

National Assembly Debates

**PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF
THE SECOND SESSION (2002-2003) OF THE EIGHTH PARLIAMENT
OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE
REPUBLIC OF GUYANA HELD IN THE PARLIAMENT CHAMBER
PUBLIC BUILDINGS BRICKDAM, GEORGETOWN** Part I

49TH SITTING

2.00 PM

Monday 28 February 2005

MEMBERS OF THE NATIONAL ASSEMBLY (68)

Speaker (1)

The Hon. Hari N. Ramkarran, S. C., M. P. - *Speaker of the National Assembly*

Members of the Government - People's Progressive Party/Civic (34)

The Hon. Samuel A. A. Hinds, M.P.	- <i>Prime Minister and Minister of Public Works and Communications</i>
The Hon. Reepu Daman Persaud, O.R., J.P., M.P.	- <i>Minister of Parliamentary Affairs</i>
The Hon. Clement J. Rohee, M.P.	- <i>Minister of Foreign Trade and International Co-operation</i>
The Hon. Harripersaud Nokta, M.P.	- <i>Minister of Local Government and Regional Development</i>
The Hon. Gail Teixeira, M.P.	- <i>Minister of Culture, Youth and Sport</i>
The Hon. Dr. Henry B. Jeffrey, M.P.	- <i>Minister of Education</i>
The Hon. Saisnarine Kowlessar, M.P.	- <i>Minister of Finance</i>
The Hon. Shaik K.Z. Baksh, M.P.	- <i>Minister of Housing and Water</i>
The Hon. J. Ronald Gajraj, M.P.	- <i>Minister of Home Affairs; Region No. 3-Essequibo Islands/West Demerara (AOL)</i>
The Hon. Rev. Dr. Ramnauth D.A. Bisnauth, M.P.	- <i>Minister of Labour, Human Services and Social Security</i>
The Hon. Clinton C. Collymore, M.P.	- <i>Minister in the Ministry of Local Government and Regional Development</i>
The Hon. Satyadeow Sawh, M.P.	- <i>Minister of Fisheries, Other Crops and Livestock (Region No. 5-Mahaica/Berbice)</i>

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*The Hon.S.Rudolph Insarally, O.R, C.C.H, M.P.	-Minister in the Office of the President with responsibility for Foreign Affairs
*The Hon. Doodnauth Singh, S.C., M.P.	- Attorney General and Minister of Legal Affairs (Absent)
The Hon. Dr.Jennifer R.A. Westford, M.P.	- Minister of the Public Service
The Hon. C. Anthony Xavier, M.P.	- Minister of Transport and Hydraulics
The Hon. Bibi S. Shadick, M.P.	- Minister in the Ministry of Labour, Human Services and Social Security (Region No. 3 - Essequibo Islands/ West Demerara)
**The Hon. Manzoor Nadir, M.P.	- Minister of Tourism, Industry and Commerce
The Hon. Carolyn Rodrigues, M.P.	- Minister of Amerindian Affairs
The Hon. Dr Leslie S. Ramsammy, M.P.	- Minister of Health
Mr S. Feroze Mohamed, M.P.	- Chief Whip
Mr Cyril C. Belgrave, C.C.H., J.P., M.P.	-(Region No. 4 - Demerara/Mahaica)
Mr. Donald R. Ramotar, M.P.	
Mr Husman Alli, M.P.	-(Region No. 7 - Cuyuni/Mazaruni)
Mr. Komal Chand, C.C.H., J.P., M.P.	
Mrs Indranie Chandarpal, M.P.	
Mr Bernard C. DeSantos, S.C., M.P.	-(Region No. 4 - Demerara/Mahaica)
Mrs Shirley V. Edwards, J.P. M.P.	
Mr Odinga N. Lumumba, M.P.	
Mr Heeralall Mohan, J.P., M.P.	-(Region No. 2 - Pomeroon/Supenaam)
Mr Ramesh C. Rajkumar, M.P.	-(Region No. 6 - East Berbice/Corentyne)
Mr Khemraj Ramjattan, M.P.	-(Region No. 6 - East Berbice/ Corentyne) (Absent)
Dr Bheri S. Ramsaran, M.D., M.P.	
Mrs Philomena Sahoye Shury, C.C.H, J.P, M.P.	- Parliamentary Secretary, Ministry of Housing and Water
Mrs Pauline R. Sukhai, M.P.	-(Region No. 1 - Barima/Waini)
Mr Zulfikar Mustapha, M.P.	
Mr Neendkumar, M.P.	-(Region NO. 4 - Demerara/ Mahaica)

* Non-Elected Minister

** Elected Member from The United Force

Members of the Opposition (30)

(i) People's National Congress/Reform (27)

Mr. Robert H. O. Corbin, M.P.	
Mr. Winston S. Murray, C.C.H., M.P.	- (AOL)
Mrs Clarissa S. Riehl, M.P.	- Deputy Speaker of the N.A
Mr. E. Lance Carberry, M.P.	- Chief Whip (AOL)
Mr. Ivor Allen, M.P.	- (Region No.2-Pomeroon/Supenaam)
Mrs. Deborah J. Backer, M.P.	
Mr. Deryck M.A. Bernard, M.P.	
Mr. C. Stanley Ming, M.P.	
Mr. Raphael G C. Trotman, M.P.	
Mr. Vincent L. Alexander, M.P.	- (Region No.4-Demerara/Mahaica)
Mr. Basil Williams, M.P.	
Mrs. Volda A. Lawrence, M.P.	
Dr Daigleish Joseph, M.D., M.P.	
Miss Anna Ally, M.P.	- (Region No.5-Mahaica/Berbice)
Miss Sandra M. Adams, M.P.	- (Region No.10-Upper Demerara/Berbice)(AOL)
Mr. Jerome Khan, M.P.	
Dr George A. Norton, M.P.	
Miss Myrna E. N. Peterkin, M.P.	- (Region No.4-Demerara/Mahaica) (Absent)
Mr. James K. McAllister, M.P.	- (Region No.3-Essequibo Islands West Demerara)
Dr Carl Max Hanoman, M.P.	
Miss Lurlene A. Nestor, M.P.	- (Region No.4-Demerara/Mahaica) (AOL)
Mr Abdul Kadir, J.P., M.P.	- (Region No.10-Upper Demerara/Berbice)
Mr Ricky Khan, M.P.	- (Region No.1-Barima/Waini) (Absent)
Mrs. R. Bancroft, M.P.	- (Region No.8- Potaro/Siparuni)
Mr Nasir Ally, J.P., M.P.	- (Region No.6-East Berbice/Corentyne)
Miss Judith David, M.P.	- (Region No.7-Cuyuni/Mazaruni)
Miss Genevieve Allen, M.P.	- (Region No.4-Demerara/Mahaica)

(ii) Guyana Action Party/Working People's Alliance Party (2)

Mrs Sheila V.A. Holder, M.P.	
Mrs Shirley J. Melville, M.P.	- (Upper Takutu/Upper Essequibo)(Absent)

(iii) Rise, Organise and Rebuild Party (1)

Mr Ravindra Dev, M.P.

OFFICERS

Mr Sherlock E. Isaacs, Clerk of the National Assembly

~~Ms~~ Lilawtie Coonjah, Deputy Clerk of the National Assembly

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PRAYERS

The Deputy Clerk reads the Prayers

ANNOUNCEMENTS BY THE SPEAKER

(i) Performance of duties of Clerk of the National Assembly

Honourable Members, Mr Sherlock Isaacs, Clerk of the National Assembly, is on leave. During his absence Mrs Lilawtie Coonjah, Deputy Clerk of the National Assembly, will be performing his duties. Mr Maurice B Henry, Head of the Committees Division, will be assisting her.

(ii) Leave

Leave has been granted to the Honourable Members Mr E Lance Carberry, Miss Sandra Adams, and Miss Lurlene Nestor, all up to 4 March 2005.

PRESENTATION OF PAPERS AND REPORTS, ETC.

By the *Minister of Finance*:

Fiscal Management and Accountability Regulations 2004

PUBLIC BUSINESS

MOTION

**BUDGET SPEECH 2005 - MOTION FOR THE APPROVAL
OF THE ESTIMATES OF EXPENDITURE FOR 2005**

Correction of Typographical Error

The Speaker: Honourable Members, before we proceed with the Debate on the motion to approve the Estimates of Expenditure for 2005, I wish draw your attention to a typographical error in line 12 of the Motion. The figure 2004 should read 2005. Please correct accordingly.

Period of Breaks

Honourable Members, we will now proceed with the debate on the Budget for the year 2005. For the budget debate, and for consideration of Estimates by the Committee of Supply, we will follow our usual practice in respect of sitting times. That is, we will have our break from 17:00h to 17:30h and continue thereafter with another break at a convenient time.

**Assembly resumed the debate on the Motion for the approval of
the Estimates of Expenditure for the financial year 2005**

We are now in a position to proceed. Honourable Member, Mr Jerome Khan.

Mr Jerome Khan: Good afternoon, Mr Speaker. Mr Speaker, it is the tradition to congratulate the Minister of Finance for tabling the Government's Annual Budget. In keeping with that spirit and tradition, let

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me offer my congratulations to the Honourable Minister Kowlessar for tabling his 6th Annual Budget, although I am painfully aware that, regardless of how intrusive we in the Opposition might be, how analytical we might be, how careful we might share our voices on this side of the House, may never dent, or may never shake the Government's posture, attitude, and belief - a belief that all experience, all the know-how on how to run the affairs of the State resides on the Government's side. This, I must confess, has been the most discouraging aspect of political life in Guyana for me.

As a general point, I am moved to say that there was an atmosphere of great expectation and anticipation from all quarters for Budget 2005, given the recent calamity that has visited this country, and that is the flood which caused untold hardships to approximately 250,000 citizens. But I wish to quickly add that that sense of anticipation of hearing something that will capture the interest, imagination, and hope of our people, was short lived.

As I listened to my colleague, the Honourable Minister of Finance, read the Government's Budget for 2005, that anticipation was lost, because any child in third form could have picked budget 2002, or 2003, or 2004 and follow, section by section, page by page, word by word, what Budget 2005 would reveal. The only thing that was different, Mr Speaker, was the numbers. In some cases, the entire sentences from Budget 2004 were re-used unchanged. The entire structure, from the introduction to the very last page, was the same. We must remember that this will not do Guyana any good at all.

This Budget document will hit the international and regional arena. It will be in the press and will be featured on the Government's website, which will be a tremendous embarrassment to this country. What this Budget reveals is that we have an administration that resorts, in a large measure, to cutting and pasting old documents, inserting new figures, putting on a glossy cover for show and then making a presentation as an Annual Budget. Most remarkable is the fact that the numbers which the Government has presented are totally out of sync with the economic

reality of our country, particularly as it pertains to the rice and sugar sectors. Equally remarkable is the revelation that very soon, perhaps within the next three months, the Government will again table another budget.

My colleague, the Honourable Minister Nokta, quipped during the Budget presentation that this may be a pre-election budget, and the next one may be the real thing. I hope he is wrong in both regards; but if what we have seen thus far is an indication of the Administration's economic programme for Guyana, we are heading for dire straits.

Mr Speaker, I wish to turn to the area of the flood before getting into the substance of my presentation because, since the Minister introduced in his Budget a discourse on the flood, it is imperative that we set the record straight.

The massive amount of rainfall which fell on the coastal plain during the months of December and January came as no surprise to Guyana. Already warning signals were seen in November, based the information coming from the Hydro Meteorological Office, that there could be unusually high levels of rainfall during December and January. Against this backdrop and background a letter was written on 15 November 2004 by Mr Mohamed Deen, the Regional Executive Officer of Region 4, to the Permanent Secretary in the Ministry of Local Government, requesting additional funds for the maintenance of drainage and irrigation works in Region 4.

In fact, a follow-up letter was sent to the Minister of Agriculture, the Honourable Satyadeow Sawh on, January 10 2005, alerting him to the potential problems on the East Coast Demerara. So the Government had ample notice that there could be severe problems in Georgetown and on the East Coast. What is still astonishing was the attitude of the Government during that period. Could it be that some elements in the administration were playing politics and hoped to make the administration of Region 4 look incompetent in order to score cheap political points? Alas! What is more revealing is that, during the month of December, in a

Press briefing to the local media, the Honourable Minister Satyadeow Sawh and the Head of the Hydromet Office told the nation that we ought to brace ourselves for heavy rainfall. This was well-publicised in the media; so, it ought not to have been a surprise that the rains came in such volume. The fact that we did have an unusual amount of rain is no excuse for not preparing. The Government knew that the villages on the East Coast were the most vulnerable ones. They failed to act at the appropriate time, and when they did, they were slow. The Leader of the Opposition, the Honourable Mr Robert Corbin, made it his constitutional duty to alert the executive to the severity of the flood. He did this on 16 January by a telephone call to His Excellency the President. This was followed by a letter dated 17 January; and in the interest of having a collective response, he went to several meetings at the State House. *[Interruption]*

The Speaker: Honourable Member, I am just straining myself to find out how relevant the issues you are dealing with relate to the Budget Presentation ...

[Mr Jerome Khan takes his seat]

... Stand up! You do not have to sit. I have no doubt that the flood might relate to an issue of the Budget. The flood might relate to the Budget in ways that might have been captured in public domain, but what you are saying in connection with the flood, I do not know how relevant that is. I do not want to stop you, because you get ... *[Interruption]*

Mr Jerome Khan: But Mr Speaker, I am glad you asked that question. If this House would have paid attention to Budget 2005, it is the Minister of Finance who opened the Budget Debate by referring to the flood. I believe, Sir, it behoves us on this side of the House to correct some inaccuracies as to details and to put the record straight.

This was followed by a letter dated 17 January and, in the interest of having a collective response, he went to several meetings called at the

State House. While these meetings were called by the executive, they were triggered by the prompt intervention of the Hon Mr Robert Corbin.

I am advised that the United States Embassy also spoke to the Government, relying on their own intelligence report, and extended an offer of assistance to Guyana, but that offer was initially rebuffed by the Government. Had we accepted the offer at that early stage and solicited the help of this major bilateral partner, much could have been avoided. So, for the Minister to come to this House as he did and say that the Government responded with alacrity, is far removed from the truth.

We know that the first few critical days were spent mobilising television crews and cameras instead of mobilising relief for the flood victims. We know that the destitute and the needy, and even some drunk people, were given a meal and then cajoled by some reporters into saying that the executive was doing a good job. How callous could this have been? Mr Speaker, the only thing I may add is that the Government moved with alacrity to close down CNS Sharma television station, which was bringing the raw facts on the flood.

But there is a silver lining, Mr Speaker. I wish to refer you, Sir, to Page 3 of the Budget document and I quote what the Minister said:

All stakeholders must be involved if we are to roll back the tide of poverty and reach the frontiers of economic prosperity.

The PNC/R unequivocally endorses this, and sincerely hopes that the ruling Party will give true meaning to it. A good test for the ruling Party to demonstrate their commitment to such a process has to be with the post-flood rehabilitation process. It is our belief that some form of compensation ought to be given to those who have been affected by the flood.

A former member of this House, Professor Clive Thomas, along with his team, wrote yesterday in the Stabroek News, and I wish to quote him:

The World Bank ...

and may I add that the World Bank being one of our biggest donors

... has decreed that this is the single most quick action to take by giving cash contributions to the victims of the flood.

He outlined several steps that can be taken. He said that we ought to look at giving cash grants for;

- repairs to homes;
- replacing household items;
- rebuilding stocks of materials they would have lost; and
- in the cases of farmers, compensation for the loss of stocks, crops and animals.

This is in the *Stabroek News* newspaper of Saturday, 27 February.

Professor Thomas pointed out that the advantage of such a system is that there is no need for a huge bureaucracy to make it work.

The second salient point that Professor Thomas made was that there is a need to create a special fund into which all disaster relief and reconstruction money is paid. This, he noted, should be an independent fund, and should be administered by the Government and non-governmental personnel, with financial audit provided by an independent audit firm. There are some other variables to that suggestion, but that suggestion in itself has great merit.

We do not know as we speak, Mr Speaker, how the victims of the flood will be compensated; and to avoid a fiasco like the flood relief, where the emphasis was placed on television coverage by the Government, GINA, and NCN, we ought to give ourselves the opportunity to remove politics away from helping the victims of this calamity. If the Gov-

ernment is serious about its statement that all stakeholders must be involved, then they can demonstrate this by their actions and their deeds.

Mr Speaker, I wish to now turn my attention to the Budget. *[Interruption]*

The Speaker: I thought you were talking about the Budget all the time, Honourable Member. I thought that is what you said, that you are talking to the Budget.

Mr Jerome Khan: The other aspect of the Budget, Mr Speaker, I notice you are getting easily rattled. I notice that you are losing your composure, and I do not know why.

The Speaker: Please refrain from commenting about my attitude. Proceed with your speech. If you do not wish to speak, I will call the Honourable Prime Minister.

Mr Jerome Khan: A government's annual budget, Mr Speaker, by definition is a financial statement of a government's planned revenues and expenditure in a given financial year. But surely, Mr Speaker, any such budget must be underpinned by a discourse of our political economy, and must weave a developmental component in the medium term, as well as in a defined long-term objective. So budgets must be contextually placed within an integrated system. A system that links development; that connects mechanisms for the creation of wealth, mechanisms for the alleviation of poverty; initiatives for the creation of employment opportunities and, by extension, reduction in the unemployment rate; improved social services; appropriate recreational and leisure activities; a general stable macro-economic environment; national security and crime prevention.

