, the social injustices that result from an exploitative Government wages and salary regime have to be also addressed as should the social factors affecting families and communities throughout this country.

Mr Speaker we need to change the culture of violence through education, through sports ... and Government needs to heed their own Security Sector Reform Plan which predicts failure ... making promises as the Minister did to accelerate reforms; making declarations which the terrorists would certainly not heed, is a waste of time, as the policies to improve the rapid response to pacify crimes. We heard all of this before, Mr Speaker. The Hon Minister does not exude confidence with these promises because he should have been explaining to this House the reason why after 15 years all these promises have not been kept as yet. *[Applause]*

Mr Speaker Guyana needs restorative justice and better governance in order to move this country forward. We

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

need also a 'Violence Intervention Strategy' for ongoing safety and crime prevention. Nothing short of that will encourage economic development and growth. The economic intelligence forecast for Guyana for this year states that talented Guyanese will continue to leave these shores; that because the political system is driven by race it will continue to retard governance; that the Guyanese public has no confidence in the institutions of the State; that the absence of checks and balances in our political system has led to unbridled abuse of executive powers. Mr Speaker, it is apposite to note that during the 28 years of PNC rule the PPP/C complained of the excessive misuse of powers by the Presidency, yet 15 years later with the ship of State firmly in their hands they have done nothing about this. When in Opposition the PPP/C complained after 28 years about the previous Government's control of the State media. Fifteen years later they have done nothing about it. Mr Speaker the same goes for the removal of the political influence in GECOM which the PPP/C Government complained about while in opposition. And they tell us now it is okay!

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

For a National Budget to be meaningful and relevant these are some of the issues that should have been addressed in the 2008 Budget. Governance has been at the root of Guyana's problems since independence because we have lost sight of the fact that except for a one-party-state all States that are coming up next Representative Democracy means that elected officials make decisions on behalf of all and with the consent of the people. The key to a properly functioning democracy, therefore, is how these representatives are elected and can be held accountable by the people.

The 2007 October World Bank Report on governance warned potential investors to Guyana that Government's decision-making process was slow and opaque and has an extraordinary number of issues for resolving, Cabinet or in the Office of the President, a process that is not open to public scrutiny. Nowhere did I hear the Hon Minister address some of these fundamental issues that will deter foreign direct investment and indeed investment from the Guyanese Diaspora.

The last General Elections were peaceful, but the events so far for the year, tell us something is clearly wrong. There are serious tensions in the political environment and very serious tensions among the people and the whole community. There is widespread distrust of State institutions and State agencies; there are weaknesses in our oversight bodies such as those that we have encountered in the Appointive Committee and therefore

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

have been unable to establish the outstanding rights commissions. Similar problems are playing out in the Public Accounts Committee in their effort to establish the Public Procurement Commission. *[Interruption]*

Mr Speaker Guyana ranks at the second to last on the totem pole of Latin America and Caribbean countries. In terms of registered voters as a percentage of the voting-age population, Guyana falls below the average in Latin America and the Caribbean. In terms of political stability and the absence of violence, again we rank below Latin America and the Caribbean.

The freedom of the press, similarly as before, falls short of the standard in Latin America and Caribbean. The impact of legal contributions to political parties, again on policy, Guyana ranks below the Latin America and the Caribbean. Pervasiveness in illegal donations to political parties ... again Guyana ranks below Latin America and the Caribbean. Favouritism in decisions of Government Officials in terms of judicial independence ... we also rank poorly.

Mr Speaker if the Government is serious about jump-starting the economy, aiding people development, attracting foreign direct investment and retaining much-needed skills, they should be concerned about this. Our Constitution calls for inclusive governance but this concept as currently practiced by the administration usually means ceding independence and transparency

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

rather than opening up a process for people and their organizations to participate in the decision-making political process in our country.

From what the 2008 Budget does not contain we could gauge it would be business as usual with the intention of Government being to maintain its failed policies in areas of nation building and development.

In that context, Mr Speaker, we on this side of the House could not possibly support *Staying the Course*. I thank you.

The Speaker: Thank you Honourable Member.

Hon Member Mr Robeson Benn ...

Hon Robeson BH Benn: Mr Speaker and Honourable Members I rise to support my esteemed colleague Dr Ashni Singh with respect to the National Budget for the year 2008 and I have to point out that the pressures under which this Budget was finalized in terms of the schedules and incisive decisions which had to be made, are greatly credited to the fleetness of foot and the nimbleness of the intellect not only of Dr Singh but also his staff and I think they ought to be congratulated on their great effort which had to be laid here in a very short space of time.

Mr Speaker it is regrettable that the environment in which the Budget was crafted is one in which I think we have found ourselves in a national struggle against AK-47 bandits. I think, that hearing from the presentations just

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

now we know that there were reductions in the program as the Hon Minister Robert Persaud pointed this out. For instance the Budget for our Ministry of Works program for this year is 14 percent less than what it was in 2007 under the revised Estimates and is now \$8.66 billion. These reductions in the intended program are necessary to satisfy the security needs and indicate that we have to invest in security so that we can continue the task of reconstruction and also building a new Guyana.

The mandate of our Ministry for coastal and riverain defence and hydrologic studies, road and bridge maintenance and rehabilitation and buildings, sea and air transport, inter-coastal transport has been fairly well achieved in 2008 and the lessons learned in 2007 to make the requisite improvements will be applied where necessary in 2008.

Mr Speaker before going into my main presentation I would like, to address some issues with respect to the presentations made by the Honourable Member Mr Winston Murray with respect to the issues involving the first instance of corruption, because, Mr Speaker, I am convinced that after all these years and years this is my second Budget here that we could have raised the level of debate with respect to this matter. When we come here to the National Assembly after all of these years, every year we keep hearing of *perception of corruption*. The perception, Mr Murray's words, *perception of corruption*

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

and that 20 or more percent I am hearing of capital works... the monies leak out.

Mr Speaker while I would want to be able to support all efforts for improving transparency, one wonders why and the PNCR-1G has all kinds of committees and investigative units. Why after all of these years they could not bring here to this National Assembly hard evidence? So that next year we will not be hearing about perceptions and indices of transparencies which have no basis in the fact. After all of these years we should have facts and I am sure that with all the Lawyers and investigative capacity that you have the ability, the knowledge and the wittiness, perhaps more than anything else, to bring facts to this National Assembly on these issues. Rehabilitation

Mr Speaker, there were some matters raised. They said that they wanted to see the contracts. The contracts were no-objections which were approved by the Cabinet. They wanted to know the names of the persons who made bids and the level of bids. I am aware that these bids are opened publicly; these bids - all bids are opened publicly and any member of the public, any citizen of Guyana including members of this Parliament is free to appear and take note of the facts, and they are here acting now with respect of contracts and the bids thereto. Every citizen of Guyana has the opportunity to go at the time bids are opened under the National Procurement and Tender Board Act and by that Board to note the bids that have been made and to note who have made bids to each

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

and every contract which is kept at the Cabinet for no-objections. So to come here and raise these issues is being facetious and dishonest, too. *[Interruption]*

Mr Speaker, this year's Budget speaks to *Staying the Course and Advancing the Transformation Agenda*. There were some noises just now being made about resigning and so on. I would like to say that we on this side of the House, the PPP/Civic Government will stay the course, will continue the task, and will continue the agenda of transforming and rebuilding Guyana anew. *[Applause]*. There will be no resignation on this side of the House. *[Interruption]*

Mr Speaker, all over Guyana the landscape is being transformed by the efforts of the PPP/Civic Government and while we work to develop the country, and while in many instances I heard Ms Sheila Holder say something about our being cavalier with security issues, which is surprising, because I see that in our Budget we have \$13.7 billion aside for security issues, I am not aware that the assignment of those funds, cutting the Budget in some areas, would tend to indicate that we are being cavalier on this side. I would also like to indicate that as a member on this side of the House, a Government member and a Minister was slain in the crime wave and this is a matter in which we can and never will be cavalier about. The security of our people, the security which would ensure the development of our economy ... this is a matter which we would not and would never want to be cavalier about.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Speaker, I was happy to hear the Honourable Member Murray say that he will give full and unequivocal support to the Joint Services and that this would be accorded the highest priority and I want to say that the \$13.7 billion along with the assets ... indicate a priority which is accorded for this matter, and I await from the Leader of the Opposition, the Honourable Member Mr Robert HO Corbin, a full Statement with respect to his support for our security forces and for the fight against crime at this time. Because, Mr Speaker, at the end of the day, we need each and every member in this House to be guiltless of all the loss of lives of the innocent. *[Interruptions]* I say and I want to refer you, if you are interested in courtesy to grave energy in a country church yard ... and it speaks of an unknown problem - guiltless of this country's blood. So at the end of the day, I would like and I would want to hope that each and every person here in this House would be guiltless of this country's blood. *[Applause]*

Mr Speaker I repeat that the Budget's total for this year for the Departments in my Ministry is \$8.66 billion. It is 14 percent below that of the revised Budget for 2007. It is not up imperative of proceeding in an atmosphere and environment of enhancing safety, efficiency and developing synergies in our operations. The theme this year *Staying on Course Advancing the Transformation Agenda* is a theme that we will work to make sure that it

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

is realized even while we are under some difficulties and challenges on the security agenda. *[Interruption]*

In planning the program for 2008 our agenda encompasses and reaches out to all sections and areas of the country and all Guyanese in every village and district in every county and region. And in giving my review of my year of operations in 2007 and the program for 2008 I will endeavour to indicate this aspect of our activities. *[Interruption]*. Mr Speaker, while we are rehabilitating major infrastructure roads and bridges which have fallen into decay over many years and which need a lot of work to bring back to some level of stability, we are building anew ... *[Interruption]*.

The Speaker: Honourable Members, we have to maintain some level of decorum in the House, please

Hon Robeson BH Benn: We are building anew in Guyana and the Berbice River Bridge, the construction which is being done by the contractor Bosch-Rexroth and Mabey Johnson is intended to be operational during the second half of 2008. This bridge is new infrastructure and signals that we are moving in a phase of building new things so that we can further develop Guyana. This bridge is a fulfilment of a promise made by the present administration and it is aimed at enhancing and promoting investments in Berbice in particular, which is a point of growth, and Guyana.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Speaker, I had the experience yesterday, the Honourable Member Minister Nadir did refer to the Takutu bridge, and I had the honour yesterday of being on this bridge with a Brazilian delegate. *[Applause]* The Takutu Bridge was an idea which started since 1978, more cooperation between the Governments of Brazil and Guyana. Unfortunately, in terms of the development of Guyana over the period of time we are only now realizing the dream of a land connection between Brazil and Guyana. It is intended by the end of June 2008 that this bridge will be completed and ready for inauguration hopefully by the two Presidents; President Lula of Brazil and President Jagdeo of Guyana. The finalization of the other infrastructure relating to the bridge would be completed by the end of December 2008 and the intention to have this connection was not realized over the period 1978 to 1992 and which is now being realized would be a dream for all Guyanese and would also make Lethem and Bon Fin points of growth on both sides of the Guyana-Brazil border. It was noted yesterday that there was a large amount of truck traffic crossing on pontoons over the river. And we now have the great effort to make to consider what we need to do not only with respect to the road for which we have \$220 million feasibility study already started for this year, but also to come up with a new design for river crossing of the a Essequibo River at Kurupukari.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Speaker the Demerara Harbour Bridge except for some minor incidents has had a relatively good year in 2007. Some \$100 million was spent on the maintenance of 25 pontoons and on the construction of three large pontoons. Terms of Reference have been finalized for a feasibility study of a new Demerara river crossing which is being funded by the Inter American Development Bank. Expressions of interest have been invited for the provision of consulting services and this will close in terms of the contract on 21 March 2008. Asphaltting of the carriage way of the bridge was completed at a cost of \$32 million out of G\$43 million Budgeted which represented 25 percent savings. Let me say that the repairs which have been done with respect to this bridge have been well-received by the travelling public. In 2008 the phasing out process of the pontoons will continue and further the construction of three large pontoons will be programmed in addition to the servicing of 79 pontoons built in Linden by AINLIM shipyards will be done with supplementary provisions for another \$55 million. A strict program of preventative maintenance which was carried out in 2007 will be continued in 2008. The replacement of decking is a particular issue and these deckings cost \$110,000 for each plate. The increase in the price for steel worldwide and the fact that the bridge has over 6000 plates indicates the great burden that this maintenance work requires to keep the bridge in a wholesome and good condition.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mr Speaker, in terms of roads, the New Amsterdam to Moleson Creek Road, Lot 1, was awarded to DIPCON Engineering Services at a contract sum of US\$16.9 million and works are continuing. Physical progress at the end of December 2007 was 60 percent with the completion date of July 2008 for Lot 1. Lot two was awarded to H Nauth Consorta which comprise of H Nauth and Sons, BK International, Junior, Stanley Company Group of Trinidad and Tobago and De Sanco pavers at the cost of \$15.5 million. The duration of this project is twenty months from 16 November 2007. This would ensure that by the end of 2008 we would more or less complete the full rehabilitation of the Corentyne Coast Road all the way from New Amsterdam to Moleson Creek. A contract for the Berbice River-Coast Road was also awarded to Dipcon Engineering Services Ltd. and supervision of construction to NA Lay and CEMCO for contract sums of US\$ 8.7 million and US\$890,000 respectively. This road would be opened to traffic by August 2008. Other works as defined in the contract will be completed a little later.

Under Transport Infrastructure Rehabilitation Programme: for structures we have Bridge Rehabilitation; Lot 8 deals with the review and prioritization of existing design for construction in mid 2008 and a consultant Shrilaby and associates of the USA and E&A consultants of Guyana have been appointed. It should be noted that under this program, two main road bridges

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

which were not built under the prior arrangement because of security concerns at Buxton will be built first. Lot 2 deals with new design of structures for main roads of the country and expressions for bids were advertised and the short-listing of contractors was completed. A consultant was appointed and commenced work in January 2008;

Black Bush Road: evaluations of expressions of interest of consultants have been completed and a decision is to be made shortly in relation to the appointment of a consultant.

Under Routine Maintenance Activities the continuation of a three-year maintenance program for the declared Main Roads in the country will be carried out. Approvals are being awaited and cleared now at the National Board of Procurement and Tender Administration and at the level of Cabinet. *[Interruption]*

Mr Speaker, in terms of the program of work for roads to be done in 2008: The Bartica and Madhia road will be addressed with an initial sum of \$20 million for construction over some three miles of impassable sections of various locations.

The Black Bush Polder Road will also be addressed with an expenditure of \$15 million which will address routine maintenance of 22 miles of roadway. And this project will be supported by consultancy under the Transport Infrastructure Rehabilitation Program to upgrade the road to an asphaltic concrete surface capable of withstanding

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

the use of the road; the use of the road is now a subject under miscellaneous roads program, \$650 million for the rehabilitation in excess of 25 miles of road countrywide.

And under the urban roads and drainage project - \$200 million will be paid to urban roads outside the city of Georgetown. The total miles of road determined today were 15 with associated drainage works. Initially with respect to the Georgetown to Lethem road some \$104 million will be spent for pre-feasibility and feasibility studies which will be undertaken this year.

With respect to the Miscellaneous and Urban Roads the major works undertaken in 2007 included First and David Rose Street, Unity, Goodhope Road and Handenwelddt, Second Street in Jonestown, Managers line in Cane Grove, Quamina Road in BV, Second Street in Richardsville, Mon Repos, Third Street and Fourth Street Mon Repos, Dentists Road, Lusignan; Goedverwagting Access Road, Helena and Greenfield Roads. Roads in Linden included Wismar Street, Crabwood Street, Wisrock Street, Fine Road, Manny Street and the old Kara Kara road will also be attended. *[Interruption]*

In addition and with respect to roads in the interior: maintenance to the roads of Matthews Ridge and Baramita which works are scheduled to be done in many places; \$20 million will be spent and a contract was recently approved for maintenance works to the Kwakwani/Ituni road valued at the \$20 million. The

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Ministry's Quick Response Unit completed a number of roads on the East Coast of Demerara as well as in the city of Georgetown. An additional sum of \$21.5 million for roads for Wakenaam in 2007, and works were also done in Region 6 and 10. The Force Account Unit which gained the support of the Mayor and City Council is continuously carrying out pot-hole patching and other related works in enhancing the city of Georgetown.

Mr Speaker on 21 July 2007 the traffic signal project was officially commissioned. From the date of commissioning to the present time the signals have served to restore sanity and order to our roads within the city. These notable improvements in behaviour have also extended beyond motorist and compliance of pedestrians at those intersections largely due to the efforts of the Guyana Police Force traffic ranks and the National Road Safety Council. The reality in which we operate is that we have a road network for which current expansion is a remote possibility at best and no doubt an expensive proposition. The challenge is to introduce new ways of dealing with traffic management on the whole, considering the stark increase in vehicular volume based on an unprecedented rate of import. The reintroduction of traffic signals is one such method that contributes to a positive change in road culture. The Ministry has a small but qualified Traffic Signal Unit and as a result maintenance operations are undertaken daily to ensure the efficiency of the traffic

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

signals. Nonetheless we have been confronted with challenges of a varied nature.

Mr Speaker in the area of sea and river defence, the importance of sea and river defence have been accorded the rightful priority in this year's Budget. In 2007 \$2.3 billion was provided for sea defence in priority areas and under the construction contract or pertinent to the 8th European Development Fund's sea defence program the contractor completed all works in Region 2 and 97 percent in Region 3. The Honourable Member Mr Winston Murray raised the issue of climate change and I would like to respond in some measure. I think the Honourable Member Mr Robert Persaud spoke about the existence of a National Climate Change Committee and of the existence of a Climate Change Unit within the Ministry of Agriculture. It is true that we have a sea defence of coast where the first two or three miles is six feet below sea level. This question as to whether we need to move away from the coast on to higher ground is one which could be answered if we know that sea level rise is targeted at 6 mm for year and the free board for our sea defences at the high tide varies from 1 to 1.5 m. If you apply 6 mm per year only to the 1 m it means we have basically 167 years to achieve a 1 m rise in sea level. Which means at the high tide we would be completely inundated. I would like to point out, and I did think I said before, that if one went or one visited the sea defences in Holland in the Netherlands, the sea defences on the banks

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

of what was called the Zuiderzee, now the IJsselmeer is 15 m above the base of the land. And levies on the Mississippi and the Missouri are 7 m higher than the land which they protect. *[Interruption]* So if the only need project the capacity building another five meters it means that at the current rates of sea defence and rise in sea levels there is another 750 years of sea level rise in terms of the ability to build to a point, before maybe we could consider moving from the coast; so that I would not encourage anyone to think that they should move, but certainly people can make their own personal choices and abandon all the works of our forefathers on the coast and all the valuable infrastructure on the coast. There is no need to abandon them pell mell. If in any time in the future we have to go there being a safe, honest, retreat even while we build the sea defences higher. But certainly the discourse is a very useful one and the Minister, Hon Robert Persaud pointed out that he is welcome and open and people are welcome to join the discourse at the level of the climate change with the committee on this matter. But I say again if Mr Murray or any other person wants to take the kind of risk to avert behaviour or ensure their own safety and get height or elevation they can do so.

Mr Speaker, management of the Sea and River Defence Commission review: The original design for 4.6 km of works and recommended changes in construction methodology under the EDA allows for savings of G\$540

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

million and allows for an additional construction of 700 meters of sea defence on the original contract without altering the contract terms. The new constructions work was in Blankenburg in Region 3 for 600 meters and in Leonora for 100 meters. Construction of these works was not completed in 2007. This resulted in liquidated damages to the contractor for the sum of G\$16 million to date. In 2007, we rehabilitated 6.5 km of sea defences and constructed a new 4 km of sea defences, a total of 10.5 km. In 2008 it is intended to rehabilitate 8 km of sea defences and to construct a new 4 km of sea defences, a total of 12 km in 2008. *[Applause]* You ask where, go on the East Bank of Berbice - Johanna; Zeelandia in Wakenaam, Ruimzeigt, Rotterdam and Union on the West Coast; Devonshire Castle, Johanna Cecelia, Mariah's Lodge on the Essequibo; Greenwich Farm on the East Bank Essequibo, 75 m of sea defence on Le Destin estate on the East Bank Essequibo; River defence at Gangaram in Region 6, Golden Grove at Belladrum on the West Coast Berbice in Region 5, upgrading of 1.1 km of sea defences at Ogle, Turkeyen ... you may have noticed that one. Those were the... over projects. New contracts that have commenced in 2008 saw protection at Henrietta Leguan, 300 meters of aircraft at La Retreat, West Bank Demerara, storm protection at Craig, Good Success; 200 metres at Abary, storm protection at Kara Kabo, Region 7, scour protection at Riverview, Region 10, riff raff sea defence at Reynsein, construction of 120

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

meters at Twofluct, West Bank Demerara and there are more. I think the point is made. *[Interruption]*

Mr Speaker while we have had over-topping events in 2007 there was only one incident of a breach of our sea defence in 2007 and a breach in the sea defence occurred at Retrieve in Leguan. This breach was quickly repaired by the efforts between the Ministry of Agriculture and the Ministry of Works. *[Interruption]*

Mr Speaker with respect to sea defences we intend to retool the sea defence department to merge the sea defence department with the work services group to obtain the synergies and engineering management economy so that we will get more efficiency out of the resources that we have. And under the 9th EDF materials or sea defences will be supplied while under the 10th EDF funds for sea defence will be mainly a proportion under Main Budget Support.