A Budget must therefore, by necessity, Mr Speaker, be anchored to a developmental plan that is responsive to domestic, regional and global considerations. We have witnessed, and we have noticed missing from Budget 2005, a key ingredient - a developmental plan that lays out

a blueprint for medium and long-term progress. This Budget is, at best, a bookkeeping exercise, a spreadsheet of how the Government is going to raise revenues, and how they are going to spend those monies.

But we do not have to re-invent the wheel, Mr Speaker, because the Government has a document which was prepared by five hundred odd Guyanese - persons who participated in a process to create a document called the National Development Strategy. That document received a warm embrace from a previous Minister of Finance, Mr Bharrat Jagdeo, as he then was. That minister, as he then was, whom is now a leading light in the executive, stated in the *Stabroek News* of 13 September 1998, Sir, that the National Development Strategy was the most comprehensive economic document ever produced for this country. In that same letter, in response to criticisms levelled against the Government by one Dr Ganesh Ganpat, the then Minister of Finance, stated that Dr Ganpat, and I wish to quote him,

was in effect dismissing the efforts of more than five hundred people who have contributed, in one way or the other, to the Development Strategy.

This is in reference to a document that the then Minister said was the most comprehensive document in this country. May I ask, Sir, what has happened to that document? Indeed, aspects of the National Development Strategy are out-dated but, by and large, the major developmental objectives remain the same. Are we to conclude that what the Minister Jagdeo stated in 1998 foreshadowed this government's future behaviour, leaving unrealised most of the goals of the National Development Strategy?

In 1998 that same gentleman, speaking glowingly of the NDS, cites a Chapter 38, pages 35 and 36 of the NDS, and he said:

there is a recognised need for a deep-water port, so that Guyana can develop the capacity for freight-handling and transshipment.

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Is this still not relevant today? Would the sugar, rice, and timber industries not benefit from such a facility? Would this not help our trade with the southern states of South America? The then Minister stated that he endorsed the NDS position on the transport section, as outlined in Chapters 26 and 33 in the National Development Strategy. I wish to quote the Honourable gentleman again:

For these reasons, in the transport sector, one of the fundamental thrust of the National Developmental strategy is to create greater deep-water port capacity. It will be a key to the continued growth of Guyana's economy.

I wish to repeat that last sentence, *it would be a key to the continued growth of Guyana's economy.*

In this year's Budget, Mr Speaker, not a single word is mentioned about any deep-water facility; but in our 2005 Budget, on Page 3 Paragraph 4.3, the Honourable Minister, Mr Kowlessar, now talks about the rehabilitation of ferry stellings at Morawhanna, Stanleytown, Wakenaam, and Leguan. No deepwater port. The Government's record, may I say, Mr Speaker, in rehabilitation of stellings is very unique and very special. One such project - the Charity wharf, floated away like a submarine after the expenditure of tens of millions of dollars. I sincerely hope, Sir, that these stellings that are listed in Budget 2005 do not suffer the same fate.

Another very important recommendation of the National Development Strategy was for the creation of an export-processing zone. The recommendation for a modern, up-to-date export-processing zone, is still relevant today Sir. In fact, it is even more relevant than in 1998, when that Minister trumpeted its virtue. It should be noted that, as early as 1996, this administration mooted the idea of such a facility. What has happened to it, Sir? Such a facility is more needed today as we are faced with the vagaries of a shrinking commodity market, closing of full preferential access for sugar, the loss of a lucrative rice market in Europe, and less and lesser demand for our primary products. Did the

Government throw away the baby with the bath water and close all plans for such an important economic development scheme? This is what I mean when I say that any budget bereft of a developmental component, based on medium and long-term objectives, become merely a book-keeping exercise. There must be a link. There must be a connection, and absent in this Budget is any link, or any connection.

Mr Speaker, there is a document that we all have, which emanated from the Ministry of Foreign Trade and International Co-operation, and I must compliment my colleague, the Honourable Clement Rohee, for his initiative in this regard. I know that I have in the past criticized some of the initiatives of the Minister in this House, but I must compliment you, Honourable Minister. I think it's a fine document. That document Sir, is titled, *A National Trade Strategy for Guyana, Managing the Opportunities and Threats of Globalization*. That document, Sir, was prepared by Dr Craig Vangrazsik, under a USAID project. At Page 2 Paragraph 2 of that document Dr Vangrazsik writes, and I wish to quote the gentleman Sir:

Trade is more important to Guyana than to almost all other countries in the world. Even by comparison with other CARICOM members, Guyana is exceptional for its high level of dependence upon the external sector. Guyana can ill-afford to neglect either the opportunities or the risks presented by the external sector.

In order to reduce the risk level that Dr Vangrazsik resolved, we have to look at all possibilities, Mr Speaker, including promoting export-processing zones, duty-free zones, warehousing facilities, transshipment points, and an educated and skilled labour force. So why did the Government drop the export-processing zone like a hot potato? Having been conceived and introduced to the population in 1996, the export-processing zone is still born; it is not a reality. There are many more examples of how disconnected this Budget is to any developmental plan. I am sure many of my colleagues on this side of the House will illustrate how absurd it is to present a Budget that is disjointed and, at best, preg-

nant with election promises designed to trick the unsuspecting Guyanese public.

Mr Speaker, I wish to now turn to the *Review of the Fiscal Year 2004* as presented by the Minister. I wish to touch on a few aspects of the budget review. At Page 8 of the Minister's Budget, Paragraph 3.11, the Honourable Minister, speaking of *Monetary Developments* said the following:

Currency in circulation and private sector deposit rose by 9 percent to \$115.8 billion. Private sector deposit, which accounted for 84.7 percent of total deposit, grew by 11.4 percent, or \$9.9 billion.

Why is this so? The Minister must provide an explanation of how currency in circulation is increasing - how the private sector deposit has increased by 11.4 percent, and indicate that the declared economic growth at the same time is only 1.6 percent. He must explain that to this House.

Again, Mr Speaker, on Page 9, Paragraph 3.12, the Minister stated that *the total net domestic credit in the banking system was \$37.4 billion - an increase of 48.5 percent*, but that credit to the private sector declined, interestingly enough, by \$456 million. So how is it increasing, when the credit to the private sector is correspondingly in decline? I will tell you why in a minute, Sir. Some unsuspecting members of the public ... (listen, and yuh gun learn. Freedom House can't teach you this. This is a discourse) ... may be razzled and dazzled by figures, but here is the truth of these matters - the domestic credit in the banking sector, which grew by 48.5 percent, was due to Government borrowing by the issuing of Treasury Bills and other financial instruments. It was not a function of economic activity in the marketplace. Mr Speaker, whenever such a process, takes place, it reflects very poorly on the level of confidence in the political economy and the political management of a country. That is a fact.

The facts are that there are increasingly limited opportunities for the private sector to invest in. Equally, there is a limited opportunity of our commercial banks to off-lend their money, and they choose instead to hold on to Government paper - treasury bills, bonds, and other instruments. Mr Speaker, this is a direct function of a weak economy that lacks diversity. It is the function of an economy that has no developmental plan to which the private sector could buy into and willingly embrace. It is a function of a lack of a co-ordinated strategy to attract investment and a function of a highly politicized investment regime which vests too much discretionary powers in the Minister of Finance.

I now wish to turn, Sir, to Page 10 of the Budget, Paragraph 3.15, captioned *Exchange Rate*. The Honourable Minister Kowlessar revealed some startling facts, Mr Speaker, and I am sure you will find them very interesting. He states, and I wish to quote him correctly, there was an:

There was an increase in export receipts, higher disbursements of loans to the public sector, and greater private capital flows ...

The total value of foreign exchange transaction was US\$ 2.7 billion, surpassing those of 2003 by US \$400.

What does that mean to the layman? What does it mean to us in this Parliament? I will tell you what it means. The Minister advises that we did not meet our sugar target in 2004, and this is contained in the Budget. Check the Budget:

- there was an 8 percent decline in rice production;
- that forestry only increased by 0.5 percent;
- that there was a 1 percent decline in the fishing sector;
- quarrying contracted by 6.6 percent
- gold declaration fell by 7.3 percent, 10.8 percent declined

in output by OMAI alone;

- production of bauxite fell from 1,000,705 metric tonnes in 2003, to 1,503,416 in 2004, a decrease of 12.4 percent.

So these major sectors of the economy, Mr Speaker, are shrinking. They are declining. So there was absolutely no major increase, at the same time, of the price of our major export commodities - none whatsoever. So where did the increase in export earnings - US\$400 million, come from? What type of value-added was added to our primary products, Mr Speaker? There was no real growth in legal foreign exchange earnings in this country, so how did we have these incredible increases?

The Minister continues on Page 7, Mr Speaker, that *the manufacturing sector remained flat*. There is something missing here because, if everything is declining, how are we earning more in foreign exchange? [Laughter] [Interruption]

The Speaker: Time, Honourable Member.

Mrs Deborah J Backer: Mr Speaker, I rise to move that the Honourable Member be given fifteen minutes to continue his presentation.

Question put and agreed to.

The Speaker: Proceed, Honourable Member.

Mr Jerome Khan: Thank you, Mr Speaker.

Secondly, we must understand, in economic theory - and the Minister knows, because he is an academic, a trained economist - that the disbursement of loans to the public sector does not fall under the same economic rubric as income earned by private sector activities. If anything, it is a burden on the State, on the treasury, on this nation for, sooner or later, we would have to pay back those loans. This is nothing short of voodoo economics that was presented to this Parliament.

Thirdly, Mr Speaker, it must be an admission by the Government that a significant part of the export earnings that they have payable come through dubious activities. I would sincerely hope, Sir, that this is not an admission that the State is willing to embrace the proceeds of such activities. I hope so, Sir, We know, Sir, as you know, as we all know, as everybody knows in this House, that there has been great discoveries of cocaine in timber, cocaine in coconuts, cocaine in grey snapper, cocaine in molasses, cocaine in pholouri, cocaine in egg-ball, cocaine in the stomachs of couriers. I sincerely hope, Sir, and if I am wrong, I would apologise to you and to the House, that the government is not embracing these activities and are coming - presenting these figures - that US\$400 million cannot be accounted for sectorally. I have gone through the numbers, sector by sector. If we have had a decline, how come we arrive at \$400 million new money.

Mr Speaker, the fact remains that we must therefore question the macro-economic indicators presented by the Minister. There is no macro-economic stability that he talks about. It is an illusion, it is a mirage. If, indeed, the information that he presented in his Budget, Sir, is true, then we have to be very concerned over the fact that all the numbers under the macro economic rubric cannot be true.

When the Minister presented the economic agenda for 2005, it was very interesting, but I want to start by saying, Sir, that it would be a meaningless exercise to review, with any degree of seriousness, the economic projections for the year 2005, as adumbrated by the Minister, without taking into consideration the matters that I have just raised.

Moreover, Mr Speaker, the devastation of Region 3, Region 4, and parts of Region 5 must also be borne in mind. It means that the figures that he presented for rice and sugar are unrealistic. We know that the calculus used for arriving at the figures for rice is way off-key, and I am sure that the Minister will agree with me; I am sure that the Minister would agree with me that the calculus used in the area of sugar is also off-key.

Let me give you an example. One geographic area will tell you the point I am making - Cane Grove, Melville, Strathavon, Auckland, Huntley, Vereeniging, Supply in the Mahaica Creek area where over 14,000 acres of cultivated rice lands were affected, which would therefore have a direct impact on the production capacity and capability of the rice sector. The same is true for sugar as well, Mr Speaker. So the numbers that are being here presented by the Minister cannot be accurate. Well, the Minister is my friend and he knows I am telling the truth. I know that you are restrained to say certain things, Sais, but that is alright.

I want to comment on a section of the Budget he presented in the area of forestry, Mr Speaker, where the Minister of Finance also states that the Barama Company Ltd will invest US\$ 35 million in a new sawmilling complex. The Minister notes that this investment will add to the company's operation and forestry sector as a whole. Mr Speaker, the Barama operation in Guyana is a direct result of the policy of our late great leader, the true modern father of Guyana, Mr Hugh Desmond Hoyte. That is the man who brought Barama to this country, and the record must say so. The PPP Party criticized the gallant Mr Hoyte, accusing him of selling out the patrimony of Guyana. Mr Speaker, as I stand in this House, and as you sit there, we have come a full circle today and now the PPP/C has granted even far more concessions to Barama than the PNC did when Barama initially came here. This is being done at a time when the sawmilling activities in this country has been affected because of the massive exportation of logs out of Guyana, particularly some species of logs - locust, purpleheart, and even greenheart. We get little value. We get little for the State in revenue for value-added activity when we export logs. We have furniture manufacturers who have markets in Europe, who cannot obtain certain species of wood because they leave this country in the form of logs ... *[Interruption: 'Call name.' "I would not call the name because you would victimise them"]* ... while the government boasts in the Budget that about 500 new jobs will be created through Barama. May I ask, Sir, that already the signs are that 500 existing jobs of highly technical and skilled people will be lost because of this process? So from this side of this House there is a mixed set of reaction to this announcement for, while on the surface it looks

good and we welcome any major investment, if that investment is not managed properly, it could lead to distortion in the forestry sector and closure of many of the existing sawmilling operations, which will lead down to the detriment of our country.

Mr Speaker, I now wish to turn to the area of tax reform and administration. On the Government list, tax reform is an agenda item. In fact, it has been a recurring theme in several budgets, and its amazing that, year after year, what we see being proposed are really tinkering with the existing system, with no comprehensive system of tax reform being pursued. Let me explain this, Mr Speaker. The Government boasts of no new taxes but during the year as always, they would introduce some mechanism, some tax regime, some legislation to amend some existing regime, and in so doing, raise taxes through the back door. What is not lost is the fact that there are several indirect forms of taxation, Mr Speaker - professional fees which lawyers, medical practitioners and engineers have to pay; and there is a 10 percent fee which must be collected at source from the clients of the professionals. So that is another form of taxation that goes to the Treasury, so while the Government is boasting that there is no new taxation, it is not true. We know that is not true.

Mr Speaker, perhaps the Minister would like to listen to some proposals from this side of the House of what a taxation system ought to be like. The purpose of any modern tax system is to fund programmes for the common good, and to serve as a means of income distribution. To be meaningful, therefore, any reform of a taxation system must address, in the first place, the end objectives of having such a system, and that is the purpose for which taxes are imposed and collected.

The recent reorganisation of the Guyana Tax Administration has focused on collection as a priority, but the source of greatest loss is in the remission of duties and taxes on vehicles to contractors and individuals, often on a discretionary basis. The current tax system is a political tool to reward supporters of the ruling Party, and to punish those who oppose them. Any reform of the taxation system must therefore revisit the

criteria of taxation, and these include:

- revenue generating capacity;
- reasonableness;
- equity;
- transparency; and
- efficiency

Under revenue generating capacity, there are several well-established regimes that could be utilised, including:

- income tax;
- profit taxes;
- export taxes;
- import taxes;
- excise taxes;
- capital gains;
- estate taxes; and in some countries
- sales tax or Value-Added tax (VAT)

What is key is that increase in taxes must be kept within the nominal income growth rate of a country failing which inflationary financing is a likely outcome. I know that you are not listening to me because you do not want to learn.

Additionally, a more evenly disbursed national income provides a wider base for raising revenue from the tax system and reduces the reliance on any one particular taxing mechanism. Therefore, Mr Speaker,

care ought to be taken to ensure that the tax incidents on the private sector are not regressive, but instead allows the sector to pursue increased economic activity by way of new investments. The underlining philosophy should be to raise taxes on a wider base as possible so as not to have the process act as a disincentive to increasing income generation. We have stated in Parliament that the approach of the Government ... and the Government is slavishly following an IMF prescription that may be fundamentally flawed in the context of Guyana.

To introduce Value-Added Tax (VAT), as the Minister adumbrated in his Budget, without having a proper data base of income and property taxpayers, is simply transplanting the use of a Jumbo jet to travel between Ogle and Matthews Ridge, *[Laughter]* and we do not need that.

We argued before in this House, Mr Speaker, that the Government could easily use the current database, use information from the national register of registrants, to put together a new database and introduce legislation and make it mandatory by law, if possible, that all persons who are over eighteen years old or, at least every household in Guyana, must file an income tax and a property tax return. The Government will then assign a pin number - an F-I-N number, a financial information system number, which will be used for all forms of financial transactions - much like the social insurance number in Canada - so that all transactions could be recorded and this would help to prevent tax evasion. Unless this is done, the Government would create a system that will not:

- be responsible;
- be reasonable;
- be equitable;
- be efficient and effective; and
- it will lack transparency.

We must first start with establishing a culture of tax responsibility.

To simply introduce VAT which is another tax mechanism, into an already highly-burdened system, will be introducing another tax system to a dysfunctional one, and that would create greater distortions and conclusions.

Mr Speaker, I wish to proceed to conclude my contribution to this debate. *[Interruption]*

The Speaker: Honourable Member, your time is up.

Mrs Deborah J Backer: Mr Speaker, may I respectfully move that the Honourable Member be given fifteen minutes to conclude his presentation?

Question put and agreed to.

The Speaker: Proceed, Honourable Member.

Mr Jerome Khan: Thank you, Mr Speaker.

Mr Speaker, in concluding, we, from this side of the House, cannot, in any serious way, support what has been presented here as a Budget.

A PNC/R administration will make a difference in its presentation of a Budget.

A PNC/R administration will approach our national budgeting exercise by first underpinning that exercise with a laid-out developmental plan, which all stakeholders will help to shape and define.

We will introduce a meaningful investment law, which will make pellucid the areas open for investment and the incentives to be adopted by law.

We will remove all ministerial discretion in the granting of incentives, except in certain clearly defined circumstances as relates to national security.