In the area of Air and River Transport, we will continue to work on modernizing the Cheddi Japan International Airport, Timehri and the Ogle Airport through the Ogle Airport Inc. The Cheddi Jagan International Airport was tried and tested and lived up to expectations dealing with the heavy influx of visitors during the Rio group meeting, the Cricket World Cup, and the Commonwealth Finance Ministers meeting in Guyana in 2007. *[Applause]* Purchase and installation of a 25-ton air-conditioning unit for Customs arrival was done. There was a relocation of

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

the executive lounge for US\$24,000; there was a procurement of a new telephone and public address system for US\$16,000, and there was an installation of a new baggage conveyer system sourced from Brazil in pretty short order, seeing that it was Brazil that provided the equipment which points to the fact that we need to look more towards Brazil as we attempt to source materials and equipment for national development contracts.

In terms of passenger movements in 2006 there were 198,000 arrivals at the airport with an increase of 228,000 passengers in 2007 yielding a 15 percent increase. The departures from the airport were 216,000 in 2006 while in 2007 they were 239,000 for an 11 percent increase. Aircraft movements have identified landings 4394 with a 17 percent increase over 2006 while domestic landings were 628 with an increase of two percent. The new 400 meter runway and terminal at the Ogle Airport were officially opened on 16 March 2007 bringing significant development to Guyana air transport infrastructure and the efforts by Ogle Aircrafts, in collaboration with the Government of Guyana will continue to develop Ogle to make it a truly municipal and regional airport. This is concrete evidence where the Private Sector has confidence in the Government of Guyana.

[Applause]

The Guyana Civil Aviation Authority has continued its pursuit in building and implementation of strategic objectives. The framework for the effective regulation of the civil aviation industry is continuously to be reconciliated. It will continue to ensure staff competency

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

through training since ongoing staff training plays a major role of the authority in executing its functions. The following organizations and institutions continue to provide the necessary training for civil aviation, the International Civil Aviation Organization (ICAO), the International Air Transport Association (IATA), the Federal Aviation Administration (FAA) with its transport security administration, the Regional Safety Oversight System (RSOS) and Singapore Aviation Academy. A supplementary provision of \$660 million was approved last year for the procurement of air navigational service equipment, critical to the safety of aviation the lack of which was identified during 2004/2006 and these include distance measuring equipment, instrument landing systems, the communication navigational and surveillance systems and air traffic management systems which would all enable Guyana to be harmonized with the rest of the Caribbean and South America regions.

The Speaker: Time is up Honourable Member ...

Honourable Samuel A Hinds: I beg to move the Motion that the Honourable Minister be given 15 minutes to conclude his presentation.

Question is put and agreed

Motion carried

The Speaker: You may continue ...

Hon Robeson BH Benn: Thank you Mr Speaker and Honourable Members. A number of aircraft carriers fly to Guyana at the present time, Caribbean airline has

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

replaced B.W.I.A., LIAT, Meta provides regional services, North American Airlines, Zoom Airlines and Travelspan provide services, but North American Airlines is going. We look forward however to the appearance of Delta Air Lines which intends to commence operations with effect from July 2008. Travelspan has suspended its operations but will recommence in June 2008 using chartered aircraft. Safety is an ongoing issue in the industry. In 2007 there were two accidents one at Kurupung which resulted in the death of one person in a ground incident and another incident at Eurobaru Mountain. Copenaam, a BM2 aircraft crashed resulting in three persons being killed and a preliminary report was prepared. The propellers and engine were sent to the National Transportation Safety Board for an examination and analysis. We are awaiting the report with respect to this accident.

Mr Speaker in terms of the Maritime Administration Department, a comprehensive hydrographic survey was carried out by the Board and Harbours Division on Essequibo, point Goodhope and on the Demerara ships channel. We have an issue where we have been losing draft on the Demerara ship channel and information has been forwarded in terms of the hydrographic survey so that there will be a new updated admiralty chart with respect to the Guyana coast and the estuaries of the Berbice, Demerara and Essequibo Rivers. This new chart will come out in 2009. We have refurbished the dredge,

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Steve Hill, for \$57 million and rehabilitation for \$45 million a maintenance of dredge that was affecting the ships channel and alongside private wharfs in Georgetown. There has been a shortfall of dredging, 240,000 cubic meters in 2007 and there is an intention this year to move to a situation of round-the-clock operations hopefully which will see us doing some 1 million cubic meters of dredging over 250 days at a cost of US\$4.8 million.

In terms of Maritime accidents, we had seven in 2007 resulting in the loss of 8 lives at sea. Twenty nine percent of these incidents and loss of life related to heavy weather at sea and the maritime administration department is working at increasing the training, referrals and information system to avoid recurrence as much as possible. In terms of new registrants we have 788 new registrants of vessels and ships in the harbour with 606 recorded in Georgetown. In keeping with the implementation of ISPS code representatives of the Organization of American States and the United States Coast Guard visited and conducted port assessments of some port facilities in Guyana during the last quarter of 2007. Speedboat operations which are fairly well-organized in that they have an established turn system coordinated by monitors from the various speedboat operators associations are fairly well regulated and in terms of the number of boats we have 32 at Bartica/Parika, 87 at Parika/Wakenaam/Supernaam and

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

on the Georgetown/Veer-den-hoop crossing 54. There has been a heartening response at efforts to regulate and registering of fishing vessels which has begun in 2008 [*Interruption*] and a significant improvement intended for this year in discussion with the various associations is the development of covering of the vessels to avoid people being wet while making the river crossing.

Dredging will be intensified on the ships channel; gates and navigational aids on the Demerara will be improved; a new communications system will be installed at the lighthouse and there will be an intensification of land and port state-controlled inspections. A continuous effort to make boat operators more aware of safety requirements and to improve the quality of services will be undertaken. Mr Speaker the Transport and Harbours Department is undergoing rapid changes and is faced with certain challenges particularly given the advent of the Berbice River Bridge. The Berbice operations at the moment account for 82 percent of all traffic to a total of 1.3 million passengers and 117,000 motor vehicles. The total passengers carried by the Transport And Harbours Department in 2007 were 1.9 million persons [*How many children?*] We can give you that too [*Laughter*]. The projections for passengers, vehicles and freight for 2008 is 1,560,000 passengers, 161,000 vehicles and 265,000 tons of freight.

Mr Speaker, members on that side of the House can laugh but over two decades ago the transportation of freight and

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

personnel from the North West district and Port Kaituma was discontinued. *[Interruption]* Mr Speaker in 2007 we resumed this service, *[Interruption]* a marked improvement on the lives of people in the area. In fact there was a large welcoming committee of school children at Port Kaituma docks and we have had a significant fill-in in terms of improvement in the cost of living, improvement of the lives and the livelihood and with the support to the society and industry and commerce at Port Kaituma in the North West District. We intend in 2008, when the Berbice river crossing is effected in terms of the bridge to resume a service to the upper Berbice river. *[Applause]* This service was degraded, brought to an end before 1992. This effort will again show the progress that we have been making and the intention that we have to stimulate agriculture and other production in the riverain communities, to reduce the cost of living improving lives and livelihood and bringing progress to all the communities. *[Applause]*

Mr Speaker I can go on and on *[Interruption]*. I am glad that Mr Ramjattan is now awake. It is not my words in this House, Mr Speaker, it was Winston Murray who was referring to the bad days of the PNC, when he was complaining about supplementary provisions, I am surprised that somehow and in some ways, that Mrs Sheila Holder seems to have gone over to the militant wing on the opposition, maybe it is a good thing because I do not know how much more militant she can be

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

[Interruption] but we cannot complain about VAT and indeed we have further revenues which are required for building the country. *[Interruption]*

Mr Speaker in closing, I want to return to this issue of corruption and I want to say and I hope that the level of debate is raised as we go along here *[Laughter]* ... that the continuous unwarranted, unsubstantiated claims, debates on perception of corruption ... *[Noisy Interruption]*

The Speaker: Honourable Members, please ...

Hon Robeson Benn: ... bribery and kickbacks which are being claimed are a slur not only on the Ministers of Government but on the officials of the Government, and all those hard-working people in the Ministries. And again I want to call on those members who make these claims to bring facts, bring the proof.

In 2008 Mr Speaker, we want to improve the generic management in the Ministry, to do a conference for engineering, to enhance training in the region for Mariners, for civil construction engineering training and engineering studies. We want to re-establish the library information database of the Ministries, to re-establish the geotechnical laboratory of the Ministry and to establish a new basis, a standard of practical instructions and national standard for road and sea defence construction. *[Applause]*

The Speaker: Your time is up Hon Member.

Hon Samuel A A Hinds: Mr Speaker I beg to move the Motion that the Honourable Member be given two minutes to conclude his presentation.

Question is put and carried

Mr Robeson BH Benn: Mr Speaker as I said at the beginning, we are not only rehabilitating and reconstructing in Guyana, we are building anew. We are building a new ... While we are building anew we have to be on the watch because we know the security situation I think we had on the 17 to February while all of our Guyanese people except a few were waving our flags and cheering on our team at the 20/20, there were persons who were preparing to come and slaughter our policemen, slaughter our citizens in Bartica and try to make the repeat of the slaughter of the innocents adults and the children of Lusignan. And so in this year while we build and we continue building, while we stay the course we have to consider and would have to make every effort in memory of those people, of those innocents who have fallen undeservedly to some persons who would want to see the national program derailed and to terrorize our citizens. I say again Mr Speaker, on this side of the House particularly, and I hope too for all members of this House that at the end of the day we would all be guiltless of our country's blood. I thank you.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

The Speaker: Honourable Member Mr Desmond Fernandes ...