We will embrace and create an appropriate representation, by genu-

ine private sector organisations, on all advisory and statutory investment bodies.

We will do a thorough revamp of the so-called one-stop investment agency GO-INVEST, because this agency is telling people to go and invest elsewhere. This organisation must cease to be a political tool of the ruling Party. At the moment it operates as an annexe of Freedom House.

Moreover, we will pursue diversification of our economy while maintaining strong support for our traditional sectors.

Mr Speaker, most of all we will partner all and sundry, even the progressive voices of those on the Government side who are looking forward to the sunrise of tomorrow and do not live the dawn of yesterday.

Thank you. *[Applause]*

The Speaker: Thank you, Honourable Member.

Before you commence your speech, Honourable Prime Minister, I will like to draw Members' attention to Standing Order 35 (3) under content of speeches, it says as follows:

It shall be out of order to attempt to reconsider any specific question upon which the Assembly has come to a conclusion during the current session, except from a substantive motion for rescission.

I will allow references to the flood issue insofar as it relates to the Budget. I will disallow references relative to the lengthy debate and the motion we had just over a week ago. I will ask Honourable Members to refrain from referring to the Sharma issue. I will direct the Clerk to expunge all references to that matter. Just over a week ago, I had to remind one Member that that is a matter engaging the attention of the Court. So Honourable Members, please pay attention to the rules.

Proceed, Honourable Prime Minister.

Hon Samuel AA Hinds: Mr Speaker, Honourable Members, it is with a sense of great satisfaction in this Government's accomplishment that I rise to commend the 2005 Budget presentation of my colleague, the Honourable Minister of Finance.

The Minister has presented a factual Budget, unvarnished, ungarnished, without spin - recognizing dangers and shortfalls. The presentation has been as all-encompassing as it could reasonably be. It is easy to follow and can be readily grasped by whomsoever would like to, for it is laid out in a logical way; and the Minister presented our nation's business in a businesslike manner last Monday.

There have been comments of a lack of public interest in the Budget, comments noting that there is nothing controversial in the Budget, hence there is no fascination. As Ram and McRae note in their *Focus on Guyana's Budget 2005* on page 29:

One of the fascinations about the budgets of yesteryear was whether there would be a devaluation of the currency. With a floating exchange rate, this no longer applies, and now that the Bank of Guyana is responsible for monetary management, that, too, is not a budgetary matter any more.

So far so good; there is acknowledgement of improved arrangements, but the same paragraph goes on to say:

But that still leaves a whole range of policy options, which may conveniently be dealt with in the Budget. The Minister has chosen not to consider and pronounce on any of them."

I think that Ram and McRae's words were well-chosen - *The Minister has chosen not to consider and pronounce any of them*. I concur with the choice of the Minister. His Budget presentation is not the

place for adventurous moves, or for dissertations on options which would engender controversy, no matter how entertaining that controversy might be. We have enough talk in Guyana. We need more action. The Minister has been doing what is expected of him: he reports on how well the Government has been able to maintain favourable economic conditions; he has set the ground, set the pitch for us Guyanese to act, to venture, to bat and score runs rapidly.

Our growth rate in 2004 of 1.6 percent indicated that we still have much to learn, that we still have a far way to go. We are still to discern and read markets well; to develop such markets and get to the consistently high rates of growth which, over some decades, marked the path of a developing country becoming a developed one.

Mr Speaker, I think I need to draw attention to this Government's achievement of stable and favourable economic conditions which is the first task of the Minister of Finance; which for the larger part only the Minister can make happen; and for which the Minister has not only one number to look at, but he must manage a set of interacting numbers.

Firstly, this Government has been able to keep inflation low and stable. The inflation rate of 5.5 percent during 2004 is indeed a commendable achievement in view of the large increase in the nation's bill - not only for the purchase of fuel, but for many other commodities such as cement and steel. The point needs to be made again that stable, low inflation, is good for business, maybe a first requirement of business, so that there is surety in contracts made in Guyana dollars; the anticipation of devaluation by inflation is removed, and that business transacted in Guyana dollars is less of a gamble. Low, stable inflation is also just as much a benefit to the average citizen, particularly those who are wage earners and pensioners. Indeed, the old pensioners of today complaining of their low pensions - a few hundred dollars, are suffering from the devaluation which existed in our country through the 1970s and 1980s.

Mr Speaker, Honourable Members, as I contemplate receiving, in two or three months, my benefits from my contribution to the Bauxite

Pension Scheme, I think of the fact that the first dollar I put in at the end of the 1960s, would have been equivalent to about \$1000 today, but I would receive only one dollar now – for ordinary citizens high inflation is confiscation - and this Government has been putting much attention to avoiding high inflation. [Applause] May I say that the Government is sensitive to the situation of many old pensioners suffering from inflation of the years gone by? Somewhere in the Budget the Minister of Finance has reaffirmed this Government's commitment to ensuring that pensioners in the civil service receive a pension no less than half of the minimum wage. . Secondly, the Exchange Rate has been relatively stable compared with years gone by. A depreciation of the Guyana dollar at 2.9 percent, with respect to the US dollar, is indeed commendable. Again, this helps business and the ordinary person too.

Thirdly, the Fiscal Deficit, the measure of financial discipline, making the best of what one has even in difficult conditions, this has been kept low at 4.5 percent. There may be arguments that this may have been too conservative. I would argue that when times are tightening one needs to first maintain control, then consciously, knowingly ease one's hand, and we can see this in the projection of the fiscal deficit of 13.8 percent in the 2005 Budget – a move by Government to prime the pump for economic growth in 2005.

Mr Speaker, Honourable Members, we need to note, too, the continued favourable movement in the local lending rate. Towards the bottom of Page 9, the Minister points out that, whilst *the small savings rate declined slightly to 3.42 percent from 3.46 percent in 2003, at the same time the weighted average lending rate decreased from 15.58 percent in 2003 to 13.45 percent in the previous year.* These movements in the lending and deposit rates favour investment.

Mr Speaker, Honourable Members, I would not want to differ with my colleague, the Minister of Finance, in financial matters, and I am not differing with him. But when he remarks in 3.12 on Page 9 about the *overly cautious approach to lending employed by the commercial banks,* I wonder whether he is being sufficiently understanding and sym-

pathetic to the bankers, recalling the well-publicized bad loans of Gaibank and GNCB, and no doubt their own less publicised bad loans.

Even so, the Minister has put his finger on a problem - we must encourage our bankers to develop more discerning methods in making decisions on granting loans.

Mr Speaker, Honourable Members, I sense, embedded in this Budget Presentation, a great challenge and opportunities before every one of us in Guyana. We are saving, whether enough or not, we are saving, but we are not investing. In 3.12 on Page 9 of the Minister's Presentation, he speaks about the G\$37.4 billion in total net credit of the banking system, an increase of 48.5 percent; and the lack of investing this money has been causing a continuing problem for the Minister. As he observes in 3.11 on Page 8, *monetary policy remained focused on* (the problem of - my insertion) *liquidity management*. There is a question here for each and everyone of us in Guyana - should we not be able to make this problem arising from a virtue (our savings) into a benefit? I hold that we can, and that we need to, and I hold to keeping this stable economic environment as a condition in which this investment should be taking place.

Mr Speaker, Honourable Members, when we think:

- (i) that our nation has money, liquidity, ready cash;
- (ii) of the needs of our people which go unmet, and of markets abroad which we can satisfy
- (iii) of many of our citizens who want to be gainfully employed.

It is clear that we have a challenge and an opportunity. This is so not only for the leaders of the formal private sector, but for everyone of us. In our daily lives we must have noticed needs going unmet, and people not working gainfully, but everyone of us can save, must save a

little, from whatever we have. We have a history in all areas of our country of the throwing of box-hands, of combining with others to get things done. So we have a challenge of investing in our country.

Mr Speaker, Honourable Members, we have opportunities in our liquidity, and we must be prepared to finance our development, not through the mediation of loans from the banks, as has been a tradition (the banks have their proper constraints on risks), but we must be prepared to make arrangements and invest our liquidity directly.

There is a challenge here, maybe, for the younger Guyanese - people in finance and business, for the development of Direct Investment Funds in Guyana - the local equivalent of the much desired Foreign Direct Investment. It is in this light that the Government has called for a consortium of widely held financial institutions, insurances and pension schemes to offer to take a majority position in GPL; and the Government's looking, similarly, for major financing of the Berbice River Bridge. These are safe investments - as safe as can be, being in all aspects under the control of us members of this nation. The costs are determined by us; the revenues-streams are determined by us; the profits flow to us; the overall benefits flow to us. These two projects present us - Guyanese - a good opportunity to learn to get our foot wet and grow as we build our nation.

Mr Speaker, Honourable Members, before I leave my general review of the Budget, allow me to draw attention to the Minister's disclosure in 4.50 on Page 40:

We will intensify spending on programmes to mitigate the effects of the structural reforms taking place in the economy.

Our other colleagues will speak more fully on these programmes, but allow me just to note that, whilst we recognise that the way to end poverty is to get people working gainfully, we are also recognising that we have a duty to support and assist our fellow citizens in difficult cir-

cumstances until they can do better.

Mr Speaker, let me address some of the issues raised by the Honourable Member, Mr Jerome Khan. Let me say that I agree with him. I understand that we must have dreams. We must aim for the sky, but we must get there step-by-step. We just don't jump and get there. We need to take action when it is timely and when the conditions are appropriate. When we speak about this question of the NDS, I will first say, as he said, that the NDS is so well known and that, in the interest of time and efficiency, we do not need to relate it all over again in this Budget presentation. But let me point to Page 3 Section 1.8 in the Budget Presentation of 2002, when he said clearly:

Our policy agenda, which is elaborated in the PPP/C Manifesto for the 2001 General Elections, for the Poverty Reduction Strategy Paper and, to some extent, the National Development Strategy document, explicitly recognises the need to stimulate growth, reduce poverty and engender sustainable economic development. It isolates and builds on our achievements over the past nine years and emphasises continuity over the medium-to-longer term.

So we are certainly sensitive to the NDS.

Mr Speaker, let me talk to the Deep Water Port, and let me say that I would have expected that everyone of us Guyanese would have been aware of the Berbice Deep Water Shipping facilities, which is the beginning of a deep water port in Guyana. At this time it handles PANAMAC vessels partly-loaded - 65,000-tonne vessels - the largest that can go through the Panama Canal. It handles those vessels partly loaded - up to about 40,000 tonnes.

Let me say another thing about a deep-water harbour. If you are going to have a deep-water harbour, then you have to have the business to justify it in order to pay for it; you have to have millions and millions of

tonnes flowing through it. That, Honourable Members, is presented mainly by our bauxite operations, which have had their ups and downs over the years. So we do have the beginnings of a deep-water harbour which is providing good service, at the mouth of the Berbice River.

Let me say, too, that there was also the issue of an Export Processing Zone, and one of the places that you are likely to have an Export Processing Zone will be in the vicinity of a deep water-port. Over the last year, or in the last year, the Government has marked out an area - to the mouth on the eastern bank of the Berbice River, downstream of the Canje Creek, a large area that is marked out and ticked off as the possible area for development of an export processing zone.

I also need to comment on the statement of the Honourable Member about not knowing where increased earnings for 2004 came from. I would have thought that it was plain to see, but let me state it. The increased earnings came from:

- the effectively higher sugar prices, particularly with the favourable euro dollar situation;
- higher rice prices; and
- higher gold prices.

The Honourable Member also spoke about the issue of the export of logs. I can say that this matter has been under discussions, under consideration on an ongoing basis. It is a matter on which the Government is working in efforts to resolve and reconcile. And it is an issue between those who hold timber sales agreements and those who are processing wood. In my view, wherever it is shown that logs are being exported, and I am dealing with, at this moment, any wood processor, the Government would step in and stop the export of those logs.

That has not been the issue. The issue has been one more of the future and one more of prices. Let me state clearly, that the low prices that people speak of for logs exported is often higher than the high local

prices for the same logs. I invite the Honourable Member to research this matter.

On the question of vehicles to contractors, I think all of us in Guyana should know by now that it is part of the foreign-funded projects, that there is usually a commitment that the Government revenue should not benefit from the foreign-funded projects and seeing it as an opportunity to raise taxes so that the vehicles and all the materials that constituted a foreign-funded project are nearly always - I am not in the finance area, there may be one or two different cases, but, as far as I know, they nearly always waived customs duty.

He also spoke of the area of tax reform. I think he missed what was, for me, an important comment. We have always been talking about personal income tax being too big a portion of Government's revenue, and in particular corporate taxes forming such a small part, but it is there in the Budget. The Minister made the point that last year the increase in corporate tax was about four times the increase in personal income tax. I think that, at least, answers some of the criticisms that the Honourable Member was making about our success, or lack of it, in the area of tax reforms.

I also think that his comments about incentives - these are well-known and I do not know what to say about that. *[Laughter]* The incentives are all well-known and, over the last years, we have been working on laws and on putting laws in place to reduce discretion. There is also talk about no diversification. I do not know if he has read the Budget, but if he read the same Budget that the Minister presented there, the Minister speaks to both things. He speaks toward enhancing our traditional sector and the growth of non-traditional sectors - tourism, in particular; in the agricultural area, fishery products are being cleared now for export, and we working for other agricultural goods to acquire certification for export. So I do not know which Budget my Honourable friend was reading.

Let me now address the areas for which I have Ministerial respon-

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sibility. The Minister, in his presentation, provided a succinct synopsis of many. I will direct my contribution to where I think it would be useful to emphasize and broaden on his presentation.

I hope you share with me the sense that I have - that our electricity supply is getting better and, in this regard, the Board, the Management, and all employees of GPL are worthy of our commendation. Contentions remain mainly about meter-readings and billings, but I think less so. No doubt holding the base price of tariffs unchanged for nearly two years has blunted the focus on the drive to criticize GPL. There have been signs, during the periods of load-shedding during last year, that we are falling behind in adding new generation throughout GPL. *[Interruption]*

The Speaker: Honourable Prime Minister, your time is up.

Hon Reepu Daman Persaud: I wish to move that the Honourable Prime Minister be given fifteen minutes to continue his presentation.

Question put and agreed to.

The Speaker: Before you continue, Honourable Prime Minister, Honourable Members, I would like to recognise the Hon Mr Jim Karygiannis, whom is the Parliamentary Secretary to the Minister of Transport in Canada, and a Member of the House of Commons.

You may proceed, Honourable Prime Minister.

Hon Samuel AA Hinds: Mr Speaker, Honourable Members, GPL customers should be aware of the great pressures put on GPL during 2004, by the worldwide rise in prices of fuel and essentially all commodities and materials. With about 75 percent of the costs of GPL incurred in utilizing items which are imported, GPL has been very heavily impacted. Fuel now takes 45 percent of revenues collected; imported equipment for maintenance of generation and distribution facilities take 15 percent. Employment costs, including all staff benefits, account for approximately 13 percent. It was therefore with tight cash management

that GPL could have held tariffs steadily, foregoing a fuel surcharge until December. We need to be reminded that the base tariff is being lowered from what it ought to be by about 15 percent, by Government, which is foregoing any return on its equity and other holdings in GPL.

This is a case where the Government is assisting people in a way that they may not be conscious of in foregoing its return on its equity and all its holdings in GPL by offsetting or removing about 15 percent of what the tariff should be. But this ease could not be enjoyed forever as Government-owned equity depreciates in line with the aging of equipment and facilities; new investment would be required, and that new investment would need its returns, indeed the quantity and certainty of that return would be what would attract the investment. Government has all along stated that it sees this ease as an interim measure, providing GPL and its customers some breathing space while GPL works to improve its efficiencies all around, in particular when we all work together to reduce historically high electricity losses to more acceptable levels.

The Minister spoke of GPL's rolling five-year sustainability and development programme (2004-2008), contemplating investments of some US\$120 million. GPL is seeking to meet this investment indirectly by attracting Independent Power Producers (IPP). This morning I attended the Information Seminar for prospective Competitive bidders for the 25MW of generation in Demerara and 10MW in Berbice. We can be assured that GPL is getting on with the task of sustaining electricity supply.

The Minister mentioned the need for, and Government's commitment to, the reprivatization of GPL. As the Minister stated, for as long as GPL remains Government majority-owned, its financial affairs fall within the prudent practices required by the Central Government. In particular, GPL could not, as any utility would, go to the market to raise loans on its merits, and it is for this reason that the Government invited - put out a proposal, put out an invitation, for a local group to take 50 percent - to take a major portion in GPL. Government also contemplates inviting competitive international bidding for a majority position in GPL in 2006

when, hopefully, circumstances would have been arrived at such that the invitation would be likely to be successful.

Mr Speaker, when in 1995 Dr Jagan accepted the privatization of the electric utility, he saw it as a step towards the widest holding of shares by Guyanese in the utility. Indeed, the various agreements saw both shareholders reducing their shareholdings from year two, with the likelihood of totally withdrawing between years 10 and 20. Government, remaining true to what Dr Jagan envisaged, is maintaining this invitation for a consortium of widely-held Guyanese institutions, insurance companies, pension funds to offer, at anytime, to take a majority position in GPL and this invitation can be accessed on the UAEP website at www.electricity.com.gy.

Mr Speaker, Dr Jagan also saw the privatisation of our electric utility being accompanied by the utility extending electrification where it was practicable, and that would include about 40,000 households in some 220 areas. Thus, however, the electrification programme was born, but this was linked to privatisation. This too, was put on hold for review when GPL reverted to full Government ownership. The total funding of the UAEP with US\$ 34.4 million, including US\$27.4 million as a loan from the IDB, has at last begun disbursing. Arrangements are well in hand for GPL, by the end of this year, to extend electrification to some 10,000 unserved households across their system. About 6,000 of these will be in the Sophia area, including South Cummings Lodge; and I can tell you they are eager and excited. They only want to get going and they are ready to pay their contribution of \$10,000 out of a cost of about \$70,000. Honourable Members, come to one of my discussions and you will learn all about it.

I must say, too, that during the eighteen months of review, the UAEP has been redesigned, to now include components focusing on loss reduction, strengthening and supporting GPL in contractual negotiations for Independent Power Producers/Power Purchasing Agreements (IPPs/PPAs), and assisting Government in reprivatizing. It also includes new components to strengthen the PUC.

Mr Speaker, Honourable Members, Guyanese, wherever they live in Guyana, are calling for electricity. There is electrification to some degree - sometimes purely private, sometimes Government-led, in dozens of hinterland communities - Lethem, Karasabi, Morakobai, Kamarang, Waramadong, Kurupung, Mahdia, Marakobai, St Cuthberts (in the making) Moruca, Mabaruma and Port Kaituma, to name some places that have been receiving some attention over the last year. The Government, anticipating this call for Hinterland electrification, had included in the UAEP, from the beginning, a component to study the electrification of a representative group of about twenty hinterland communities, and to electrify three or four of these villages as a pilot to lay the ground for a subsequent larger Hinterland Electrification Project. I can report that this component is on the way, with the consultants selected and beginning their visits during last week. So our hinterland brothers and sisters can feel assured that in our electrification programme, just as in all our other programmes - water and so on, they are not being overlooked. They are included. We are concerned about them.

Mr Speaker, Honourable Members, there has been talk, and the fact of a number of larger customers coming off GPL and becoming self-generators. Some have returned, finding that it is not so easy to do better than GPL. Be that as it may, we do have some issues to face, such as tariff rebalancing which, in other words, is phasing out the traditional social policy of cross-subsidy from large to small customers. So too, in time, GPL would have to address issues of reduced tariffs for interruptible supplies, time of day tariffs, and individual contracts with large consumers and so on. These are things that we are aware of. I mentioned them because they are mentioned, from time to time, by people saying that advanced countries do interruptible supplies - time of day tariffs. I speak of them only to show that we recognise them and we know of them, but again they may not be timely in our circumstances and situation. As soon as they become so, we will implement them.

Mr Speaker, Honourable Members, in the presence of greatly-increased petroleum prices, and increasing concern about green-house

gasses and global warming, it is difficult to speak about electrification without also addressing the question of sources of energy, and without also giving consideration to non-fossil renewable energy sources. Renewable energy is not free energy. Indeed, with the traditional costing, fossil energy is cheaper than renewable energy in many instances. Recognizing the tight financial situation of our country, Government's position has been that, whilst it would be happy for renewable energy projects to win out in bids, it is not in a position to offer financial support or subsidies to close any gaps. Government is pleased to note that two significant renewable energy projects are on the way to supply electricity to the grid in Guyana. We should know of it, and the Minister spoke of it in his Budget - 10MW of cogen-electricity, by the end of 2007, from burning bagasse at the new sugar factory at Skeldon in a high pressure boiler. Also members of the public would have known about the 12MW to be established at Hope Beach, which will provide an average of about 4MW to the grid.

There is also much questioning of hydropower. Hydropower continues to be pursued without fanfare. Private sector groups continue to pursue development of five potential hydrosites, including Tumatumari, Amalia, Upper Mazaruni, and these could produce between 10 to 2000 MW. Government has been facilitating, in all the ways it could, the development of renewable energy sources and urges all others to do likewise. The issue is always prices and cost and how they could be met.

Mr Speaker, Honourable Members, staying with this same theme of energy sources, prices and financing, may I say that, whilst we have pursued the Caracas Energy Accord throughout last year, we have not been able to clear our participation in this scheme - providing balance of payment ease in financing - 25 percent in credit-financing of the value of petroleum purchases from Venezuela. The primary problem has been that the loan terms are not sufficiently concessionary. Our pursuit of amended terms with the Government of Venezuela has not yet borne fruit. Guyana has therefore been purchasing 95 percent of its petroleum needs out of Trinidad at available commercial terms.

Mr Speaker, Honourable Members, the Guyana Energy Agency (GEA), which plays a major role in the nation's energy matters, has been leading an additional programme of fuel marking, which makes smuggled fuel evident. This programme has achieved much success in protecting our revenue and suppressing an avenue of criminal gain. If I may note, it is counter to what the Honourable Member wanted to imply that this Government is indifferent to criminal activity in Guyana. We certainly want to suppress crime. I am sure that when our Minister of Home Affairs speaks, he will speak much more to that subject ... *[Interruption]*

The Speaker: Your time is up, Honourable Member.

Hon Reepu Daman Persaud: I move that the Honourable Prime Minister be given fifteen minutes to conclude his presentation.

Question put and agreed to.

The Speaker: You may proceed, Honourable Member.

Hon Samuel AA Hinds: Mr Speaker, to move on to another topic - it is recognized these days that the telecommunications services available in a country, and the prices, are significant determinants of that country's participation in global business. Good, well-priced telecommunications services in themselves can bring call-centres and outsourcing. They can themselves bring business activity, work and employment. It is natural, therefore, that this Government would strive for the widest availability of the highest level of telecommunication service in Guyana; and Government remains of the view that a fully opened competitive free-market telecoms sector would provide assurance that whatever is on offer is reasonable, and that the sector is free of monopolistic exploitation. Further, we believe, taking account of the constraints of our limited members - population density and per capita GDP - many appropriate solutions for Guyana would need to be hybrid solutions tailored to the circumstances. This would need many quick trials, which would be hampered in a monopoly pre-approved telecoms regime.

During 2004, Government pursued with ATN/GT&T two approaches to reaching agreement for the liberalizing the telecoms sector, which seemed promising initially, but which eventually floundered. Nevertheless, in 2004, some significant progress has been made in the telecom-sector.

CEL*STAR Guyana launched its U mobile GSM cellular service - Global System for Mobile Communications, in December 2004 - the first really serious competitor to GT&T, particularly GT&T's TDMA cell service and its GSM cellular service was launched in September. CEL*STAR Guyana submits that it has invested some US\$20 million in 23 cell sites, in addition to its main centre and tells of plans to invest a further US\$10 million in 2005, adding about 30 more sites and bringing Linden into its network.

Even earlier in September 2004 GT&T, responding to the competition expected from CEL*STAR, had launched its GSM service, and GT&T also added 10,000 more land lines and initiated telephone services to more than a dozen hinterland areas, utilizing an in-house engineered Rural Radio System. GT&T tells of plans to install another 10,000 land lines this year and add more locations to their Rural Radio System. So we have had developments in the telecommunications sector and, notwithstanding all our problems and contentions, when we take account of the size of our economy and our per capita GDP, we are relatively well-endowed. With about 104,000 land-lines, we have land-line penetration of about 14 percent, and about 40 percent of homes have a land-line telephone. Cell phone subscribers are now in excess of 150,000 - well exceeding landlines. Internet services via Internet cafes are widely available.

The telecoms sector has grown so rapidly since the 1980s, creating such new and unexpected situations, that many authorities differ on what the pre-existing arrangements allow or exclude at the present time. In this regard there are a number of operators in Guyana offering data and Internet services in the grey area of dispute. The Government wants to get a position where this area of dispute is removed and is pleased that

its modernization of the Telecommunications Sector Project is running again. Under this project Government shall obtain the first draft of Laws for an open, competitive free market telecoms sector. In addition, the PUC will receive assistance in estimating the cost of Telecoms services in the Guyana situation; and the NFMU will receive assistance to enhance the unit's capability to monitor and better plan frequency usage in the telecommunications and broadcast sector.

Mr Speaker, turning to our traditional bauxite sector, I could not agree more with my colleague Minister when he says, at the bottom of Page 24:

the bauxite industry is poised for take-off this year. New life was breathed into the bauxite operations at Linden when a 07:30 joint venture between the Government and Cambior was sealed.

Mr Speaker, I could say that there is clear evidence of an improved system of operation which lowers costs and improves the competitiveness and the viability of our calcined bauxite operations out of Linden. It also happens at this time that China, which took most of the markets starting in the 1980s, is now finding it difficult, and maybe not attractive, to meet the market anymore. Its production is being utilised for its own needs, and its cost structures have been rationalised. So the new Company, OBMI, is looking to and, in fact, it is finding that people are coming now to it and asking for it to wrap up even more rapidly and is increasing production. They are also receiving better prices for their products. So we can feel, at this time, that things are looking good for the bauxite operations in Linden, and for the people in Linden.

In a much similar way we have arranged for RUSAL, after their approach to take a position in the operations in the Berbice River, initially coming and bringing investments - US\$20 million this year, and taking a management contract position and subsequently having a combined company in which they will take the 90 percent equity position. So we have been working at bauxite. I can also say that, in the commu-

nities at large, there are signs of revitalisation and people are becoming enthused and excited again.

Linmine, which continues to manage a large amount of property that was not required in the ongoing operations, has been managing it under the theme of putting old resources to new profitable uses.

In the last six/nine months I have been pleased in seeing the development by KARLAN Timbers of China of a wood processing facility at the old Green campsite, and now today about 150 persons are employed there directly, and maybe a similar number indirectly, cutting and selling logs to that operation

We can also speak of the Arawak Leather Company, a small Guyanese company that has taken a lease in part of HEED, and is establishing leatherwork/shoemaking operations.

LEAP and LEAF are getting into stride, and anyone looking on at what the Government has been doing in bauxite, and for the bauxite communities, I think, would put out of his mind the question that is raised from time to time of whether we are more sympathetic and more responsive to people in sugar. I have addressed that question on other occasions and I would not bother today to address it here, but just look at what we have been accomplishing in the bauxite industry and in the bauxite communities, and there should be no question that we give the same attention to all our people. If for no other reason, we want to eclipse you, Robert, in Linden in the next election. *[Applause]* We must dream, ask Honourable Member Jerome Khan.

In conclusion, I would urge us to be patient and to keep on working. True, as in our Budget, if you read the first part of the Budget, one could be a bit troubled that, at a time when the world grew at some five percent, we only grew at 1.6 percent. I think the answer is that we still have a lot to learn, and at the beginning of my presentation I spent some time explaining that in particular we need to learn to do better at our investments, discerning our projects and determining what would be suc-

cessful or not, and also being ready to try, and maybe to fail, and perhaps getting on with things. I want to urge us to get on with things.

Just not too far from here, I recall in the 1970s, when Mr Peter D'Aguiar (so the story goes) thought of introducing a first Kentucky (KFC) fast foods place in that location, and all the consultants told him that it was not the place for it to be located because there were plenty of donkey carts and dray carts about, but he went on and did it and it was a huge success.

So I want to urge us to keep on trying, to take the risk. This Government has been doing a lot over the past years in infrastructure, investments and in developments in our people's health and education. These take time to pay back. So I encourage us to keep going and we will build ourselves a much better Guyana - one that we will all be proud of.

Thank you. *[Applause]*

The Speaker: Thank you, Honourable Member.

The Honourable Member, Mr James McAllister.

Mr James K McAllister: Mr Speaker, I rise to join the debate on the 2005 Budget. My colleague, the Honourable Jerome Khan, has adequately addressed the broad economic issues relating to the Budget.

He has established that this Budget lacks initiative; that it lacks form, that basically it is a repeat of what transpired in the previous years; and that the Minister had merely changed a few numbers on some standard spreadsheet he obtained from somewhere.

He has established the fact that this Budget offers no hope for the poor and for the elderly and this, Mr Speaker, is very, very worrying.

Mr Speaker, my colleague has completed the general overview. It is now for me to address some specifics, and my remit today is two-fold. I am required to address the area of physical infrastructure and

issues specific to Region 3 - the Region that I represent in this Honourable House; but before I go on to do that, I just wish to comment on a statement by the Honourable Prime Minister, when he was replying to my colleague, the Honourable Member Jerome Khan, as it relates to waivers of import duties for vehicles coming in for certain contracts. Maybe I would want to suggest to the Honourable Prime Minister that he will probably want to check his facts.

The fact of the matter is that vehicles and equipments coming in for projects are allowed in duty free but, at the end of the projects, they are expected to be re-exported. If not, they must pay some percentage of the duty. If, in fact, there are people who are bringing in vehicles or equipment under that arrangement, and at the end of the project they are not re-exported - they are keeping the vehicles and paying no tax, well, then, there is some scam that is going on, and maybe the Honourable Prime Minister may want to check this out.

Mr Speaker, it is established that there is a direct correlation between infrastructural development and the high standard of living in any country. Infrastructural Development is a catalyst for growth and development. In recent years, the Honourable Minister had alluded to the importance of infrastructural development.

In 1992, he stated that infrastructural development is vital for attracting investment and ensuring access to economic activities.

In 2004, he stated that improving and expanding the physical infrastructure has been the cornerstone of a strategy to boost investment and stimulate economic growth.

In this Budget, Mr Speaker, the Minister speaks of strengthening and modernising the physical infrastructure to meet the needs of an expanded economy, while improving the quality of life of our people.

Mr Speaker, this is a constant theme which, I must say, is consistent with the Poverty Reduction Strategy Paper, which states on Page

62:

That the medium-term investment strategy is to improve the maintenance quality and coverage of sea defence, roads, and drainage and irrigation schemes ...

It went on to say, and quite importantly:

...that this is vital for reducing poverty and ensuring access to economic activities. Well-functioned infrastructure services can improve competitiveness and market access, which are key elements for generating income and employment.

Mr Speaker, the PNC/R agrees with the broad principle, even though the Minister seemed to have overlooked a vitally important aspect of infrastructure development. The Minister consistently speaks of infrastructure development as facilitating investment without recognising that infrastructure development itself could be a major source of private investment that could create thousands of jobs and give impetus to the economy but, over the years, as we go through the Minister's presentation, this is very, very, absent from what he has been saying. This is a very serious shortcoming. Unfortunately, this major shortcoming of the Government's infrastructure development programme seems to have shaped the limited and pedestrian infrastructure development programme the Government is putting forward.

Mr Speaker, to understand the pedestrian nature of the programme, we need to have an understanding of where we are at the moment, and how we got here. To provide that understanding, I wish to turn to the National Development Strategy. In looking at our road network the NDS give us a background to where we are at the moment, and I am quoting from Page 79, Chapter 8 - the transport section -

The main coastal roads are from West to East:

- the Essequibo Coast Road;

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- the Parika/Vreed-en-Hoop Road;
- the East Coast Road
- the West Coast Berbice Road; and
- the Corentyne Highway from New Amsterdam to Moleson Creek.

All these roads are paved.

South of Georgetown, the primary road is the East Bank Road, a two-lane road which runs from Georgetown to Timehri.

In the period 1966 to 1968 Soesdyke, located on the East Bank of Demerara, was connected to Mc Kenzie by a modern two-lane highway, now called the Soesdyke/Linden Highway.

In 1968, a bridge was built across the Demerara River at Linden. *[Interruption: 'It floated away.' "At Linden it is not a floating bridge, get your facts straight."]*

In 1994, it was decided that the route to Lethem would cross the Demerara Bridge at Linden and go south along the watershed along the Demerara River and the Essequibo River through Mabura and Kurupukari; from Kurupukari it would run parallel to the old cattle trail at Annai, and from Annai it will follow an already existing road to Lethem.

In early 1970s, a two-lane road with modern geometry and soils with laterite was built between Linden and Rockstone. The road was laid and connected to Mabura and Kurupukari.

In 1990/1991, a two-lane laterite road was constructed between Kurupukari and Annai, and a vehicle ferry installed at Kurupukari.

Since there was already an existing road between Mabura and Kurupukari, and between Annai and Lethem, it was not possible for

vehicles to travel between Georgetown and Lethem.

Mr Speaker, this gives us an idea as to where we are. These works, which were all executed while the PNC was in Government ... [Applause] ... and reading it, I am quite sure that the Honourable Members on the opposite side would agree that it sounds quite impressive, but we would add from this side, it was impressive for that time. However, in this day and age, if such a situation is allowed to remain like that, it will merely inhibit development. Let me go back to the NDS, and again it states on Page 79:

The existing road network is approximately 1,610 miles long, 90 percent of which is comprised of primary roads in the coastal and riverain areas serving the agricultural sector, while the road to Linden serves the mining and forestry sectors; 21 percent is made up of feeder roads which link the agricultural areas along the Coast to the primary road network, and the remaining 60 percent is composed of interior roads and trails.

This, as it currently exists, is a situation that should be unacceptable for us as a country that is trying to move forward.

Roberto Smith-Pereira, writing in his article *An Agenda for the New Infrastructure of Latin America*, lamented what he termed *the infrastructure deficit in Latin America*. He pointed to the fact that Latin America with, 10 percent of the world's population and 16 percent of the world's territory, has only 3 percent of the paved roads while, on the other hand, North America, which has 6 percent of the world population and 16 percent of the territory, has 52 percent of the world's paved roads. This is a startling difference, which underscores the difference in the levels of development and quality of life. We need to take note of this, since it goes to the core of the contention - that the prosperity of a nation is bound up with the state of its roads.

Mr Speaker, with respect to sea defences and drainage and irriga-

tion, recent events have made the entire nation fully aware of the nature of our artificial environment. It is now known that we live between the Atlantic Ocean at the front, and conservancies at the back. Clearly, infrastructural work in this area is more than economic. It is a matter of life and death. This was demonstrated when gross incompetence and neglect caused the conservancies to overtop, flooding out hundreds of thousands of persons in the process.