Mr Desmond Fernandes: Mr Speaker I rise to make my contribution to this 2008 Budget presentation and I wish to talk about some concerns and support that the Government should have given to the hinterlands especially Region 1. With VAT and a high cost of living, unemployment it is important that if money is passed in this Parliament for development in the hinterland those monies should be spent wisely.

Having said that, Mr Speaker, in 2007 \$24 million was passed here for development in Kamaka, Kwebanna and Bromley areas. On the helm of 2007, I spoke to one of the Regional Officials because I know no work was done on the roads and the people in the community are suffering and they are looking for a better livelihood. I was told, Mr Speaker, that because of the rains we were unable to do the roads. But in the Minister of Finance's presentation in this House he mentioned that over \$8.8 billion was spent on construction, rehabilitation and maintenance of roads and bridges in 2007.

Among the benefits arising from these interventions is improved access to thousands of lands, agricultural lands. Of course I am happy for the country. You spent money in the country but you forgot one region - Region 1. If you do not give support to those Amerindian communities, it means that they will remain in poverty

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

because some parts of Guyana are going forward but the Amerindian communities are being left behind. But the Government would say that we gave lands to the community. Of course you gave lands; you gave ownership to the community but we need to ensure that the people bring out their produce because they have mixed agricultural produce; they have timber, but they need to get it to markets. For those communities to get the market, for example, you have Yarakita, you have Wauna, White Creek, Kamwata, Farm Court - all that is one area. All those communities would benefit if the RDC in this instance... Mr Kellawan is not here.

If the RDC had spent that money in the Region the people would have benefited more; likewise in Kamwata; sorry Moruka, the Kwebanna, Kamaka road. If that road was fixed people from far up the Barama like Micoraby, Kyriako, Chinese landing would be able to come to Kwebanna and go across to Moruka. But if you do not do that you have to go all the way around about eighty miles more but from Kumaka to Kwebanna is about twenty miles.

In the dry season when the rain is not there much, persons coming from the Barama area would have to pull their boats across which will take five or six hours but if they go to Kwebanna they can get to Kumaka and get market. What are you looking for? You are looking for sales. You have to get your produce to where you can get a dollar, we can spend and that is important for every community

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

must get similar service so therefore the country would not be lopsided; we would have togetherness for development.

Mr Speaker I wish to talk about education, but before I go into what I want to say in terms of this point I just want to make a correction because my friend the Honourable Mr Whittaker misled the Honourable House in his maiden presentation. I think it is important to correct the record.

The Speaker: I do not think Honourable Member means *deliberate*. I do not think Honourable Member means the word in a deliberate sense. Proceed, Honourable Member ...

Mr Desmond Fernandes: Mr Speaker I just want to say, in 1969 the North West Secondary School was established and in 1974 Port Kaituma Community High School, who built the Community High School. Mr Benn talked about the bad days of the PNC, so do not take the PNC glory and say it is your glory. Mr Speaker, listen to what the Honourable Member Mr Whittaker said on Monday, 12 February 2007 and I quote:

He started with less than 150 children accessing secondary education and by constructing secondary school at Port Kaituma, (He is talking about the Community High School built in 1974) Santa Rosa and Mabaruma -The North West Secondary School.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

But more than that, my friend, my very good friend, the Honourable Mr Whittaker, he went to the North West as a teacher to teach at the North West Secondary School in 1978 and he said that only after 1992 we had Secondary Education at Mabaruma and he was a teacher there. *[Interruption]* He should correct that, if he comes to this House here - Mr Ali claps his hand, the young Member of Parliament because he does not know - the Honourable Nokta shaking his head I can tell that afterwards but you do not take those things with ... we have done enough. I think that we have done enough; we would not take that. But the point I want to establish here is that when you have National Championships and National Events young people from the Region do not get to participate. There always seems to be a problem with money but hear what happened a few years ago. Some good citizens from the area – businessmen - supported the team to come out here and participate in sports - the national football championship for schools, and they did so well that they choose one of the boys from the North-West, Solomon, to Captain the Under17 team to go and play in the Caribbean.

The point I want to establish is that we have good athletes in the hinterland but we cannot participate in football because we do not have funds. We cannot participate in cricket at the National level, at least from the cost to participate in these games. I say give us a chance, let us come out and excel. *[Applause]* I think we can give the

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

young people in our society an equal opportunity. We would also do well.

Now, there are several persons living in Kaituma, Mabaruma, Moruka. Late last year some more money was asked for to buy ration, food because ... I went to Port Kaituma and I was told that they do not have enough food in the school to feed the children. And the businessmen refused to give them more credit so therefore the children will suffer but because its children we would give you something more. I personally asked whether you have additional funds for this thing. Do you have any funds to pay off the old debt so that they can buy more things? He said, *We do not know; that is what the Region asked for.* What I am saying is it seems that the Region does not get enough funds for the children who are staying at the school and this is sickening. I want to ask the Minister who is responsible, to look into that area to ensure that our children are comfortable.

I wish now to speak on potable water and again I wish to correct my friend who misled the House. Mr Whittaker said and I quote:

*What I am saying is that in October 1992,
there was zero*

the Honourable Member spoke about pumping of water

*there was zero settles of pumping because
there was nothing to pump.*

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

He wants to give the impression that only after the PNC came out of office in 1992, then we knew about potable water. You know, it's like we are kind of backward, but that is not true. Mr. Whittaker, the Honourable Member, was living obliquely opposite the overhead water tank when he went there in 1978. *[Applause]* He said, "*We give water in all those areas.*" You do not expect the PNCR-1G to fix the tank when you are in Government. Mr Speaker with due regards to the Minister of Water, he was misled, therefore, in a community they approached me recently. They said, "*Fernandes, why are you discriminating against us?*" That is Hubu. Mr Whitaker said you know Hubu and all other areas he supplied water. The community does not have water up to now. In Hubu you have the airstrip, you have the GDF barracks, you have the Mechanics Lodge, you have the Kingdom Hall and you have a number of persons living in the area. I said you know the Minister is not wrong you know. The Minister was misled. The people do not have water up to now and that is an area so close ... It is not a hundred miles; it is about 200 yards away from the main lines. And they have given water 12, 14, 16 miles away, which is very good for the communities but how can you just leave out one area. You did so because you did not have adequate information; but Minister I am asking you that in your program look at Hubu where there is an airstrip, where the GDF barracks is so that they will also have water.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

As I speak about that - Port Kaituma is a growing community, where Barama Company opened a lot of roads all over in the jungle, to take out their timber and miners now use those trails, so Port Kaituma is a growing community, developing fast. But what is happening in there is that they have water supply from the river so therefore it is not potable water. I want to ask the Minister in his programme to ensure that they get purified water. He knows what systems the people used to have purified water in Port Kaituma because, you know, children would drink the river water and sometimes it is not good for human consumption. I just thought that I should make note of that. And as I continue, I wish to again correct this House in the records. It is important for the young MPs on both sides of the House to know this. I do not want any MP to mislead us.

Hear this Mr Speaker, in January not a single household in Region 1 received electricity provided by the Regional Democratic Council of Region 1. It is like we have been living in darkness all the time. We like ... that is not true, my apologies. You know my friend Mr Whittaker, he was living opposite the power station when that power station burned down in June. *[Laughter]*

Mr Speaker, we have good power when the engines are working. We get four hours in the night only. I said the last time ... What I am saying is based on the engineers up there... all we want is additional fuel. If we have additional fuel then we can have power in the daytime

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

like 8:00 to 4:00 in the evening. So they can turn the wheels of growth. People want to make furniture but they have the old-time saw, you know. *[Laughter]* People ... I cannot do a good job, I alone, like rearing chickens, but if we have 'more power' the various communities would benefit. There are lots of fruit in the areas. The ladies can have some cottage industry ... use their heads to make money, have access to the Internet. One of my friends told me he has to get up every night to go online 'to catch the power' but I think that if this Parliament sees it wise to make a decision so that Region 1 could turn on a switch in the day time to get power ... In some communities it is normal, but for us we would feel so happy to have eight hours in the daytime. So I discussed the matter with one of the members of the Regional Democratic Council in Region 1, Mr Speaker, and he told me ... We will ask him now for two hours from 5:00 to 7:00 in the morning. What about the engine of growth? It is important to get power in the daytime because so many things can happen. People can get an extra dollar at this time. They can use their imagination to make money so that they can help themselves and their families and everyone can 'live good'.

Mr Speaker I think the Government should take a second look at NEOCOL ... *(Sorry, the Minister of Agriculture is not here. This is an Iwokrama Project.)* You see, if you want to privatize an industry I feel you would look at all the necessary areas of concern so that the people would

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

benefit more and improve the lives of the people of the community. Now in NEOCOL they do not have any union representation. They dismissed 20 percent of the workforce. We expect that the power generator in Mabaruma would function some more, but every now and again you get a problem. They cannot supply the amount of fuel for the power station so you have black out. So if you want to buy fuel you have to go somewhere else and it was brought to my attention that the representative of the new pump now is buying diesel to sell back to the Region; but this diesel that they are buying is not from GUYOIL. If O'Lall was around, I guess he would have investigated them. *[Laughter and Applause]* It is important to look at those concerns. We need to have union representation.

The Honourable Minister Benn spoke about the ferry service. He did some good work to renew the service. This service takes 36 hours. In 36 hours you can go from here to Europe. *[Applause and Laughter]* The MV Kimbia used to take 16 hours to Kumaka and the MV Kumaka used to take 12 hours. I am talking about in the PNC time - a long time ago. But Mr Speaker, what is important is that he put television in the boat going inland, he put pure water supply. With due credit the boat leaves on time. What I think is important is that the travel time must be reduced. I spoke with representatives of the Transport and Harbours and they said we need a new engine in the MV Kimbia. It is a good boat, but it needs a

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

new engine because it used to take eight hours but now it is taking 16 hours; a new engine in the MV Kimbia can reduce the time; rather than taking 28 to 30 hours from Kumaka to Georgetown, it would take 14 or 15 hours. I said to myself, look into the issue and see whether you can get a new engine. Who wants to be on a boat at one o'clock watching television when you can be at home watching television? *[Applause]*

Mr Speaker, I am looking at some of the concerns in the area to see how we can collectively address those concerns. Now, I would like to make a recommendation to this Honourable House. This boat would leave Wednesday - the boat from Kumaka, but it takes a long time at Kumaka. Sometimes it takes four or five days to offload and this is done manually and in these modern times I feel that we should have forklifts to bring off the crates and put them in the transport bond. It can be off-loaded on the wharf. It takes a very long time. If the boat comes in one day you could finish off-loading the boat, put back some cargo and be gone in a week - once a week. But if you are going to use manual labour to take off all those big crates ... if you cannot get forklifts then you may have to get some cranes to take it off the boat and put it in the bond. It makes life easier for everybody. I feel that if the Minister can look into this issue and see if he could get a forklift there so they could get a faster turn around ...