Mr Speaker, the Minister, in his Budget Presentation, gave details of the amounts of money to be spent on various rehabilitation projects - a mere bookkeeping exercise. The Minister, in keeping with the recently enacted Fiscal Management and Accountability Act 2003, should have provided, and I wish to quote:

an overview of the medium-term domestic and international outlook, together with the major economic assumptions upon which the financial plan contained in the Annual Budget is based.

He should have presented a vision for infrastructure development that would have transformed this country in the medium term. Instead he came to this Honourable House to inform us about how he intends to spend the billions of dollars the World Bank, IDB, CDB, European Union and the IMF are making available to alleviate poverty.

Mr Speaker we, from this side of the House, are not interested in merely reducing poverty, as the Minister seemed to be consumed in. We are all about making this nation prosperous. We are about improving the quality of life of the Guyanese people so that they can walk proudly in any part of the world and are not forced to run from the country of their birth to seek their fortunes elsewhere. We are not about reducing poverty. We are about making the people comfortable. We are about making the people prosperous. We believe that the fortunes of Guyanese must be here. Every government must be involved in looking beyond poverty and poverty issues and about creating wealth for people to enjoy. That is what the People's National Congress is all about. [Ap-

plause]

So when the Honourable Minister of Finance comes to this Honourable House merely to inform us how the Government is spending foreign money to rehabilitate roads, bridges, sea defences and drainage and irrigation systems built 20 years ago by the People's National Congress Government, we can understand the predicament we are in. We are not merely standing still, but are being swept backwards, since our lacklustre breaststroke cannot stem the tide of increased competition flowing from globalisation and other phenomena.

This sad state of affairs has been existing since 1992. On reflection, we must conclude, and I am sure the nation must conclude, that it was twelve wasted years of missed opportunities. *[Applause]*

Mr Speaker, the Honourable Member, Mr Anthony Xavier, will no doubt point to the various projects being managed by his Ministry, and I am not here to doubt him - that those projects are real and that those things are happening. He will speak of the \$1.2 billion allocated for the rehabilitation of community roads; \$756 million for the bridge rehabilitation programme; rehabilitation of the Corentyne Highway, and a number of rehabilitation projects executed over the years - Essequibo Coast Road, Georgetown/ Mahaica road; East Bank Demerara, et cetera. However, when he does that, he will merely be supporting the point I am making. I am making the point that there is one important word here - and when the Minister stands to defend himself, he will use that one important word, which is *rehabilitate*, repair what the PNC Government has built over two decades ago. So if we are here in the 21st century, and the Government is coming here to be very proud of a programme that is all about repairs and rehabilitation, then we must conclude that we are not going anywhere.

We want to look at that programme and understand what is happening, because a number of the roads that were rehabilitated have since deteriorated. A striking example is the East Bank Road that was rehabilitated on at least two occasions since 1992, yet it is in a poor state,

providing a very low level of road users' comfort. Across the country there is one standard situation - poor quality of work leading to rapid deterioration and wasted money. This is a fact. So if the Honourable Minister Public Works, Minister Anthony Xavier, stands here today to give us a register of projects, without stating what measures are being put in place to curb waste, reduce corruption, and increase quality, then he would merely be informing this Honourable House, and indeed the entire country, of the areas in which the Government intends to waste money.

For instance, in Region 3, Lali Dam in Tuschen and the old road Tuschen have both begun to deteriorate, even though they were only done a few months ago; Road Master Street in Leonora deteriorated immediately after construction. The roads in Crane and Zeelugt were done in 2001. They have been rehabilitated once and now contracts have been awarded again for a further rehabilitation. Is this progress? Are we not marking time? Are we going anywhere? Are we not wasting the taxpayers' money? Someone should be made to explain. Someone should be made to give account, because these are clear examples of a waste of money. This is a classic example of marking time and not going anyplace. So when I look at NCN and see the propaganda piece - *Guyana going places*, I wonder, going where?

Mr Speaker, millions of dollars are being spent on community roads, yet a number of villages in Region 3 are still not being looked at. A few years ago the Honourable Minister of Public Works promised to do the La Retraite Road, and the Chief Roads Officer indeed turned up in La Retraite and at my home; he called me out and we went and we had a look at the road. The construction started, but the works were abandoned and, between 2001 and 2005, nothing has been done again. The road is now in a total mess. One therefore wants to know what happened to the initial \$5 million that was never spent on the road, now that the road has been totally destroyed. What sense did it make?

David Rose Street in Bagotsville, Nismes Old Road, Church Street, Stanleytown, Long Pond and Murphy Streets in Good Intent and a

number of Streets in Patentia have never been touched since 1992. Yet a number of other roads are being done two and three times. So when the Minister points to the amount allocated for community roads, he might want to answer a different kind of question. Why are these roads not being done? I wonder if he is going to give a guarantee that, with the huge sums of money now allocated for miscellaneous roads, some of it is going to go to those roads that have not been touched since 1992.

Mr Speaker, I am quite sure that the bewildered Honourable Minister of Public Works must be wondering what he must now do. I will now tell him. A few years ago, the People's National Congress/Reform made public a very brave plan to take Guyana forward and to transform Guyana - *Guyana 21* -- which, if it was allowed to flow on the heels on the Economic Recovery Programme, Guyana would have been some place. It would not have been where we are today.

So therefore, let us look at some of the projects that *Guyana 21* proposes:

- A high-span bridge across the Berbice River and development of a suitable commercial area

This is the Berbice River bridge that we are talking about here, and I am quite sure the Honourable Minister will stand to tell us a lot about the Berbice River bridge. But he might want to explain why it is that, since this matter surfaced around 2000, why we have had two contractors engaged in negotiations, and why both contractors have walked away. He might want to tell why, until now, every year the Government is coming to say that the bridge is going to start that particular year. He might want to tell us, maybe I do not understand the Budget properly, how it is that the Minister of Finance is saying to us that works are going to start on the bridge this year, and when you look into the Estimates, there is money allocated for feasibility studies and designs? So I wonder what it is. Is the Minister saying that feasibility studies constitute works starting on the bridge? Someone should explain that because, quite frankly, if we are at a stage of feasibility studies and designs, then obvi-

ously we have not even engaged a potential contractor as yet; we have not even advertised for the contract as yet. How is it the Minister can so confidently inform this nation in March that the works are going to start? So a lot of things have to be explained about the Berbice River Bridge. Why is it that, suddenly, we are now going to a low level bridge? I know that the Honourable Members on the opposite side had bitterly criticised the floating bridge across the Demerara River. How come we are now going to Berbice with a floating Bridge that is closer to the mouth of the river closer to the Atlantic, which requires greater anchorage effort and obviously greater maintenance cost? So I wonder how are the people going to pay for this bridge which is going to be required to be maintained consistently when, in fact, if we had gone for a high-level bridge we would have known one-off what is the cost, what people would have to pay, and they would not have been burdened with the maintenance cost year-after-year. The Minister might want to explain this.

Let me continue to look at some of the projects proposed by Guyana 21:

- A new four-lane highway connecting Georgetown/Linden/Soesdyke.
- High Spot bridge across the Demerara River at Soesdyke.

We are now proposing to move away from the floating bridge at Demerara. The Government is now making a floating bridge in Berbice. This shows that the Government is behind time.

- A highway from Parika to Monkey Jump on the East Bank of the Essequibo River.
- A new international airport
- A series of bridges and crossways linking the islands in the mouth of the Essequibo River to Morasi on the East Bank and Supenaam on the West Bank.

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- High Spot bridge across the Essequibo River at Monkey Jump.
- Highways from the new international airport to Makouria on the East Bank of the Essequibo River.
- Deep water harbour and export processing zone at the mouth of the Essequibo River
- Highway from the international airport to Morasi on the East Bank of the Essequibo River.
- Highway from Timehri to St Cuthbert/Mahaica/Berbice.
- High-speed highway from Monkey Jump to Linden/Lethem.
- Highway from Monkey Jump to Bartica
- Highway from Supenaam to Kumarow in the Cuyuni River.

Mr Speaker, these are all projects that are outlined in Guyana 21. The Honourable Minister of Finance was laughing ... *[Interruption]*

The Speaker: Maybe we can pause at the point of laughing and get an extension of time.

Mrs Deborah J Backer: Mr Speaker, I rise to move that the Honourable Member be give fifteen Minutes to continue his presentation.

Question put and agreed to.

The Speaker: You may proceed, Honourable Member.

Mr James K McAllister: Mr Speaker, I have lost my ... *[Interruption]*

Hon Reepu Daman Persaud: The motion is to conclude, if it is to continue, we will vote against it.

The Speaker: Are you saying something?

Hon Reepu Daman Persaud: If the motion is to conclude, we will vote for it.

The Speaker: Can you formally propose the motion?

Mrs Deborah J Backer: Mr Speaker, I move that Honourable Member McAllister be given fifteen minutes to continue his presentation.

The Speaker: Is there a seconder?

Mr Jerome Khan: I second the motion

Question -

That the Honourable Member be given fifteen Minutes to continue his presentation.

Put and negatived.

Mrs Deborah J Backer: Mr Speaker, I therefore move that the Honourable Member be given fifteen minutes to conclude his presentation.

Question put and agreed to.

You may proceed Honourable Member

Mr James K McAllister: Mr Speaker, the Honourable Minister of Finance and the Minister of Public Works must be wondering where we are going to get this money? I saw the Minister of Public Works laughing. It sounds fanciful. Well, gentlemen, you have to be innovative.

Let me tell you about Highway 2000 in Jamaica. Highway 2000 is a centrepiece of a multi-year millennium project - a programme initiated by the Government of Jamaica. Highway 2000 will connect Kingston with Montego Bay and Bocharreas - passing through St Catherine, Manchester, St Elizabeth, West Moreland, Hanover and St Annes. Imple-

mentation of Highway 2000 will address the problems of reduced economic activities and road congestion. It will serve as a catalyst for economic activities along its corridors. These are some of the things with Highway 2000.

Now, Mr Speaker, I am also looking at a newspaper article, which speaks to the Caribbean Investor RBTT recently hosting a dinner to celebrate raising 130 million bond issues raised for the trans-Jamaica highway limited - bonds - private sector participation. So, we must therefore understand that these things are not fanciful. They call for a commitment, for dedication, for a Government that is going to have vision to take the country forward.

Therefore, I would have liked to go into a lot of benefits that would have flowed from the PNC/R's vision for this country but one of my colleagues will obviously have to take up this, because I wish to move on to the issue of the great floods.

I notice that my colleague, Mr Jerome Khan, incurred the wrath of the opposite side when he raised this issue of the great floods. We have seen clearly the headline that said, *WITHOUT MAJOR WORKS THE CONSERVANCY WILL FAIL*. Obviously, this is not a dead issue. This issue is still before us. The issue is still unfolding. When we look on Page 11, we see the article below which stated that normal rainfall have been predicted for January. What is this all about? It said that the Hydro-meteorological service had predicted below normal rainfall for the month of January. It also said that the Minister of Finance, Hon Saisnarine Kowlessar, announced during the reading of the Budget that the Hydromet Department will be strengthened with the acquisition of a Doppler digital radar. Very good, the Government is proactive. The Government is working. The Government is on the ball; or so he would want us to believe. I want to go to the Hansard Of 2002. The Honourable Minister of Agriculture then, not the Honourable Minister who is sitting in the House here, I think, it is the Honourable Member Mr Chandarpal and here is what he had to say in 2002:

Our local Hydromet Service has to be further developed. We had a difficulty with attracting the type of staff with the skills to undergo training, and we are currently improving that. We have set up equipment to help increase our ability to forecast. We are looking for a radar system to be set up shortly.

This was in 2002. So one can understand when the Honourable Members vote to deny me the time to speak, because, since 2002, this radar that the Minister is now talking about, to be bought now, should have already been bought. If we had that radar, then maybe the Hydromet Department would have been able to predict the rainfall, and maybe they would have been able to understand what was going to happen on 14 January, because if the local information between 7 and 14 January, showed there was no rainfall and the levels of the conservancy was rising - somebody closed the doors. This is a serious problem we have confronting us. So when we look at the situation where we are told that \$40 million was too much and we are given a smock face to say that this Government is a prudent manager, we will not spend \$40 million to rehabilitate the dam, we wonder how this Government can be so callous. Yes, US\$40 million can be so callous, while not repairing the dam and putting the lives and the livelihood of hundreds of thousands of people at risk and at the same time talking about poverty reduction when the very guts that would flow from their lack of action is going to place people into further poverty.

I wish to go quickly into *Finance and Development Magazine*, which speaks of the Samaritan dilemma where governments around the world do not want to act to prevent disaster, because they believe that when the disaster comes, the international community would run in and help them and give them money to do their thing. So therefore I wonder if this Government calculated that some people must punish, some people must die, and then, when we suffer, then we go and get money free of cost to rebuild the dam. Mr Speaker, this is the problem we are confronted with

A lot of money is going to be put into D&I. A lot of works will now

take place, and I wish to humbly submit that this is the appropriate time for there to be multi-shareholder participation. I believe that there should be a role for Parliamentary committees in monitoring the implementation of this programme. This is not a partisan issue. If the walls break, if the dams break, all the people will suffer. Those who voted for the PPP/C, those who will vote for the PNC/R, those who will vote for every Party will suffer, and so we need a multi-stakeholder approach to look at this issue.

Mr Speaker, very quickly, I also wish to take this opportunity to call again for us to look at the Engineers Registration Bill, since we are talking about all these monies going into developmental works. We see a clear deficiency in this area, because we only have to point to the problems of the CARICOM building and the fiasco into the designable connections for the floor, whereby the entire design is now suspect ... *I am telling you that, you go and find out* ... I understand, the test carried out by one of the Government engineers does not meet any standard. We therefore need to have the Engineers Registration Bill. We might want to have a situation where the Members from the other side could tell us what is going to happen there.

We also need to speed up the public procurement issue, the issue of the Public Procurement Commission, the issue of the revision of the Public Procurement Act, to ensure that, with all this money, there can be confidence in the system, there can be acceptance by everyone that everything is aboveboard.

Mr Speaker, in Region 3, there is concern of the possible closure of Wales and Uitvlugt Estates. I hope that the Government will look at this issue in a very serious way and to ensure that workers are prepared for any such eventuality. Even more urgently, there is the issue of cane farmers at the Wales Estate who are likely to be affected when, or if, the new pricing arrangements are put in place by GUYSUOCO, and one wonders what arrangements, what programmes the Ministry of Agriculture has to work with these farmers to ensure that these price arrangements will not sweep them out of business. These are some of the things

I hope that the Minister will be able to explain.

So, Mr Speaker, when we say that the Budget is pedestrian, you must understand.

I will posit here that the Ministers and the Members on the other side will all tell us a lot of things are happening, but I will say that, with time, things must happen, and so Government must not come to this House to take credit for things that merely happened with the passage of time. They must come to take credit for innovations and initiatives, and the Budget lacks initiatives, it lacks innovations. We cannot find any of them.

For accounting skills, I give the Minister a B+, for vision and initiative I give him an F. With respect to hope for the poor, hope for the elderly, and hope for the young generation, the Minister was not even allowed into the examination room - he failed the course work. And so, Mr Speaker, I will hope that we can help the Minister on the next occasion so that he can present a vision for the country, so that he can ensure that, when it comes to the Budget in the next couple of months to deal with the flood situations, there can be a vision and not a set of numbers, so that we can understand where we are going; we can understand about development, and we can give our people some hope. Mr Speaker, this is my contribution.

Thank you. *[Applause]*

The Speaker: Thank you very much, Honourable Member. We have fifteen Minutes before the suspension.

The Minister of Fisheries, Other Crops, and Livestock.

Hon Satyadeow Sawh: I rise to lend my support to my colleague, the Honourable Minister of Finance, Mr Saisnarine Kowlessar. In supporting the Budget *Confronting Challenges - Sustaining Growth and Development*, I wish to also congratulate his staff, who worked along with him for crafting a pragmatic and workable programme that will lay

the groundwork to further confront the challenges that we will face and to exploit the opportunities that will obviously follow from those challenges in order to sustain growth and development.

Mr Speaker, in 2004 the economy grew by 1.6 percent. The total budgeted expenditure of \$86.4 billion represents a 14 percent increase over the \$75.6 billion estimates for 2004, making the 2005 Budget the largest in Guyana's history. *[Applause]*

Inflation rate was kept to 5.5 percent; interest rates were lower, and the exchange remained stable and, in economic terms, these figures are impressive; but the crafting and presentation of any budget is not limited to economic figures or facts. A Budget such as the one presented by the People's Progressive Party/Civic Government has, as its underlining criteria, the betterment of the lives of the working people of this country. *[Applause]* All of this has taken place within the framework of a democratic culture, because we believe that development and growth are synonymous, that there cannot be growth outside of a democratic framework. In effect, Mr Speaker, this Budget simply aims to *Put People's Priorities* first - in effect PPP first.

Mr Speaker, I could not help but listen to my colleague, the Honourable Member, Mr McAllister when, in his presentation to this House a moment ago, he said, at the very opening of his presentation, that there is no hope for the poor or the elderly, as far as his vision went, in this Budget.

I would like to take on that challenge if I may, Honourable Leader of the Opposition and colleagues, to show, as I said earlier, that mere figures and statistics cannot comprise the essence of a budget meant to lead the nation, in economic terms, for another year. It has to be compassionate dealing with issues of people's interest. *[Applause]* Therefore in today's newspaper ... *[Interruption: 'Which paper?'* "not the same one the Honourable Member quoted, but in today's *Chronicle newspaper*"] ... no less a person than His Excellency, President Jagdeo himself, spoke about how this Budget will affect the lives of or-

dinary people. Sir, permit me if you will to quote from that report on some of those things:

Stressing the Budget - people focus - he argued that there were many, especially pensioners, who have major problems and the Government was catering for them through programmes like the one covering cataract operations for some 3,000 persons. The Budget covers the \$50 million bill for this and the Government is continuing its programme to provide free spectacles for thousands. Mr Speaker, this is one aspect of hope for the poor and the elderly that this PPP Budget for 2005 presents.

Mr Speaker, the Government has also set aside \$215 million for a basic nutritional programme to cater for children who have deficiencies that would affect their development later in life. A food-voucher system and a special nutritional supplement programme will be affected.

The President referred to \$90 million allocated for a continuing and expanding School Feeding Programme ... *[Interruption]*

Mr Deryck MA Bernard: I wonder if it is in order for the Honourable Member to quote from the President in that particular way. As I understand it, the President's name should not be used in this Assembly, and the conduct of the President should not be raised, except for a substantive motion raised for that purpose.

The Speaker: Just a minute, I am just examining that same topic. *[Pause]* Yes, Honourable Member, I will not allow you to use the President's name to influence the outcome of this debate.

Hon Satyadeow Sawh: Thank you, Mr Speaker. However, I think that I did bring to the attention of the Honourable House the point I wanted to make, in relation to my colleague's claim that there is no hope for the poor or the elderly.

Mr Speaker, if you will permit me to dwell on the presentation made by the other Honourable Member of the Opposition, Mr Jerome

Khan, it will also allow me the opportunity to deal with the whole issue of flooding. I respect the ruling you made earlier, but I would like to put it into perspective and to say that this country of ours has never, in its known history, recorded the amount of rainfall we have had over a one-year period, and over a one-month period, therefore the structures that were replaced simply were unable to take care of this great volume of water. I want to remind colleagues that, way back in November of last year, my Ministry convened a meeting of officials from Regions 2, 3, 4, 5 and 6 to discuss ways and means in which we can handle the expected rains in December/January and May/June. Sir, with all respect, I do not think anyone can predict with definitive accuracy any amount of rainfall at any one time. If we looked at what has happened to more developed countries over this period of time ... and here we are talking about all kinds of theories that are coming forward, in terms of global warming and what have you; but the Tsunami in Asia, the flooding in Venezuela, in Trinidad and Tobago, in Pakistan, in Grenada the hurricane, all of these phenomena - one would have hoped that we could have predicted and that we could have worked towards saving the hundreds of lives that perished, but we can only work in terms of how we can prepare, how our resources can allow us, and what we can do to prevent occurrences of this nature. So there was an unduly large amount of water on the land; and indeed the Honourable Member, Mr McAllister (I hope I got it right this time), may be right when he alluded to gross incompetence and neglect. Because I have occasioned before in this Honourable House, when we were discussing the flood per se, to bring forth the fact that correspondence were sent and received. We discussed the issue totally and completely, and some amount of negligence has to be appropriated to those who were in charge, particularly in the Regions, who did not do what they were supposed to do.

continued in Pt II

National Assembly Debates

**PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF
THE SECOND SESSION (2002-2005) OF THE EIGHTH PARLIAMENT
OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE
REPUBLIC OF GUYANA HELD IN THE PARLIAMENT CHAMBER
PUBLIC BUILDINGS BRICKDAM, GEORGETOWN Part II**

49TH SITTING

2.00 PM

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cont'd fr. Pt I

Mr Speaker, the Honourable Member, Mr Jerome Khan, also alluded to the fact ... [*Interruption: 'What about the radar?' "I will touch on that in due course"*] ... about the developmental plan that he claims was missing. I am glad that the Honourable Member Mr McAllister alluded to the National Development Strategy that came out later; and I want to remind this Honourable House that this Budget is in line with a three-year medium-term programme developed from the outcome of the Poverty Reduction Strategy Paper, consultations on which were held last year. So the PRSP fits within the framework of a development plan that this Government and this Party have laid before the people of this country, and that we continue to execute over and over.

The Honourable Prime Minister debunked the arguments about Deep-Water Port and export processing zones, all of these things have been spoken about before and will come on stream. We can only work within the given resources at our command and prioritise our work programmes; and this is not a willy-nilly buildings of edifices and white elephants, this is making a concerted effort and attempt to move forward as the need arises.

The Honourable Member, Mr Khan, also spoke about limited opportunities for the private sector to invest in. Now we all know of the investments. It was reported by the Guyana Office for Investment recently in the newspapers about the amount of investments - both foreign and local. I am certain that my colleague, the Honourable Minister of

Tourism, Industry and Commerce, will touch on that in his presentation.

The Honourable Member, Mr Khan, quoted from Page 7. He first started off from Page 6 and listed some sectors on that page that declined in terms of percentile and he mentioned rice, fisheries, gold, manufacturing as examples. Then he went on to Page 10 under section *c 3.15 - Exchange Rate*, and spoke about increased export receipts, higher disbursements of loans, et cetera.

He then posed the question suggesting that it was not possible for this to happen in economic terms. But I wish to suggest to you, and to this Honourable House, that if the Honourable Member had taken the time to thoroughly read the presentation of the Honourable Minister of Finance on Page 7, Paragraph 3.8:

Merchandise exports grew by 9.2 percent to US\$559.8 million, largely reflecting increased earnings from most of the key commodity exports. Receipts from sugar exports amounted to US\$136.8 million, an increase of 5.9 percent. The average export price of sugar of US\$472.3 per tonne was 14 percent higher than in 2003.

This is what accounts for what the Honourable Member asked for, the whole question of supply and demand have to be factored in an economic analysis, and that is the answer to that issue ... *[Interruption]*

The Speaker: If you are concluding on this point at this time, we can take the suspension now, otherwise please conclude the point you are making.

Hon Satyadeow Sawh: I have about two more points to deal with the Honourable Member Jerome Khan.

The Speaker: Maybe we can deal with those points after the suspension. The Sitting is suspended and we will resume at 17:30h

THE SITTING IS SUSPENDED 17:00H

THE SITTING IS RESUMED 17:25H

The Honourable Minister of Fisheries, Other Crops and Livestock

Hon Satyadeow Sawh: Mr Speaker, I was just about to enter into another area of discussion that the Honourable Member Mr Jerome Khan alluded to in his presentation, and that has to do with the Barama Company Limited.

The Honourable Member said that the former President Hoyte must be given fulsome praise for bringing this Company to Guyana, and I rather suspect he made this reference in terms of Barama being one of the very big investors in the country. Mr Speaker, it is not my intention here this afternoon to pronounce, or to engage in any kind of discussion as to who brought who in, when who left or whatever the case is. Suffice it to say that all kinds of investors have come into our country over the longest period of time and have invested, creating jobs for the Guyanese people.

I think the more fundamental question to be asked is who has kept Barama here? Why is Barama staying here and expanding their investments. Today in the world in which we live, particularly in the business world, we have to recognise that investors do not simply walk into a country and stay in a country because they like the looks of the people, or because they like the environment. They analyse the opportunities for investment, for a return to their investments, the investment climate, incentives, the political situation, among a host of other things.

Permit me, Sir, if you will, to quote the Honourable Minister of Finance on Page 27 of this document, in relation to the Barama Company:

Barama Company Limited will invest US\$35 million in a new sawmilling complex, a kiln and two state-of-the-art wood processing plants, among other projects in Buck Hall in the Essequibo River. Not

only will this investment add value to the Company's operations and the forestry sector as a whole, but it will also create employment for at least 500 persons and transportation links in a rural area of the country. The Company may also install three megawatts of co-generated electricity to power its operations at Buck Hall.

Mr Speaker, only this morning I had the pleasure of meeting with a delegation that represents the Forest Stewardship Council, which is a delegation that is in this country to monitor and audit the operations of Barama Company with the intention of offering certification to the Barama Company and when certified - I believe, Sir, that it is not a question of *if* anymore, but *when* certified, this will become the largest single block of natural tropical forest in the world to be certified as being sustainably exploited. *[Applause]*

As I said, not only the Barama Company ... We ought not to glorify ourselves as saying we brought this and you didn't, and you did that. Investments in the economy are taking place and in the forestry sector, to be specific. Karlan Investments employs 120 persons, primarily from Region 10, and has the capacity to process 10,000 cubic metres of logs monthly; and it is strictly value-added exportation of floorings. It has established a joint venture agreement with the North Rupununi District Development Board, which encompasses villages like Annai, Surama, Toka, Aranaputa et cetera, and will result in a monthly profit of approximately G\$14 million and employment of over 75 persons from these 14 Amerindian communities. This is happening today in our country. Likewise the Darling Sawmill in Port Kaituma, where US\$25 million over a period of five years ... logging at Barimita Sebai and this will provide significant benefits to these depressed communities. So all of these things are taking place and, as I said, I do not wish to single out anyone completely, save and except to say that this Government has laid, and is continuing to lay the framework and the groundwork for more investors to come. We are one of the most open and investor-friendly countries in this region, and the fact that all these people are coming is testimony to this fact.

Mr Speaker, the Honourable Mr Khan stated that the agricultural figures are unrealistic, and he based his argument on the recent flooding. Again, Sir, I wish to quote Page 50 of that very document of the Honourable Minister's Speech. I think the Honourable Minister was very, very, clear when, under Section A Introduction 5.1, he says:

Mr Speaker, as indicated previously, this Budget is based on a macro-economic framework that was developed prior to the incidence of the floods.

So it is not quite correct to say, as the Honourable Member did, that these figures are unrealistic because of the floods. The Honourable Minister alluded to this in his Budget presentation. The Honourable Member went on to speak about the need for diversification of our economy and that they would put emphasis on diversification while still maintaining the traditional pillars. But I wish the Honourable Member would wake up and smell the coffee, as we say, because this is the policy that the People's Progressive Party/Civic Government has been instituting ever since it came into office. *[Applause]* And more so, recognising the threats for our traditional crops like rice and sugar, we have begun to intensify our work in terms of diversifying so that we can have a broader base to fall back on when these industries are threatened at large, and to some extent are being threatened now. And that is why we can talk proudly today about organic agriculture, as I will in a few moments; about mushroom development; our intermediate savannahs, industries in Region 9 and so on. It is diversifying in terms of bringing more industries under production, while bringing more income into the pockets of our farmers. We have already started on this.

In relation to Drainage and Irrigation, Mr McAllister alluded to the need for multi-Party participation. But not only multi-Party participation is essential. We ought to involve all the people in terms of determining the way forward. I wish to advise this Honourable House, as was reported a few days ago - and I think the Honourable member alluded to that newspaper article - that the CEO of the Drainage and Irrigation is engaged in discussions with qualified and competent engineers, as well

as with officials from the United Nations Development Programme, in terms of putting life on implementing the positions as recommended in the Dutch engineers' report about the short term remedies that need to be done in terms of the conservancy dam. That work has already started.

Finally, in terms of the issues, my colleague alluded to *Guyana 21* vision and spoke about several grand proposals. But Sir, we have heard this adage *talk is cheap*, and I also add - idealistic and unrealistic. As I say today ... I would not again go back to the history, but I want to say that the members of the People's National Congress/Reform do not have any moral authority to speak about building and developing infrastructure in this country. [Applause] Their records speak for themselves. Indeed, this very *Guyana 21* vision was rejected by the people when the Opposition put forward those proposals as part of the programme. In any democracy the people have the final say.

So I think, once and for all, that would put to rest the proposals and discussions about all of those issues.

Mr Speaker, I wish to again offer my commendation for a truly competent presentation of the Budget, which was delivered by my colleague, the Honourable Saisnarine Kowlessar, Minister of Finance.

The past year was certainly not without its challenges. However, our report is testimony to the fact that we have been able to once again record a successful performance.

I am thus reminded of the adage, once adumbrated by the late Martin Luther King: *The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy.* I say, Sir, that this is certainly applicable to nations as well.

The Ministry of Agriculture, Fisheries, Other Crops and Livestock, with responsibility for Forestry, has indeed recorded achievements which have made, and are continuing to make, outstanding impacts on our economy.

Page 6 of the Budget speaks to the sugar production increasing by 7.6 percent, and in respect of rice a decline of 8.3 percent. It speaks of livestock increase by 2 percent, with egg production expanding by 76 percent. Other agriculture grew by 2 percent while forestry increased by 0.5 percent.

In relation to the fisheries sector, we noted a decline of 1 percent which, of course, is alluded to the rising cost of fuel; and this is the point I made earlier - that we have to look at demand and supply and other factors before analysing them for economic argument.

Mr Speaker, allow me to quickly report on some of the agencies that fall under my jurisdiction in the Ministries.

In 2004 *NARI* continued its expansion drive in the promotion of the non-traditional agriculture sector.

The work programme of the Institute was guided by its medium-term Strategic Research and Development Agenda (SRDA) 2003-2005.

In the area of post-harvest and agro-processing, several activities were undertaken. These included cultivation of edible mushrooms research, construction of a solar dryer and dehydration of fruits, vegetables and spices using only solar energy, use of sorrel powder as a natural colorant; production of mixed fruit drink blends, and preservation of fruit in syrup and fruit jam production.

In 2004, the Mabaruma/Hosororo Cocoa Growers Association (MHOGCA) was provided with a grant from the British High Commission under the Small Grant Scheme in order to further develop the organic cocoa industry which had its origin in Region 1. We have also seen the coming into being of the organic pineapple industry, in Region 2, as well, and there are plans afoot to expand this by incorporating several other Amerindian communities in the production of organic pineapples. These pineapples are finding themselves on the shelves in the markets in North America and Europe.

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Seed production of selected vegetables was done to ensure that quality seed of locally-adapted varieties reach farmers.

Services to the farming community included routine soil-testing and fertilizer recommendations, while technology transfer was done through training and on-farm demonstrations.

For the year 2005, planned activities for NARI include the purchase of seed laboratory equipment for testing and seed quality improvement, and purchase of soil chemistry laboratory equipment to provide efficient analysis reports on soil, plant tissues, fertilizers, et cetera.

The recent acquisition, of which you are aware, of agro-processing equipment which was given to the Government and the people of Guyana by the Government and people of India to be utilized in the research of value-added products suitable for local and overseas markets. The transferring of technology to agro-processors has already begun. This year we intend to accelerate this programme to take it to small rural communities so that our farmers and potential entrepreneurs in particular can have a look and understand the basic principles of getting into value-added production.

The Speaker: Your time is up, Honourable Member.

Hon Reepu Daman Persaud: I wish to move that the Honourable Minister be given fifteen minutes to continue his presentation.

Question put and agreed to.

The Speaker: You may proceed, Honourable Member.

Hon Satyadeow Sawh: Thank you very much, Mr Speaker and Mr Reepu Daman Persaud.

I touched a little on the organic programme, in terms of Region 1 with cocoa, and Region 2 with pineapples; but we also have the production of organically-grown hearts-of-palm, which is also finding a ready

market outside, and we intend to work and upgrade these facilities and introduce new crops in our organic thrust.

It is expected that construction of a field-screen house will produce 50,000 citrus with Tristeza virus-free plants for the farming community. Improved breeding stock – sheep, goats, cattle - will be provided to farming communities, and the cultivation of spices will be promoted.

Other planned activities include:

- Integrated management of insect pests, diseases, and weeds.
- Establishment of Drip Irrigation Systems for year round vegetable production.
- Establishment of a rice seed facility at Black Bush Polder, among other things.

We will continue in the intermediate Savannahs with agro-processing of fruits and vegetables; and as you are aware, if you go to some of our local supermarkets in the city, you will be pleasantly surprised by the quality of such things like cauliflower, broccoli and squash, which are coming from the intermediate savannahs right here in Guyana. The processing facility where an orchard has already been established will put value to the fruits which we will soon be harvesting from that area.

The *National Dairy Development Programme (NDDP)* continued its work in 2004.

Recognizing the need for improvement of the nutritional base of cattle, NDDP continued assistance in the establishment of improved pastures on farmers' holdings, among other things. We will continue this year to manufacture value-added products from milk, with the assistance of a dairy expert from India, who is currently working in our country. Hopefully, we will get more entrepreneurs interested in expanding on the mini-milk dairy processing facilities that we have.

The *Guyana School of Agriculture (GSA)* was able to fulfil its mandate of promoting and supporting agriculture development through education and training of young men and women interested in the agricultural sector.

All courses planned were delivered and examined successfully. Sixty-two students graduated and seventy-five continuing students were promoted to year two of training and we expect to continue in this tradition:

- Upgrading of livestock farm through renovation of farm office.
- Upgrading of computer laboratory; and
- Upgrading of library facilities, among other things.

The *Hydrometeorological Service* in 2004 provided aviation, public, marine, climate and agro meteorological forecasts as required, as well as monitored the water resources of the country and, of course, they did a lot of work during the period that we experienced during the beginning of this year.

The Honourable Minister, in his Presentation, on Page 34 alluded to something that will be coming on for the Hydromet Office. In Paragraph 4.34 it says:

Crucial to our effort of finding a lasting solution to the problem of flooding in Guyana is the strengthening of the Hydrometeorological Department. In this respect, under a 13.2 million euro Regional weather radar warning system project, Guyana will acquire a Doppler digital radar, which will provide continuous real-time radar coverage. This weather radar, which will bring the country in line with modern technology in use worldwide, will enable the Hydrometeorological Department to provide images and guidance to the public and key local sectors, such as the aviation industry, the water resources sector, agriculture

and disaster preparedness. In addition, staff will benefit from advanced training in climatology and other weather-related disciplines

The Honourable Member quoted my predecessor, Mr Chandarpal, alluding to the need like this. Eventually, over time, Sir, we get the resources to implement the things that we need to do so that we can continue to let progress engulf in this country.