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

I would recommend ... the cost is very low - \$2000 one-way and \$2000 the other way; even if you make it \$3,000 ... if you make the boat move faster ... if you have to spend two weeks before it goes back in there, you spend a lot more time and money so I am suggesting that you raise it to \$3000, examine this thing ... buy this forklift to take off the goods and you will have a faster turnover.
[Applause]

Mr Speaker, I know that the Honourable Minister of Agriculture mentioned earlier that he started giving some attention to Region 1 and that is very good because Region 1 is an agriculture-based Region and you need technical support. I know that the Budget says that you have \$7 million to rehabilitate the Extension Centre and to desilt trenches in the area. I welcome that.

One area we must look at is 'staffing'. People want to rear cattle. People want to do dairy and poultry farming; they need the extension services. They need officers who know about these things to give them advice.

But listen to what happens at the Centre. There are two persons working there; one field officer and one charwoman - and you are talking about a vision in an agriculture based Region. How long would a field officer and a charwoman run this show? And you can come and say to this National Assembly that you are going to start shipping produce from Region 1 to the Caribbean. I like that, but you need to give the people good support. You

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

have to go in the riverain areas. You need a boat and engine and a operator. We need vehicles to move on the road. Any time you talk of development, we need the Government to give support to the people so they themselves can move on and develop.

Mr Speaker, when people take loans, you want to ensure that they spend and make money to repay because people will seize their house. So you need to give people advice - technical advice.

Mr Speaker, in the area of health, I take my hat off to the Hon Minister because I see a nice hospital being built at Mabaruma. That is good; we need that kind of support and since you are in Government you are expected to do things. If you do not develop after 15 years something is wrong with you. I would like the Hon Minister to look at Port Kaituma, like I said before ... I feel you should look at the staffing at Port Kaituma. Port Kaituma is a growing community; people from all over come here when they get gold and things like that. Now we have two nurses at Port Kaituma and any growing community that is developing fast, you know, the two nurses cannot carry the crowd. You would know better, you are the Minister and you are a doctor and you would know those areas. And one of the things that you should look at in those areas long in advance is you should require staff at Mabaruma. Now, you are building a big institution and we would not want to know that we would not get the kind of service. I do not want it to be labelled as a white

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

elephant because I know that we need to get the service. I just thought that we should mention that. Also the place where you put dead people - that is called a mortuary. You need to look at that part at Port Kaituma as well because you look at buildings and you need other things that are within the building.

My good friend, the Hon Minister of Amerindian Affairs, there is one area of concern that needs to be addressed very quickly. I am speaking about the Amerindian Hostel at Mabaruma. It is a good building but hear what happens. The Amerindian Hostel is two houses away from the power lines but they do not get power. It is a stone throw away from the water tank but they do not get water ... Well water is very important. The people forgot that. You should look at the entire system and when you come to town some people do not know about that thing behind there. [*Laughter*]

Youth and Sport: I feel to myself that if we do not give support and direction to the young people they would lose focus and move off from the society. [*Applause*] We need to give them guidance and we need to have them in organized programs; so if you have sport, you have the teams playing; you have the spectators; you have the people who come to do little business and make a little money; you have everything, even little transportation and everybody is involved in this thing - it is good; but Sports and Culture in Region 1 is very limited. Unless there is a National Program or National Event, then you

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

would have some activities because other persons who sponsor sports get together and come out and that is how things happen. But if you leave it to those persons who are responsible for Sports, it will be some contrary thing. Some attention should be given to those areas so that we can harness the potential of the young people and channel it into productive areas; because you know when you are young and have a lot of energy, you find yourself doing wicked things and you know what would happen. Minister Rohee would deal with them and we would not want that, because they are somebody's children whether in Georgetown or in the Hinterland. You need to channel the resources to productive gain.

Mr Speaker in the area of housing: Minister of Health built a nice, beautiful hospital, as I mentioned just now but next door we have the Post Office. The Post Office is giving a very good service, but listen what happens. The steps of this building will fall down just now. *[Laughter]* You need to fix it up. Fix the Post Office because the other buildings around the area look good. Who is responsible for the Post Office Building? If it is the RDC or whatever Ministry then they need to look at this building because it could cause accidents within the place ... You need to nice it up.

And the Police Building. Mr Rohee You would not like to go and see the Police Building ... If I was a policeman, I would not leave my house on the Coast to go and work and give service in the interior. I would not like to live

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

there. We need to make people comfortable whenever they leave their homes to work in the interior. It needs to be fixed.

Mr Speaker as I talk about development, I did mention just last year about the border trade. The Hon Minister Benn talked so nice about Lethem and the Bridge, people going across there and so much activity that is going to happen at Lethem. That is the fact of the matter; we talk about the east of the map, about trade between Suriname and Guyana. What about giving them some economic means. I would like the Government to give some thought to opening the Border Trade. We have some difficulty with the lands in terms of Venezuela claiming a portion of our land. I do not know about the nature of this relationship. The last time the President said we will get the Petro-Caribe Deal and so I just feel to myself if I can represent my people at this level and rather than bringing home the fuel and you are hiding from the people, the military personnel, legalize the trade ... If you legalize the trade that will be more money in the Government coffers; you do not have to run through the back trail and all those kinds of things. I am talking about development; the people know who to make a money from; you are talking about people development; you are talking about improving. I am talking about not leaving out some parts and helping other parts because you should bring up everybody together. I would not like to

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

know that I have to go to Georgetown to buy chocolate ...
I gone back to basics.

The Speaker: Your time is up Honourable Member.

Hon Samuel AA Hinds: I beg to move the Motion that the Honourable Member be given five minutes to conclude his Presentation.

Question put and agreed to

Motion carried

Mr Desmond Fernandes: In conclusion, let us not look at this presentation as being humorous because young people's lives are at the cross-road. We need to address these problems and the need to give support in those areas like the roads and those things, because what I have noticed also is that we put some more money on the parity of Region 1 for the same roads- additional works. I say Port Kaituma, Wauna roads and those kinds of things for the same amount and then there is the high cost of fuel now so I do not know what you will do, because you have the same work, you have the same amount of money; and you have additional works, Mr Speaker. Thank you.
[Applause]

SUSPENSION OF SITTING ... 20:30H

RESUMPTION OF SITTING ... 20:56H

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

The Speaker: The Honourable Member Mr Manniram Prashad

Mr Manniram Prashad: Mr Speaker I would like to congratulate the Minister of Finance Dr Ashni Singh for once again presenting to this National Assembly a Budget that is surely reflective of crucial components necessary for the acceleration of growth and development. I support the motion by the Hon Minister of Finance to approve the Estimates of the 2008 Budget.

This year's Budget, *Staying the Course, Advancing the Transformation Agenda* reflects the whole thrust of presenting variables of worth and expectations for all Guyanese while continuing to pave the way for a brighter, better economy and country as a whole. No doubt Guyana has enough reasons to be proud of its achievements, particularly in the Tourism Sector but at this crucial juncture in the history of this nation we cannot afford to become complacent but to stay on course by building on our strengths and improving on our weaknesses. There must therefore be careful assessment of opportunities for competitive advantage and aggressive positioning for growth as they attract tourists from various parts of the world who come to Guyana to find nature at its best where we have thousands of acres of pristine tropical rainforest.

Mr Speaker, Hon Members, let me say in advance that all Guyanese are stakeholders and tourism will excel only if

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

the environment is conducive for development and growth of this industry. That is why I was extremely happy to hear the Honourable Member Mr Winston Murray supporting the efforts of the Joint Services and I think everyone in the House must be involved for Tourism to develop and grow because everything affects Tourism. That is why I want from the onset to say my job would be extremely difficult if all Guyanese are not as one with this tourism development.

As our Tourism Sector continues to evolve, our marketing strategies have been altered to reflect a more culturally enriching and nature friendly product. Mr Speaker a large portion of the money stated in this year's Budget will go toward enhancing our promotional and marketing strategies.

2007 saw strategic and timely investment in infrastructure where I would like to see tourism infrastructure: improvements in the road network, completion of the four lane Highway, Street lighting, installation of traffic lights, renovations and improving the capacity of the Cheddi Jagan International Airport to process passengers, the completion of the Providence Stadium, upgrade at the Ogle Municipal Airport et cetera. These continue to support tourism in enhancing the visitors' experience. I can tell you that last December our airport could only accommodate four jets and just about between 8.00 am and 8.30 am, these four aircrafts were on the ground and the Customs and Immigration cleared over 800

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

passengers. I was there myself; I saw that. In fact they were processed so fast that some of the baggage handlers were not bringing their baggage fast enough for customs to clear. And they were to wear lines during the December period.

Last year figures of tourism: there were some queries from the member of the Opposition about the figures. They were accurate and really reflected the visitors. And that is why ... program, installs the ... program at the Cheddi Jagan International Airport and Guyana Tourism Authority. Two other countries in the Caribbean Tourism Organization region are yet to make that transition namely Trinidad and Tobago and Belize. But the Met system will greatly assist identifying first-time visitors, non nationals and overseas based Guyanese who pass through the country. The figures will reflect more accurately and in greater detail ...

Tourists arrived in 2007 faster than any other year in the history of the country. There was an increase of 16 percent from 2006. In December 2007, there was an influx of tourists and airlines had to put on 51 additional flights and all these flights were filled. First-time arrivals in Guyana also increased significantly as a result of Guyana's successful hosting of the Cricket World Cup, the Rio Summit and the Commonwealth Finance Ministers meeting among other major events. I must emphasize that the record breaking visitors' arrival is as a result of confidence placed in Guyana when exposed to

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

the Cricket World Cup as well as our successful marketing initiatives.

Through international media, Guyana's name and image were publicized to millions of people around the world. There were many who thought that we could not do it, we could not host Cricket World Cup and we could not Host the Rio Summit but all of our people especially members of this National Assembly came together and saw it through. People who did not ... Guyanese in particular who did not come back to this country in 20 or 25 years had to ... London and Miami propagandising about Guyana ... rumour mongering. We know that Cricket would bring them to Guyana and once they were here for World Cup they came back here during the summer vacation and Christmas.