What about the *National Drainage and Irrigation Board*? Mr Speaker, I again quote the Minister on Page 15:

... over \$1 billion was expended on various activities last year. Of that amount, approximately \$370 million was spent by the National Drainage and Irrigation Board (NDIB) to construct irrigation check structures in areas such as Windsor Castle, Walton Hall, Paradise, Leguan and Fyrish; construct and rehabilitate earthen embankment; execute revetment works; excavate outfall channels, and purchase and install two new mobile drainage pumps at Liverpool and Gibraltar under the Depressed Communities Initiative.

And this has significantly reduced the elements of flooding in Region 6.

Over \$500 million was used under various programmes to develop and strengthen drainage and irrigation structures in the Regions. Additionally, \$387 million was spent to prepare engineering designs for drainage and irrigation works under the Agricultural Sector Support Programme (ASSP).

These things will continue in 2005, for money has been allocated in this area to allow for these works:

- Purchase two more mobile drainage pumps.

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- Rehabilitate the drainage pump at Cozier in Region 2
- Rehabilitate and maintain drains, canals and structures in water-user association areas of Regions 3, 4 and 6.
- Construction of 200 ft, 120 ft and 200 ft revetment at Lima Dam, Jonestown, Buxton/Friendship and Esau and Jacob in Mahaicony respectively.
- Construction of irrigation checks at Lima, Sparta and Aurora in Region 2, and Buxton in Region 4.
- All kinds of different kinds of construction of drainage facilities. For example, excavation of façade drain and construction of embankment in Eastern Hogg Island
- Excavation of outfalls at Joppa, Eversham and Adventure

It must be noted that the allocation of \$250 million under current expenditure is intended for the sustainability of Drainage and Irrigation in the Regions.

Agricultural Support Services Programme (ASSP), Commencement of D & I works, will be part of this year's activity, as well as further strengthening the Water Users' Association

There is also a water component under the *EURICE Competitiveness Programme*. You will recall, last year at our budget debate, we made reference to this programme, which has now come on-stream.

There is also a water-management component, which will target major works in Region 2. This component is worth 3.2 million Euros and it will target rehabilitation of the Dawa pump and replacement sluices at Westbury and Golden Fleece. The preparatory works under this component have already begun, and will continue during 2005 with the launch of the tenders for these works.

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During 2004 the *Pesticides & Toxic Chemicals Control Board* continued in its mission to ensure establishment of appropriate registration schemes, along with provision of educational, advisory, health-care and extension services, among other things.

During 2005 the Board expects to conduct the following:

- Implementation of the pesticide regulations
- Establishment of the pesticides laboratory
- Publishing the list of chemicals registered for use in Guyana
- Licensing of vendors of agro-chemicals and toxic chemicals
- Training and certifying of pesticide control operators

The *Mahaica/Mahaicony/Abary Agri-Development Authority (MMA/ADA)* will continue this year with the:

- Rehabilitation of Abary conservancy dam and canals.
- Rehabilitation of drainage and irrigation structures in areas such as Little Abary, Hyde Park and Mahaicony in Region 5.
- Re-alignment, land tilling and cadastral surveys.

The *Poor Rural Communities Support Project (PRCSSP)* major activities for last year were conducted including ... and this is the programme that deals with Regions 2 and 3 specifically:

- Completed rehabilitation of drainage and irrigation for sub-project in Hibernia, Dry Shore Region 2.
- Execution of a number of projects, including multipurpose centres, daycare centres, cattle pastures, et cetera.

For this year,

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- Civil Works (D&I) – Rehabilitation and excavation of channels and construction of structures – 12 new projects will be seen.
- Provision of loans to approximately 2,000 beneficiaries in Regions 2 and 3, among other things.

The New Guyana Marketing Corporation (NGMC)

The volume of exports of non-traditional agricultural products and produce rose by 489 tonnes, or 12 percent in 2004 when compared with 2003. In 2004, overall exports were 4,561 tonnes valued at US\$4.9 million, or G\$998 million; while for 2003, 4,072 tonnes were exported valued at US\$3.7 million, or G\$728 million. The value of the exports increased by G\$260 million, or 32 percent, when 2004 and 2003 were compared.

The Corporation's central packaging facility continued to provide service to farmers and exporters to Barbados and elsewhere. For year 2004, 27 exporters, who processed 919 tonnes of fresh agricultural produce, used that facility.

For this year, we will continue with our *Guyana on Show* and, as you are aware, Sir, in St Lucia we just had one of these shows, and I expect that very shortly I would be signing, with the Honourable Minister of Agriculture from St Lucia, a protocol that will allow Guyanese exporters, entrepreneurs, exporters of fresh fruits and vegetables to begin exporting into a new market in St Lucia to serve the citizens and the tourists. *Guyana on Show* will also go to different parts of this world. We will also continue with our buy-local promotions, because we see the link - the link between having an appreciation amongst our own people for things that are made and grown in Guyana . . . because every time we consume something made or grown in Guyana, we are creating jobs for our own people. The old adage is that only things that are foreign, things that are wrapped glitzy with a foreign mark are necessary and better. We have been able to debunk this argument, and we are taking our *Made in Guyana, grown in Guyana* programme right across this

country. This year, we will be in Bartica, Georgetown, New Amsterdam, Anna Regina and Lethem.

The Speaker: Your time is up, Honourable Member.

Hon Reepu Daman Persaud: Mr Speaker, I move that the Honourable Minister be given fifteen minutes to conclude his presentation.

Question put and agreed to.

The Speaker: You may proceed, Honourable Member.

Hon Satyadeow Sawh: Thank you very much Mr Speaker, and thank you once again, Honourable Member Mr Reepu Daman Persaud.

Rice - Guyana Rice Development Board (GRDB) - 2004 was a successful year for the rice industry in Guyana, despite some difficulties in some areas, such as - increasing cost of input, drainage and irrigation, and payment by some millers; 2004 was designated International Year of Rice.

Total paddy production for 2004 was 500,911 metric tonnes, with a rice equivalent of 352,592 metric tonnes.

A total of 243,092 metric tonnes were exported in 2004, compared to 200,432 metric tonnes in 2003. This 21.3 percent increase was the largest growth the industry has experienced over the last five years.

With respect to export earnings, Guyana received some US\$55 million, which is 21.6 percent higher than in 2003, when total exports were valued at US\$45.3million. For this year, the Guyana Rice Development Board will conduct approximately 210 farmers field school sessions targeting 1,500 farmers. The Board will continue the collaborative work with GNBS in training of farmers and millers. Sir, in 2005, the GRDB became a member of the Latin American Fund for Irrigated Rice (FLAR), whereby farmers will access improved rice varieties.

Another major project for this year is the examination of the Rice Factories Act, with the expectation that recommendations will result in improved payment to rice farmers. A legal consultant will be retained by GRDB to conduct this study.

Sugar – Guyana Sugar Corporation Inc. (GUYSUCO) - In the sugar sector, in 2004, GUYSUCO's production was just over 325,000 tonnes of sugar - the second best production since 1997. Previous best during that period was in 2002. Yields also improved with fields yielding 79 tonnes of cane per hectare, which is a 10 percent improvement on 2003 levels.

All markets for which GUYSUCO has a quota were satisfied - the European Markets 181,000 tonnes and the USA 18,000 tonnes.

GUYSUCO continues to be the major supplier of brown sugar into the Caribbean.

For this year, GUYSUCO is targeting production of 338,000 tonnes of sugar. We will continue to work on improving yields through the implementation of the Agricultural Improvement Plan, and with good weather we will achieve the land-preparation and replanting programme, which is important for the 2006 crop.

Better rates for Euro is anticipated, which would assist the Corporation with its cash flow.

Fisheries Department - Last year was one of success for the fisheries industry.

Guyana has received formal certification from the European Union to export fishery products to Europe, and we have also been certified by the United States Administration with the use of Turtle Excluder Device (TED) to export to the United States market. We hope to continue and to improve on this so that our farmers will be able to benefit more.

Sir, you will recall, for I did mention in my last year's presentation

also, the fact that we have a programme with the FAO titled *Introduction of Aquaculture* and other integrated management practices for rice farmers, and this very week - we will be witnessing how well we have done in terms of assisting our farmers both in the rice sector and small fishermen to rear their fish while they cultivate their rice production. This has taken place in some trials in Region 6, specifically in Black Bush Polder. This weekend will be a landmark weekend when we hope that, with the transform technology, we will transfer this to our farmers across Guyana so that they can earn more - whether they are rice farmers or fish farmers. We will assist them to earn two salaries, as it were, while they continue their production.

Another important thing that will happen this year in the fisheries sector is that three projects should come on-stream through the Caribbean Regional Fisheries Mechanism with aid from the Japanese. These include:

- aquaculture;
- Caribbean database on Fisheries; and
- Offshore survey for large Pelagics

Gear-type regulations will be put in place for the expanding of red snapper fishery. Currently, Guyanese fishermen are using trap-gear, which is detrimental to the species. Steps will be taken this year to train fishers with the handline gear, and within a three-year period phase out the trap-gear almost entirely.

Forestry Sector - I have alluded to what we have already done in the Forestry Sector. I will just mention a few more. We intend to establish a Timber Marketing Council (TMC). This TMC will enable producers to access marketing information and market products in a more harmonized manner and, of course, this will allow us to promote our lesser-known species. Our country is blessed with more than one thousand species in our forest and we believe that, by setting up this Marketing Council, we can more aggressively introduce these species to the other

parts of the world and thus put less dependence on our traditionally known species like greenheart and others.

We spoke of how well we are doing with Forest Certification, and how soon we are expecting Barama to acquire theirs, and there is also another company operating in Guyana that is seeking certification at this point in time.

Mr Speaker, despite the many setbacks, we can commend ourselves. To quote the great Winston Churchill, *It is no use saying we are doing our best. You have got to succeed in doing what is necessary.* We believe that we have succeeded in doing what is necessary to put our agriculture in this country on an even firmer footing

While we are not blind to the impact of our recent natural disaster, we remain focused on the need for diversification as a major tool for the revitalization of the industry. I have had reason to allude to this in a greater detail in my earlier presentation.

In so doing, and in conclusion, we are placing those necessary strategies in place to ensure the development and continuity of the sector in the expansion of our economy. We are directing and redirecting necessary efforts towards development of the non-traditional crops and livestock and agro-processing sub-sectors.

I call on all of us to prepare ourselves for the task that is ours and put our shoulders to the wheel to ensure the success of Guyana's agriculture. This will necessitate all working together in unity and in partnership in the interest of all Guyanese.

Finally, I wish to thank my staff at the Ministry as well as all those who are involved in agriculture, particularly our farmers. We will continue to work together with them, for we believe in our farmers, we believe in the ordinary people in this country, we believe that it is the ordinary people who will take Guyana to greatness and, despite the rhetoric of some, Mr Speaker, we will not lose focus.

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The People's Progressive Party Government will continue to ensure that we lay the groundwork for the development of our country so that all of its people can prosper.

I thank you, Mr Speaker. *[Applause]*

The Speaker: Thank you, Honourable Member.

The Honourable Member Mr Basil Williams

Mr Basil Williams: If it pleases you, Mr Speaker, I rise specifically to treat with the Public Service Ministry and the Ministry of Labour.

Albeit the Honourable Minister of Finance did not find it convenient to mention anything, or to let us know that there is a Ministry of Labour within Guyana, my endeavour would be to show you the reason why there was this apparent omission with respect to such an important Ministry in this country. Suffice it to say, Mr Speaker, the Government has clearly shown that it does not have the interest of the workers of this country at heart.

I wish to concur with the submissions of my colleagues, the Honourable Members, Mr Jerome Khan and Mr McAllister, and to say to the Honourable Minister of Finance that I am not here to praise him, but in fact to inveigh against what he described as a good Budget.

Mr Speaker, if I might first treat with the Minister of Finance's provisions, with respect to wages and salaries for 2005, one would find that the total wages and salaries bill is estimated to be \$13, 280,200,000. The revision of wages and salaries, which is an element in that total bill is \$1,575,067,000, that is 11.9 percent of the total wages and salaries expenditure for 2005. It supposes to relate to salary increases to public servants and new employment. This is against the backdrop that is in the IMF in the second review under the three-year arrangement under the poverty reduction and growth facility dated 7 July 2004. Page 56 provides that recruitment in the Public Service should be limited to the employment of teachers and nurses.

Now, Mr Speaker, the question on salary increases for public servants is: What percentage of the 11.9 percent, (or the \$1.5 billion), that has been budgeted does this Government intend to allocate to wage/salary increases for public servants in 2005? The Government's practice, in recent years, has been to refuse to pay the workers the type of wage increases that is necessary for them to live a decent life. Government has adopted the practice of attempting to tie wage increases to the rate of inflation. For example, in 2002 the rate of inflation was 5 percent and the wage increase was 3.5 percent; in 2003 the rate of inflation was 4.9 percent and the wage increase was 5 percent; in 2004 the rate of inflation was 5.5 percent and the wage increase was 5 percent. They are saying, and they have been telling unions and the workers that they do not have enough money and, in fact, that they are limited to tying wages to the rate of inflation for any given year. If I may respectfully refer you and the Honourable Members of this august Chamber to Pages 9 and 10 of Budget Speech 2005.

Mr Speaker, during the tenure of the late President Jagan, his Government's policy was to pay wage/salary increases comprising the inflation rate plus a percentage of the real growth in the GDP. While this did not bear any relation to the real figure needed for the wages of the workers, it nonetheless amounted to a recognition that such a problem existed and the late President Jagan was prepared to deal with it. I am sorry to say that this policy changed after his death and no attempt was made to go past the inflation rate and that, in some cases, a wage increase lower than the inflation rate was paid. To give an illustration, in 2004 the inflation was 5.5 percent and the wage increase paid was 5 percent. The latter 5 percent increase was subjected to tax at a rate of one-third - 33 percent. This meant that the actual wage increase given by this Government to the workers of this country amounted to 3½ percent, whilst the inflation rate was 5½ percent. The workers were palpably short-changed by this Government. This is against the backdrop that a Guyanese worker suffered additional prejudice, because he or she was paid in December 2004. From January 2004 to November 2004, from his or her meagre salary, the worker was forced to pay all price increases. For example, the massive increase in fuel costs, resulting in higher electricity bills, higher

gas prices, higher transportation fees, and higher food prices.

Mr Speaker, the People's National Congress/Reform demands that the Guyanese workers be paid a living wage for their labour. *[Applause]*

The other aspect of this 11.9 percent that is proposed as expenditure for revised wages and salaries in 2005 is supposed to treat with new employment. Here again, the question is - what percentage of this 11.9 percent has been proposed for increased expenditure on wages and salaries, and what has the Government earmarked for new employment in the public sector?

If I may respectfully refer you and Honourable Members of this House to the Budget Speech of 2005, Page 29, Paragraph 4.20, the Honourable Minister of Finance, under the caption of *Job Creation*, said:

... employment creation is critical to the Government's efforts to reduce poverty. It thus remains a priority of ours to raise the overall level of employment in the economy.

Further at Page 35 of the same Budget Speech, Paragraph 4.37, the Honourable Member stated:

...rapid changes in skills requirement and the demand for higher skills in new jobs make a sound education and training vital to our population.

I am respectfully submitting that, in both instances, the Honourable Minister was speaking to this question of creating new employment. Of course no mention was made of what our unemployment rate is, and what the Government intends to reduce it to. The Government is limited to employing only teachers and nurses in the Public Service, as I have shown the Authority earlier. Therefore, the distinction must be made between filling vacancies created and new employment, which is non-existent. The question is therefore who is getting the money budgeted for this so-called new employment and increased wages and salaries for

public servants?

In the *Ministry of Finance, Ministry Administration, Current Appropriation Account for the Fiscal year ended 31 December 2003*, what do we have? This is a case where all spending has been completed, nothing to come. The provision, in relation to the revision of wages and salaries for 2003, was \$1,119,400,000 (one billion one hundred and nineteen million, four hundred thousand dollars). The total expenditure for that year was \$665,627,000 (six hundred and sixty five million, six hundred and twenty-seven thousand dollars) or 60 percent of the total for revised wages and salaries. This meant that the sum of \$453,773,000 (four hundred and fifty-three million, seven hundred and seventy three thousand dollars) or 40 percent of the budget, was left unspent for the purpose of revised wages and salaries.

Mr Speaker, it is my respectful submission that, for the Government to have been left with such a large unexpended sum, is tantamount to a policy of deliberate under-spending or over-budgeting.

I further submit that such a sum of \$453,773,000 would have been spent for purposes other than revision of salaries/wages by the Government, without their having to go back to Parliament for supplemental.

Mr Speaker, PNC/R demands that the Honourable Member, the Minister of Finance, disclose whether that sum of \$453,773,000 was spent for political or other alien purposes by the Government. Was it used as a slush fund?

Is the 2005 budgeted sum for revised wages and salaries under or over-budgeted, and is a large unspent portion to be similarly dealt with by the Government? Or is this a genuine pre-estimate of the cost in 2005 of increase in wages and salaries for the Public Service and new employment? Why budget for such a large sum for new employment when you are limited to employing only nurses and teachers? That is also a question for the Honourable Minister of Finance.

What is clear, Mr Speaker, is that in 2003, the Government could

have more than satisfied the union's call for a larger percentage increase in the salaries/wages of the workers, but refused to do so and applied the earmarked money to other purposes.