Mr Speaker I did say last year again, that tourism is expected to become a significant contributor to our economy and I am pleased to report to this Assembly that those were not idle words or wishful thinking.

The Ministry of Tourism Industry and Commerce modernized and coordinated Guyana's round table conference with the moving forward of Guyana's Tourism at the Guyana International Conference Centre to give some stakeholders innovative ways to propel the country tourism drive and to realize its potential of becoming a major economic pillar. This conference attracted some 200 participants from all across Guyana;

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

travel agents, airline, tour operators. At the conference His Excellency President Barras Jagdeo, among other things, challenged the Tourism Industry and stakeholders present to have more affordable tourism. Tourism for Guyanese must be made more affordable and he is right for if Guyanese themselves do not see and appreciate the beauty of their country they cannot sell it to their families and friends overseas. At the end of that conference, that same afternoon a group of Private Sector representatives met with me, Rainforest Tours and Air Services Limited in particular, and they asked for a meeting for us to work out a package for Kaieteur, the current rates at that time in June last year 2007 to go to Kaieteur was \$42,000 which is about the same price to travel to Trinidad and Tobago. These responsible Private Sector people got together and brought the price down to \$22,000. From June, one flight every week, every Saturday to the end of December ... over 450 persons - Guyanese. This special package was only for Guyanese living in Guyana but Guyanese living outside who came back were not entitled to this special package.

2007 set an all-time record for arrivals at Kaieteur Falls with a total of 4512 visitors as against 2,754 in 2006 which is a 54 percent increase. I saw a few letters in the newspapers praising the initiative of the reduced package, the affordable package and that the Government continues a subsidy on Kaieteur. Well Mr Speaker and other members of this House, there is no subsidy. This is

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

the Private Sector Initiative. The Government did not put one cent into the reduction of that fare. We are in a process right now of renegotiating with Rainforest Tours and Air Services Limited to continue this package.

As a result of this bold initiative of making domestic tourism affordable and Guyanese getting to see the beauty of the country, we are in the process of engaging officials at Iwokrama so that we can have special incentive package that we can fly to Iwokrama now, seeing that they have an airstrip in there or we can also go by bus. [Interruption: *'Question!' "I have not gotten those figures as yet but we are in the process of negotiating that"*] But Iwokrama is very special for most people and a lot of Guyanese have not seen or really know of the beauty of Iwokrama. It has a canopy walkway of which there are only four such walkways in the world and one of them is here. Guyana is the latest one and I think it is one of the best. The canopy walkway: you are walking on top of the rainforest and on a good night on top of the trees. It is amazing - you see the animals in their natural environment. You may be lucky to spot a jaguar or two while you are on top of the rainforest.

At the 2007 Finance Ministers Meeting, President Jagdeo made a strong case against tropical deforestation when he said and I quote:

Tropical deforestation contributes 18 percent of the global greenhouse gas emissions. This is about the same as the

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

United States, the equivalent of India and China combined. In just 24 hours, tropical deforestation can release as much carbon dioxide into the atmosphere as 8 million people flying from London to New York. No doubt Guyana is serious about preserving its rainforest and has made representations and continues to lobby other nations for support for countries which call for credit to be given to Guyana for its standing rain forest.

But why are we so concerned about the rainforest and deforestation in the Tourism Industry? The preservation of our standing rainforest will give a boost to ecotourism products as we try to compete with countries like Belize and Costa Rica with their limited capacity compared to us with our pristine rainforest. They have been around a long time and they have gotten finance and marketing skills. We are now trying to get there. The fact is that we are mentioned in the same breath like Belize and Costa Rica. It means that we are getting somewhere.

Mr Speaker I am delighted to report that that permits numerous challenges. A major accomplishment of the support for the Competitiveness Program was the achieving of all of the 26 IDB conditions precedent to the first disbursement stipulated in the loan contract ... all 26 conditions were achieved. Mr Speaker in December 2007 the first disbursement was received. In 2007 the Project Execution Unit also was established in the work program

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

for implementation of the program that we developed. Mr Speaker, Honourable Members, for general information, support for the Competitiveness Program comprised four components coordinated by the Program Execution Unit.

One is the strengthening of institutional capacity to formulate and implement the National Competitiveness Strategy, improving the business climate, enhancing investment attraction, export promotion and raising production standards and support and private enterprise competitiveness for export development. In essence Mr Speaker and Honourable Members, putting it simply, the objectives of the National Competitiveness Strategy are to do so many things,

- a) Attract more investment
- b) Create more jobs and
- c) Provide more exports

Three basic things - the basic results the National Competitiveness Strategy should have are more investment, more jobs and more exports. The Honourable Member Mr Winston Murray alluded earlier that he was happy with GOINVEST and they will not receive. They will receive ... and it is true as he said GOINVEST will receive significant resources to improve its capacity for proactive image building, investment facilitation of an investment generation. Export

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

facilitation efficiency will improve the internal benchmark standards through collaboration between Customs, wharf operators and exporters. The Deeds Registry ... and there are many Attorneys in this House ... will be modernized in order to enable it to support greater efficiency in business registration, business funding process and greater support will be given to small businesses.

The Honourable Member Mr Murray also spoke about the Investment Promotion Council. The Investment Promotion Council is already established and it does not need members run by the Government. The Chairman, Honourable Member of the Investment Promotion Council is a proficient member of the Private Sector Commission is no other than the President of the Guyana Manufactures and Services Association. Also on that Committee is a member of the Bankers Association. The Private Sector comprises major stakeholders in the Investment Promotion Council and their mandate is to review fiscal incentives for the Private Sector. So the Government cannot be blamed if they are not having regular meetings and not functioning. The Private Sector is in control of that right now.

Guyana is quickly becoming one of the Region's most preferred conference destinations. Mr Speaker, the Guyana International Conference Centre hosted a total of thirty events and a number of tours from various organizations and schools from around the country. The

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Convention Centre hosted another event mostly in collaboration with the Private and Public Sector and I am glad to highlight along with the Government of Guyana a few of the largest conferences in the Caribbean in 2007.

1. The Rio Summit, which was held in February and March

2. The meeting of the Commonwealth Finance Ministers in October and

3. A special sitting of Caricom Heads of Government in December

Seven local conferences were also held there

1. Moving Guyana's tourism forward

2. The annual West Indies Cricket Umpires Conference, was removed from an island

in the Caribbean because they heard Guyana has this beautiful facility.

3. The Caribbean Association of Industry and Commerce the largest Private Sector

Organization in Guyana (CIC) held their Annual General Meeting in Guyana with our Chamber of Commerce and Manufacturers Association at the Conference Centre.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

4. And of course, the Rotary Inter-Guiana Meeting was held there also.

Mr Speaker, rising food prices worldwide resulted in hundreds of investors visiting Guyana to explore opportunities for partnering for progress at Guy-Expo 2007 which was held from September 27 to October 7 at the National Exhibition Centre. Mr Speaker, this exposition attracted some 250 exhibitors, local and overseas, as well as overseas buyers and investors from Caricom, Latin America, United Kingdom, North America, India, Pakistan and Indonesia. This National Event was also attended by the then Deputy Prime Minister of Barbados Mrs Mia Motley, with a delegate and now Leader of the Opposition ... with a delegation of over 46 business people from that island and these were top-level business people, Heads of Organizations, Heads of Chambers of Commerce and Manufacturers Association and Bankers. They came with their deputy Prime Minister to seek investment opportunities in Guyana and this was the forerunner of the special Heads of Government Conference that was called in December to address rising food prices because they saw many problems on the horizon and they saw Guyana as a place where they can come and invest.

They saw Guyana as a place in the Caribbean with the facility, capability and the environment for them to come

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

and invest. These business people did not come at GuyExpo and look at booths. The Deputy Prime Minister went back after a couple of days; the rest of the business people stayed for almost one week where they were matchmaking the different areas that they were interested in and those discussions were very fruitful.

In fact we had an investment seminar attended also by the Deputy Prime Minister Mia Motley. Both Minister Robert Persaud and myself were there and other stakeholders from the Private Sector. Guy-Expo offers exhibitors ambitions to be realized and opportunities for expansion by meticulous planning through structured seminars and workshops. During the seminars and workshop, attention was paid to creating the environment to foster and sustain partnership among small and medium enterprises and entities capable of providing product and quality development; economic use of raw material; Value added production beyond the primary and ... stage; and an expansion of local and overseas markets.

Guyana will once again have the pride of hosting Carifesta and the National Exhibition Centre has been chosen as one of the main facilities to host the activities for this upcoming major National and Regional event, Carifesta 10 from August 27 to 31, 2008. General repairs and construction work will commence shortly to the auditorium and other infrastructural repair work to the complex to enhance the facility for this major event.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

In 2007, Guyana participated in a number of Trade Shows, Expos and Conferences both locally and internationally. These events serve to increase awareness of Destination Guyana and to promote ... to Guyana. Traditionally these trade shows provided an opportunity to be updated on travel trends and also to meet network and negotiated decision makers in the travel trade industry.

Mr Speaker, and Honourable Members of the National Assembly, for the first time Guyana hosted the Gifts and Crafts Show. The first Craft Show ever was hosted in 2007 and what prompted us to host this Gifts and Crafts Show in Guyana? Because annually, the Caribbean Export Development Association usually hosts a Caribbean Gifts and Crafts Show in the islands of Barbados, Antigua and St Kitts. It was never held in Guyana. But at these crafts shows, 45 percent of the exhibitors are Guyanese. So we thought we can host the Craft Show in Guyana. Mr Speaker, I must admit I thought that one time by sheer and direct force I tried to get Guyana to host the Gifts and Crafts Show here. But the craft producers themselves did not want it to be hosted in Guyana, they wanted to get their allowance and they wanted to travel and they were not looking at the bigger picture. However, we had our first Gifts and Crafts Show here and it was a tremendous success. Producers from all over Guyana came down and converged at the National Exhibition Centre and

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Guyanese were surprised at the high standard of craft that we produce; they could not believe that we produced craft right here in Guyana in far ... areas when they came and saw the craft on display. The reason why we are talking about craft and all these things and why we are organizing the Gifts and Crafts Shows is because as our Tourism Industry develops and grows we have to show that we have these auxiliary products to support this industry.

Mr Speaker, Overseas, we participated at the ICB. The ICB is the largest travel show in the world that is held in Berlin and Germany and we were there in March 2007. Guyana had a booth at the largest International Trade Show in Berlin. This allowed the Guyana Tourism Authority to promote and sell Destination Guyana to the thousands in attendance in this premier business- the Business Travel Trade Show. Mr Speaker we also participated in the World Travel Market and excel London in November 2007 and we had for the first time our largest dedication. We were able to get six of our local tour operators to travel a lot with Officials of the Ministry of Tourism Industry and Commerce and the Guyana Tourism Authority at their own expense because they realized the importance of the show; that Guyana would position itself to leap forward in the tourism business in a meaningful way.

We participated in the Caribbean Tourism Conference in the Caribbean week in New York. A delegation from

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Guyana was also there displaying our products and the response was overwhelming as usual. We participated and were represented at the British Bird Watching Fair in September 2007. Mr Speaker we also participated at the famous American Birding Association Convention and Fair in Louisiana, USA. For the first time we participated in this important Birding Fair in the USA and of course, we were in the Trading Seminar in China on Development, Co-operation for Caribbean and Latin American and South Pacific Countries.

On the home front, we are a part of the UG Tourism Conference and we participated big-time at the Essequibo Regatta at Mainstay and the Bartica Regatta.

Mr Speaker and Honourable Members of the House in this National Assembly without being insensitive, I would like to ask you to support the Bartica Regatta that is coming up shortly. The Chairman of that Region said that the Bartica Regatta is on but because of the recent events, people would not want to support this as they usually have. So we want to urge you to come out and support this event and make it huge. We also participated in the Rupununi Rodeo and Expo which was a huge success. And Mr Speaker and Honourable Members of the National Assembly, I am pleased to announce that the New Amsterdam Fun Day which for several reasons did not come off in 2006, with the help of the Ministry of Tourism Industry and Commerce, this event returned to

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

the people of Berbice and the residents of New Amsterdam. That was a huge success.

Essequibo Night: The Guyana Tourism Authority was there and we also participated in the Pakaraima Mountain Safari. Mr Speaker, a new addition to our calendar of events is the Rockstone Fish Festival. Members of the House travelled to Barbados and went to Oistins, the famous fish place. I see the Honourable Member Aubrey Norton Elliot smiling. Just as how we hang out at Oistins, we have our local Oistins here, the Rockstone Fish Festival. And incidentally, the President of the Oistins Fish Festival came and graced us with his presence here in Guyana so we move on from there. This is something personal; the Rockstone Fish Festival.

We also coordinated the Christmas Tree Light Up, which has now become an annual event and people are looking forward to that these days. Just as how we light up the Rockefeller Centre in Times Square, we have our annual Christmas Tree Light Up.

Mr Speaker it is not by luck or chance that Guyana has become more attractive to tourists. Pamphlets are one of the more powerful and effective ways of promoting Destination Guyana and in building and improving our sales and distribution channel. Guyana has done hundreds of thousands of US dollars worth in Public Relations through this trip. Incidentally, during Cricket World Cup the Ministry and Tourism Authority organized

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

professional pamphlets. We concentrated on the journalist and the media people and not the cricketers who came to play cricket. The first day we sent a British team in to Kaieteur and they were surprised when we told them that the Ministry is going to pay for it. It was free. We facilitated them and the next day during the break session in the one-day cricket they were showing Kaieteur Falls and that was broadcast throughout the world. To get an ad like that would cost more than \$50,000. They just did it on their own so this is how we go about promoting Guyana.

Mr Speaker and Honourable Members of this House, apart from our welcome program for Cricket World Cup, we had during the Christmas holidays The Meet and Greet Affair where we had steel pan music and tassa drumming and we served ginger beer and black cake. I want to mention one thing but I do not know if it is appropriate in mentioning, the Honourable Member of this House, the late Mr Derek Bernard a true picture of a son of the soil came during the Christmas holidays. He met me and had his black cake and ginger beer and he was telling how impressed he was coming back to Guyana and being welcomed at the airport and to see so many people. How was I to know that he would pass away so soon?

Mr Speaker during 2007 we also launched Destination Amazonian 2009. During Tourism Awareness Month there were several activities but we concentrated on the

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

youth, university students and conducted lectures at the schools and talked to schools on Tourism and had essay competitions on tourism. We had a Kaieteur Overland Tour for the media and members of the media were there. We had a Number 63 Beach Fun Day and a Birding Tour of the Botanical Gardens. We also resuscitated three handicraft routes in Region 1; all this during Tourism Awareness Month. Mr Speaker to further expand tourism opportunities Guyana will be moving towards the time for the Amazon Cooperative Treaty Organization and we have Donald Sinclair who is based in Brazil, responsible for the tourism aspect among other things. Guyana is part of the Amazon, which we share with several other countries: Bolivia, Ecuador, Peru, Columbia, Brazil, Suriname and Venezuela. We are part of the Amazon. This will mean as the market grows we will position ourselves while branding Guyana as an Amazon destination. Destination Amazonia 2008 has been launched. An Act to the Amazon Treaty Cooperation Organization has selected Guyana to host the first ever Miss Tourism Amazonia Pageant in 2009. This is a significant achievement for Guyana to host Miss Tourism Amazonia 2009.

Climate change, standing forest, conservation and environmental issues are attracting a lot of attention. Guyana stands to gain in this part of the Amazon. Mr Speaker and Honourable Members of this National Assembly, I am pleased to announce this evening that

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

henceforth Guyana will be branded not Guyana nationally but Guyana the Amazon Adventure. In Jamaica they say when you go you know. We will say Guyana the Amazon Adventure. People all over the world know of the Amazon so by linking to the Amazon we position ourselves internationally.

Mr Speaker, Guyana ventured into the big leagues when it hosted its first International Fashion Weekend. This activity, which attracted scores of members from the overseas press and international designers and models, was a major success. It provided an opportunity for Guyanese designers and models to showcase their products and talents and so gain international recognition. The success of the fashion weekend resulted in Guyana hosting International Fashion Weekend annually.

The Speaker: Your time is up Honourable Member.

Hon. Samuel A A Hinds: I beg to move that the Honourable Minister be given another 10 minutes to conclude his presentation

Question put and agree to

Motion carried

Hon Manniram Prashad: Mr Speaker, to promote Guyana we have to spend money and advertise. We did so and advertised in the Association of British Travel Agents Magazine ... the magazine, Safari Publication. both of the directories for yachting and BRADT Travel

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Guide. We also have Caribbean Airlines in-flight video, 'Destination Guyana', Explore Guyana Magazine and the Coffee Table Book for the Commonwealth Finance Ministers Meeting.

As far as publications go a cruising guide for Trinidad and Tobago, Barbados and Guyana was published and launched.

We produced the new Georgetown City Map and Explore Guyana Magazine.

I am happy to announce that Bartica was declared a Port of Entry and the facilities of Customs, Immigration and Port Health are now in place and the owners of visiting yachts are very pleased with the new arrangement. Additionally, Guyana is now placed in the Boyles Yachting Guide with four to six pages dedicated to yachting in Guyana.

Cruise ships are trickling in to Guyana not as much as we would like, but you have to creep before you walk. The *Spirit of Adventure* which stopped here in November had onboard 350 visitors and while here we were able to take them to Kaieteur - 150 visitors or so. They were so impressed with our buildings. It was so amazing - they were busy snapping pictures of those old wooden buildings. They found them to be very interesting. A good thing about the *Spirit of Adventure* tour is that it was not the usual tour that goes to Barbados, Grenada and St. Lucia. They come from St. Vincent to Guyana then

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Suriname and to Brazil and from all the feedback that we have got, they loved coming to Guyana and they will come back again and again. Some of these tour companies include ...

Mr Speaker last year in my Budget presentation the potential of Birding was highlighted. I am pleased to report that Guyana is rapidly becoming a well-known destination for Bird Watching. Over 16 major Tour Companies across the world are actively selling and promoting Guyana as a Birding Destination. Some of these Tour Companies include, and I will call the names so that you can check ...

1. Birding Holiday and Tour companies in the UK
2. Tropical Birding and Wonder Company in Ecuador
3. Birding and the Ecotour and one other company in South Africa.
4. Legalized Tour and one other company in Canada
5. Eco Ventures in the USA
6. Travel Wide and Rising in Germany.

In 2007, several Bird Watching fans were organized in collaboration with GPIG. These fan tours introduce operators to a pristine and unspoiled destination and to over 800 species of birds that choose Guyana as their

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

home. Incidentally, right in Georgetown the Capital there are over 200 species of birds, which is a record for a Capital. And these fans on the participation of both the British Bird Watching Fair in England and the American Birding Association in the USA and along with the birding and collateral materials advertising Guyana is now being counted as the hot new tropical birding destination in the world and we are being compared to Peru.

Mr Speaker 2007 brought about a drastic increase in hotel rooms in increasing from 650 in 2006 to about 2000 in 2007. This room service will help us to successfully host and accommodate Carifesta 10 this year. Occupancy of hotels continues to improve throughout the country. The estimated occupancy rate at large hotels is 60 percent and small ones 80 percent. The ideal economic viability of big hotels is between 65 and 70 but we are getting there.

Mr Speaker, I would like to say and it is important to be noted, in Barbados most of the investment in hotels ... 95 percent of the hotels is owned by foreigners in Barbados. In Guyana, most of the hotels are owned by Guyanese. It shows that they have confidence to invest in the country. Guyana is becoming more recognized and competitive for foreigners and Guyana has promoted and endorsed a Best Adventure Trip for 2008 by the Times online.

Additionally, Guyana is listed with the top five destinations next best to wild life retreat; Guyana is listed

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

number two just behind Mozambique. Mr Speaker competitive Tourism Industry must set both international standard in keeping with business expectation and meet the service comfort and safety.

Mr Speaker commodity prices skyrocketed during 2007. The price of flour increased almost double over a period of time. But flour price increased because of the increase of wheat prices in the world market. The Government saw it wise to up the importation of flour and if we did not do this the price of bread would probably be doubled. But we anticipated the increase and Governmental action ... prudent management. Of course, this was done after consultation with all-day stakeholders including the National Flourmill. Mr Speaker timely provision of information to consumers and dedication of same were crucial components of the objective of the consumer department in 2007. This year the Consumer Affairs Department will continue its dedication drive to encourage consumers to speak out on areas of concern to them.

Mr Speaker amidst rising fuel prices, not only in Guyana but internationally, the transportation prices remains relatively stable in Guyana compared to all the other countries in the Region. Listen to what happened in 2007. The Minibus Association had threatened a strike, the Guyana Minibus Association and the Public Transportation Association and they came to see me. When I explained to them and showed them what the

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Government was doing with the price of gasoline in 2007 ... in January 2007 the excise tax was 50 percent and the excise tax on diesel was 25 percent. By the end of December, Government reduced the excise tax to 17 percent and the excise tax on diesel to 10 percent. The price of fuel in January 2007 compared to December 2007 increased by 64 percent but the price of gas at the pump only increased by six percent the lowest in the Caribbean.

Mr Speaker much has been said about VAT.

The Speaker: Honourable Member your time is up again.

Hon A A Samuel Hinds: I beg to move the motion that the Honourable Member be given 3 minutes to conclude his presentation.

Question put and Carried

Hon Manniram Prashad: ... When I was Chairman of the Private Sector Commission, I lead several delegations for the Government with close collaboration from the Opposition and Labour. The PNCR-1G supported VAT, the Private Sector supported VAT and we all thought that VAT would expand and widen the tax net. Mr Speaker with the money allocated in this year's Budget, deliberate efforts would make the market and promote Guyana and create additional investment opportunities.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

The Tourism Recognition Bill is particularly important because it will help to understand what is provided by tour operators thus bringing excellence to what we offer visitors when they come to Guyana. Mr Speaker for Guyana to develop and prosper in a competitive environment we must set high standards in our Tourism Industry to attract high-class quality tourists who will enjoy the natural beauty and splendour of Guyana and will want to return again and again to enjoy our warm Guyanese hospitality. Let us work together to clean up Guyana so that we can offer nature tourism adventure, tourism and ecotourism for the benefit of all Guyanese. I thank you.

The Speaker: Thank You Honourable Member.

Hon Members we still have four more speakers, the Hon. Member Ms Judith David, Mr Irfaan Alli, Dr John Austin and Mohamed Khan. As you can see Honourable Members, I am labouring under an enormous disability and I am unable to continue any longer. I have spoken to my colleague Mrs Riehl who has kindly consented and is always readily available to assist. I asked Mrs Riehl to take over from me so that I could be relieved for the rest of the evening. You need not stand. Region is the very ... seriously, Mrs Riehl will come and take my seat. Thank you.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

As soon as Mrs. Riehl takes her seat Ms David can start. I will ask you to give your usual co-operation to Mrs Riehl, please.

[The Deputy Speaker In the Chair]

Ms Judith David: I am grateful for this opportunity to make my presentation on the 2008 Budget Debate, Mde Speaker. This Budget like the other Budgets of the past are of hopes, dreams and promises. It is worrying and unfortunate that the people of Guyana have a different opinion to that of the Government and the Minister of Finance. There is a significant presence of hopelessness in our country and even more so what they resent is the spiralling crime situation of which our lives are no longer safe.

Mde Speaker, Guyanese have always known that poverty is one of the main causes of crime. I would like to quote from today's Stabroek 28 February 2008. And I quote Mde Speaker from Page 2, an article entitled *National Unity Essential For The Resolution Of Our Problems*, and this was an article based on our own Speaker Ralph Ramkarran speaking to an audience in Orlando and I quote:

He called for a high degree of national unity in order to bring criminals to justice and pointed out that poverty is the main route cause of crime. He further went on to

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

say, in all of this, he said we must not forget that the continuing existence of poverty which drives feelings of marginalization and insecurity and at the end of the day it is poverty which is one of the main root causes of crime. Therefore Mr Ramkarran said we must never remove our focus from the ultimate objective of eliminating poverty from Guyana.

If we decide on ‘*Staying the Course...*’, Mde Speaker, it means that poverty will continue and this country will be transformed into a nation of criminals. I can assure you Mde Speaker, that the lives of our people and the struggles to provide for their families are extremely difficult especially in the Hinterland Regions.

Development, Mde Speaker in a country is not building schools and hospitals or constructing roads but it is enhancing of people's lives through investment and job creation. There is still a high degree of joblessness. The increase of prices in every commodity has shown what VAT has done to our people. There is no relief with nine percent increase in salary. It is giving with one hand and taking back with the other. One debate promises at election campaign has fallen and I trust the Guyanese will be wiser in 2011. Mde Speaker, I will now venture into the issues of my Region.

The Hon Manniram Prashad said that Bartica is a Port-of- Entry for Guyana but it baffles the mind of Barticians under what context he is speaking about Port of Entry, for

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

whom and for what. Region 7 is still contributing greatly to the economy of this country while residents are struggling to develop themselves or where we stand from the Government we are still too small and insignificant. Region 7 always accomplished over 95 percent of their work program through the Budget allocation but they are still marginalized in their proposals. This year we have been awarded \$96.705 million - a mere \$6 million increase for projects that the Government thinks are important.

As in the last Budget of 2007, I once again emphasize on behalf of all the Regions of Guyana that there is need for our Regional Authorities to decide our needed and most important projects for our people. Mde Speaker attention must be paid to Regions like Region 7 which accomplished their goal with transparency and accountability even under heavy constraints. The residents of Bartica and in the immediate surroundings are trying to grapple with the recent massacres of 17 February 2008 when 12 lives were lost. My condolences go out to the families of these victims and those of Lusignan.

On Security ... This has always been high on our agenda for many reasons because Bartica is a mining town. It is the gateway to the interior and its potential for tourism ... even more now than ever our people feel very unsafe and fearful. We once again need the presence of the Army by us with at least 10 soldiers present in this

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

mining area that will soon become a secondary town. Mde Speaker, they heard from our President during his visit to Bartica that the Army only has three thousand strong ... How are we going to protect our borders? The salary of our disciplined forces to attract recruiting of ranks ... The Bartica Police Station sense and secure that allows safety for our policemen and women. There is need for two sessions of Court at Bartica/Mazaruni and Bartica Magistrates Court.

Mde Speaker at every sitting of the Court there is always a problem of remanded prisoners. Because of limited money this is creating serious problems for the judicial system and the rights of those incarcerated.

Mde Speaker, we are grateful and appreciate the privately owned speedboat service but there is need for close monitoring by the Police and the Transport and Harbours Department. These boats should enter and exit Bartica from the Transport and Harbours Department Ferry Stelling.

This Steamer Service should also be improved to enhance transportation for our business community. Mde Speaker in 2007/2008 we had about 7 fires with fatality including the Boys Dormitory at the Bartica Secondary School. The Residents do hope that the long awaited Fire Station will be constructed and finished to ensure service to our residents of Bartica and the one to 5 miles Bartica Potaro Road. It is with regret that I must inform this

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

House that I have not seen such proposals in the Budget for 2008 for Bartica. Our security guards continue to complain of not receiving their overtime. They stand there long hours of shift without any relief.

Roads: Mde Speaker our Roads in central Bartica have been done. It is a sign of relief but the standard and durability of work is far from acceptable. These roads are too narrow and thus accidents are liable to happen. It is my view that the contractor has so many contracts to focus on that he hurries and does sub-standard work. Mde Speaker, it is regrettable that the Government does not see need of the 5 miles Bartica-Potaro Road to be reconstructed. This road generates a lot of money with traffic flow of all types of vehicle to the interior and Georgetown ... an all-weather road. I would like to remind the Government that as poor as some of the users of this road are Mde Speaker in 2007, \$20 million was allocated to this road and nothing was done. The question to the Government is: why are you continuing to discriminate against the residents of 1 to 5 miles Bartica Potaro?

Mde Speaker the residents of Region 7 still await the river ambulance to transport our patients from Bartica to Georgetown. The Kamarang Hospital is currently operating without a doctor. The Bartica Hospital needs another Technician for the X-Ray Department and implementation of the 24-hour malaria testing and treatment for all hospitals in Region 7. I must remind

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

this House Mde Speaker that the theatre is still a white elephant at the Bartica hospital.

Education: Like many other Regions in Guyana, Region 7 suffers tremendously in the Sector. All our schools are short staffed including our outstanding Queens College. Our Secondary School Staff consists of students who have just completed 2007 CXC. Our teachers continue to look for greener pastures. There is insufficient furnishing for our students. There are parents that provide personal seating for their children's comfort. Mde Speaker there is still the presence of dropouts in our Region and we are in need of a well stocked Public Library. This is meant to assist our children in research and promoting reading ability in both children and adults. The Minister of Education should defer all courses and workshops for teachers for the July- September period so as to avoid the absence of teachers from our classrooms.

Mde Speaker the Secondary School at Three Miles Bartica is still to be completed for the new school year in September. We do not know where the staffing will come from but what are needed at that school are teacher's quarters that are not catered for at present. This school is long overdue and should be completed so all of our students can be housed in one building. Currently students are housed in two different buildings, namely the Bartica Community Centre and the President Youth Choice Multi-purpose Centre for school leavers. This building has never been used for its intended purpose.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Youth and Sports: Mde Speaker, because of political appointment our Youth and Sports Officer who definitely does not have youth nor sports as his interest has proven negative and incompetent. There is no sign of development within our youth. All of our sports grounds have deteriorated. Our youths are becoming more inclined to crime and drugs. There is need for a workable sports plan with our youth involvement. The National Sports commission needs to redirect its focus on communities that are deprived and neglected.

Housing: Mde Speaker, housing has no doubt been expanding through Housing Schemes but the fact is that some owners of these homes are facing difficulty to repay their loans and thus have suffered repossession. These Housing Schemes are still to be electrified and furnished with potable water supply. Our teachers and nurses await their plot of land to construct their homes. Mde Speaker, in Region 7 many in our community patiently await the Government's promise of the Solar system to promote their lives. Bartica has been experiencing for over two months constant blackouts and power outages. There is need for engines that can produce more electricity and an assured reliability of the supply.

Mde Speaker like my 2007 Budget Presentation I emphasized 100 percent increase for Public Servants in the hinterland community to make the cost of today that is definitely higher than their salaries.

1ST DAY BUDGET DEBATE 28 FEBRUARY 2008

Mde Speaker I once again condemn the massacre in Bartica. This community always lived united and this was clearly seen by the President and all the Cabinet Members and Ministers. These massacres were successful because of the incompetence of our Government to provide National Security. This was displayed by the attitudes of our Lusignan residents. Whatever were the motives of these perpetrators it is our duty to ensure that this never occurs in other parts of Guyana. We will continue to live in unity at Bartica because unity is strength. I wish that all Guyana can take the example of Barticians and Guyana will surely be developed and live our motto: One People One Nation with One Destiny. I thank you.

The Speaker: Thank you Honourable Member. This concludes our Business for today, Mr Prime Minister.

Hon Samuel AA Hinds: I move the Motion that the House be adjourned until tomorrow at 2 pm

Adjourned Accordingly At 22:15H