Mr Speaker, the Honourable Minister of Finance, on Page 41, Paragraph 4.52 of his Budget Speech, spoke to only two components of the Public Management Modernization Programme Project report. The third component is the coordination of the State reform process, which objectives include promoting consensus and the designing of specific guidelines to improve transparency and integrity in the public sector. If I may respectfully refer you to Page 11 of this report, which I possess, the question is: Does this omission on the part of the Honourable Minister of Finance, in respect of the third component, speak to the disinterest of the Government in matters of transparency and the promotion of consensus building? It could not be otherwise

The Government's interest in the first two components is understandable. There has been clear Government policy to undermine the effectiveness of the Public Service Commission - a constitutional authority. For example, PSM Circular No. 1 of 2004, dated 18 February 2004, which I also possess, purported to direct that any appointments to be made by the Public Service Commission must should be first cleared with the Office of the President and the Public Service Ministry.

Mr Speaker, by failing to fill authorised vacancies in the Public Service and opting instead to employ contracted employees, the Government has again undermined the jurisdiction of the Public Service Commission and has strengthened the hand of the Public Service Ministry and the Office of the President, since only the latter can employ the contracted employees.

The crippling of the Public Service Appellate Tribunal, by refusing to re-constitute it, also serves to weaken the traditional Public Service whilst, setting up a parallel public service controlled by the Public Service Ministry and/or the Office of the President.

This Government has also employed a mechanism for creating semi-autonomous agencies by pulling out whole departments from ministries, further reducing the size of the traditional Public Service and the role of the Public Service Commission. For example, the Georgetown Public Hospital was pulled out from the Ministry of Health; the Guyana Revenue Authority was also pulled out; Lands and Surveys; Deeds Registry, just to name a few. I know that is the second component, and let us hope that there is a serious attempt made to realise the objectives of that second component, and for the Government to produce a proper framework within which these now wild-west authorities, semi-autonomous agencies are being allowed to operate.

The Government assumes direct control, without Parliamentary oversight of these agencies, through the subject Minister, who is given sole authority to appoint members to the governing boards of these agencies.

It is not easily conceivable why the Government is spending millions on public management modernization when, at the same time, they are contracting the traditional Public Service.

The People's National Congress/Reform demands that this Government puts amend to the dismantling of the traditional Public Sector and the usurpation of the constitutional powers of the Public Service Commission. *[Applause]*

Mr Speaker, to support our contention, I will give this illustration:

At Pages 186 and 187 of Volume 1 of this year's Budget, which treats with details of the expenditure for the Ministry of Labour ... remember this Ministry - not even a word has been spoken in respect of it by the Honourable Minister of Finance in this year's Budget Speech. I do not know what is the purpose of trying to keep it in obscurity, but let me see if I could shed some light on this reason. The total wages and salaries expenditure for the Ministry of Labour for 2005 is estimated to \$59,179,000. The total amount for contracted employees is

\$34,865,000. In other words, the figure for contracted employees is around 60 percent of the total wages bill for the Labour Ministry. Staffing details on Page 187 show a total staff of 84 persons, with 20 of that 84 being contracted employees.

Mr Speaker, this means that 20 contracted employees earn \$34,865,000, or 60 percent of the total wages bill, while 64 employees earn \$25,000,000 or 40 percent of the total wages bill for the Ministry of Labour. I am not saying that anybody is hiding anything in not mentioning it, but the question is, and the PNC/R demands to know - who are the contracted employees enjoying these super-salaries in the Ministry of Labour? How long have they been employed there, and what are their designations? Could a lot of these people be PPP/C activists; deployed all around this country, but conveniently appearing in the Estimates of the Ministry of Labour? The Honourable Minister of Finance omitted to even mention or include that in his Budget Speech. Mr Speaker, the PNC/R demands an answer from the Honourable Minister.

Likewise, Mr Speaker, in the case of the Public Service Ministry, eleven contracted employees' salaries amount to \$18 million out of a total salaries expenditure of \$41 million [*Interruption: 'How much tax do you pay?' "well you have been trying to get me to pay tax, but you have to make money to pay tax. I do not make money."*] Mr Speaker, before I was distracted, 11 contracted employees' salaries in the Public Service Ministry amount to \$18 million out of a total salary expenditure of \$41 million, the remaining amount of \$23million is to be expended on 39 traditional public service employees. [*Interruption: 'What about the Ministry of National Development?' "Oh, that is what you are trying to accomplish?"*] [*Laughter*] Mr Speaker, this state of affairs cries out for an explanation.

Mr Speaker, the Honourable Minister also neglected to mention the Public Sector Modernization Project, notwithstanding the fact that this project attracted no expenditure for the years 2004 and 2005. Nevertheless, in 2002, actual expenditure was \$173,007,000 and, in 2003, the expenditure was \$23,800,000 as was budgeted. If you look

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at Volume 1 of 2004 budget estimates The question is: Were the objectives of this project realized?

The GPSU had requested of the Office of the President that priority be given to five key and critical areas in this connection, to wit:

- (i) The development of a human resource management policy/strategy in order to address the fair and equitable treatment of all.
- (ii) Full support for the strengthening of the Public Service Commission.
- (iii) Clarification of roles and responsibilities to ensure that there is no duplication or overlapping of functions between the Government and the Public Service.
- (iv) The establishment of a Modernization Management Commission to monitor the modernization initiative, with a reporting responsibility to Parliament; including representation by the GPSU.
- (v) Phasing out the parallel public service.

Mr Speaker, the PNC/R would like to know whether these proposals were accepted and, if so, what is the state of their implementation by this Government. Because we now see that they are moving to Public Management Modernisation and are completely silent on this question of the public sector modernisation which is attracting such large sums of money.

Mr Speaker, with your permission, I could now treat with this thorny issue of trade union matters. I see my friend, the Honourable Member Mr Belgrave, has conveniently left. I do not know if he had some insight to what I am going to say.

Let me start with the Trades Union Congress (TUC), and the

Critchlow Labour College (CLC). The Government continues to trample on the rights of trades union's and the workers they represent in this country of ours.

In relation to the Trades Union Congress, the Government continues to withhold the budgeted subvention for the trade union umbrella body, severely crippling its ability to carry out its mandate. The Government has not paid this subvention to the Trades Union Congress since 2001.

In the case of the Critchlow Labour College, the Government arbitrarily stopped paying the subvention for the period April 2004 to December 2004. This is in spite of the fact that the requested audit was completed by the College. The attitude of this Government evinces a callous disregard for the continued access to education by the hundreds of students who attend that institution.

Collective Bargaining - The Government continues to arbitrarily and whimsically trample upon the collective bargaining process in breach of the provisions of part V11A of the Labour (Amendment) Act No. 9 of 1984, and the ILO Convention Nos. 98 and 151 - the right to organise collective bargaining, and the labour relations in the public service respectively.

As we have witnessed in the wages negotiations between the Government and the Guyana Public Service Union, on the one hand, and the Guyana Teachers Union on the other, since June 2001, this Government has derailed the bargaining procedure and then imposed wage increases on the workers of these unions, totally out of proportion to their real demands.

Notwithstanding the fact that the Guyana Government has ratified these conventions, the underlining principle in international law relating to the observance of treaties and the performance of treaties are described as *pacta sunt servanda* - treaties must be observed.

The Speaker: Your time is up, Honourable Member.

Mrs Deborah J Backer: Mr Speaker, I rise to move a motion that the Honourable Member be given fifteen minutes to continue his presentation.

Hon Reepu Daman Persaud: We are willing to support the motion.

The Speaker: Honourable Member, just allow me to speak; just keep your thoughts. This Parliament has advanced a great deal since 2001. Parliamentary Management Committees and all kinds of things are functioning. Some of them are functioning well, but in certain areas, we have regressed. When I first came into this position, there was agreement between the Opposition and the Government, not only on the list of names, but on the time. I remember, on one occasion, one refused to ask for time for his own member to continue, because it was in breach of agreement between the Government and the opposition as to how long a member should speak. Now it seems as if we are regressing in some of these areas, and I would have expected that the two sides would have gotten together and agreed on the specific times that Members should speak. That is how all Parliaments function, Honourable Members. All Parliaments function in that way. I would like to urge Government and the opposition to get together and make a decision on these matters so that we can manage our time better.

Question put and agreed to.

Proceed, Honourable Member.

Mr Basil Williams: A new ethos has been engendered in Guyana by the passing of the Constitution (Amendment) Act 2003, which led to the creation of a new Article 154 A of our Constitution, which, in effect, made provision for human rights treaties to be relied upon in Guyana in order to seek redress in our courts, whether or not they have been reduced by legislation into our domestic law. Mr Speaker, we in the People's National Congress believe that the Constitution should include a more pervasive provision of this nature, speaking to all conventions. There could therefore be no excuse for the failure of the Government to

honour its obligations under the various ILO Conventions and rules. The trade unions could now seek redress in our courts.

Mr Speaker, it is not simply about putting conventions and recommendations on record in our Parliament, as happened several weeks ago, but rather it is about the respect that we show for them. Tabling of these conventions and recommendations in this Assembly must go beyond lip service. The sincerity of the Government lies in the implementation of various undertakings inherent in these conventions.

The PNCR demands that the Government honour all the laws relating to collective bargaining and stop arbitrary imposition of wages on our workers.

The Trade Union Recognition Board - Mr Speaker, the trade unions contend that this Board has failed to live up to its purpose and it is a rather contentious institution, not lending itself to harmony among trade unions in this country.

The initial function of the newly-constituted Board was to certify unions represented in their bargaining units as they existed on the day the Board came into existence. Regrettably, this was not done, and has led to rancour until the present time. The Trade Union Recognition Board was envisaged as an autonomous body, operating as an independent agency with its own staff, budget consultants, and physical accommodation. But on the contrary, its first chairman was one Mr Cyril Belgrave, an Honourable Member of this House and a known member and Party activist of the ruling PPP/C. The Secretary of the Board was the current Chief Labour Officer and a now contracted employee. Officers of the Board were officers of the Chief Labour Officer. When the Board needed advice, it called on the services of a lawyer who is an office holder in a union called NAACIE. And so, Mr Speaker, whither the independence of the Trade Union Recognition Board?

The People's National Congress/Reform recommends that the Trade Union Recognition Board be constituted as an independent agency insu-

lated from the Labour Ministry operations and officers; that it should have its own budget and staff, that its Board should be constituted of independent persons appointed by an independent process.

This would go a far way in resolving the many impasse facing the current board as currently constituted.

From the foregoing, and in the light of these premises, one could easily conclude that this Government's attitude towards the working people of this country is a heartless one. This Government has refused to even spare a word in the Budget Speech of the Honourable Minister of Finance with respect to the Ministry of Labour. In the Ministry of Labour itself there is a situation where they have more contracted employees, higher sums and super salaries than the traditional members of the public service. Mr Speaker, Woe is Guyana.

I thank you. *[Applause]*

The Speaker: Thank you, Honourable Member.

The Honourable Minister of Transport and Hydraulics

Hon C Anthony Xavier: Mr Speaker, my colleague Ministers and Honourable Members on this side of the House, Honourable Members of the Opposition, I too rise to support this year's Budget, and to congratulate my colleague and his hard working staff for a work well done.

Mr Speaker, our Government is a Government of and for the people, and over the years, we have demonstrated our commitment to the task of nation-building, and have taken some bold steps to accomplish our objectives. Yes, we have had to face the detractors, and they will always strive to thwart our forward thrust, but rest assured they will not succeed.

Mr Speaker, the theme for this year's Budget - *Confronting Challenges: Sustaining Growth and Development* is an apt one, taking into consideration the many obstacles which lie in our path as we strive

to attain and sustain the level of growth and qualitative changes so necessary to move our country forward.

Mr Speaker, the theme is advocating that our Government, recognising the problems with which we have to contend, will launch a frontal attack on the many issues to find solutions so as to maintain continuous increases in the level of production and productivity in order to improve the standard of living of our people.

Yes, Mr Speaker, the necessary infrastructure has been put in place, and these will be expanded further so that sustained development can take place without interruption.

Mr Speaker, the recent flood situation exposed certain limitations in our preparedness to deal with disasters of that magnitude, but I was very heartened by the level of co-operation and commitment displayed. As a consequence, I believe that the lessons learned will greatly assist us in accomplishing our aim of confronting challenges in our quest to sustain growth and development.

Mr Speaker, the Budget recognised that we will face difficult situations from without and within:

- It is saying that we will not run from them, nor pretend that they do not exist, but will face them manfully by seeking solutions and applying them.
- It is saying that we will not be deterred by the apparent goliaths - huge and seemingly insurmountable hurdles - but will march forward confidently, knowing that victory is assured, because we are men and women with a purpose and a vision. *[Applause]*

Mr Speaker, my Ministry has a pivotal role to play in order for the process to succeed, and I am proud to give a brief review of my stewardship in 2004, and of my plans and programmes for 2005.

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Much has been accomplished, but much more will be done to ensure further strengthening and expansion of our infrastructure in order to link the people of all of Guyana in one cohesive whole.

Mr Speaker, my colleague, the Minister of Finance, has touched on a number of areas, both in his review of 2004, and projections for 2005 in his presentation. I will deal with other areas, and also give some further information on certain matters, in respect of what the Honourable Minister of Finance had mentioned. But Mr Speaker, before I go into my review of 2004, I would just like to clear some issues that some of the Honourable Members of the Opposition made in their presentations earlier today.

Mr Speaker, the Honourable Member, Jerome Khan ... and I am sorry that he had to leave. He spoke about the Hydromet Office having knowledge that there would have been excessive rainfall. Mr Speaker, I wish to refer to *Stabroek News*, Monday, 28 February, Page 11, the headline which reads *BELOW NORMAL RAINFALL HAD BEEN PREDICTED FOR JANUARY*, and I would like to quote what it said:

The trends of rainfall before December 24 were far below normal. It was not a climatic trend, said Mr Jaigopaul, it was a dynamic system, an anomaly. It was a dynamic, symptomatic analogy. It was not climatology.

What this means was that meteorologists could not have seen a likelihood of heavy rainfall during January, according to the data that they had to work with at the time. Using statistics Mr Jaigopaul continued to say that it was not possible to infer the occurrence of such levels of rainfall in January. Hydromet could not have seen this in the statistics. It was not possible to predict, he said.

I hope that will clear up what Honourable Member Jerome Khan said earlier on today.

The Honourable Member, Mr McAllister, my good friend from the

West Demerara ... oh! He spoke about the radar ... *[Interruption]* ... that which will bring Guyana in line with the modern technology being used around the world; that is, the Doppler digital radar. So we are keeping in line with what is happening, Honourable Member Robert Corbin.

Mr McAllister referred to works that this Government inherited from the former administration. And yes we indeed inherited works that were done under the PNC administration, but certainly the PNC must have inherited works that were done by the administration before them. I have reason to believe that some of these same works that the Honourable McAllister was referring to was already done by the previous administration and inherited by the PNC. *[Applause]*

But let us talk about the works that were inherited by this administration. The Honourable Member McAllister continued to say in his presentation that I would have to use words like *rehabilitate, rehabilitate, rehabilitate*. Now, when you inherit works that are *dilapidated, dilapidated, dilapidated*, I have to use words like *rehabilitated, rehabilitated, rehabilitated*. *[Applause]*

Mr Speaker, no maintenance was done for over twenty years. It is impossible for me to believe that the PNC/R administration can come to this Honourable House and say that we have not done any works in our tenure. No maintenance works on roads ... and do not let us talk about sea-defences ... No works were done in sea defences and D & I under the PNC administration, and that is a fact. When this Government came into power, the amount of millions of dollars that we have had to spend because of the fact that there was lack of maintenance on your part, has proved us of what is going on here today. Do you remember how long it took us to get to the airport? Could anybody remember that? Guyanese people forget very, very quickly. If you had done what we are doing now with our routine maintenance management programmes, on all the infrastructures in this country, this would not have happened today. *[Applause]*

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The Honourable Member spoke about the *Guyana 21 Plan*. Well, I have to agree with my colleague, the Honourable Minister Sawh, when he said that the people rejected it; but he did not say why. Well, I will tell you why. After the people of this country went through the *Guyana 28 Plan*, they had no need for the *Guyana 21 Plan*. [Applause] We do not need to go down that road again.

The Honourable Member spoke about wastage and inferior quality works, et cetera. Well, Mr Speaker, I know that people come here to have an opportunity to let loose, but I believe the time has come today ... and I would like to challenge my colleague, Mr McAllister, to prove what he said was true - about inferior works and wastage on roads, et cetera. I also challenge him to prove that there are any defects in the just completed CARICOM building. Please, Sir, if you have proof, bring it.

Mr Speaker, I would just like to give you and the Honourable Members here a quick review of 2004, and I will start with the Demerara Harbour Bridge.

The *Demerara Harbour Bridge* achieved a trouble-free year for 2004. General maintenance of the entire structure was done in accordance with a computerised maintenance and monitoring system, developed and put in place during the last six months of 2004. Under the capital works programme, two large pontoons were reconstructed and installed under the retractor span. These pontoons were fabricated locally by Courtney Benn Contracting Services at a cost of \$47 million dollars. The UNIFOC pontoon, previously supplied by Thomas Storey Engineers, and refurbished locally, are being gradually phased out. The computerised toll ticket system was upgraded and touch screens are now being used for the point of sales terminal. We also purchased 30,000 feet of galvanised wire rope for the anchorage system, and further re-strengthening was done to the retractor span.

The Transport and Harbours Department ships and vessels - Mr Speaker, the transport of people, vehicles and cargo in our rivers is indeed a serious responsibility under my portfolio. In this regard, during

the year 2004, the Department was able to stick resolutely to its planned maintenance schedule and, as a consequence, most of its vessels and ships were maintained and repaired.

Maritime Administration Department - Aids to Navigation - Despite continuous vandalism to the aids to navigation the ship's channel, the Department continued to maintain those same aids to navigation to facilitate the safety of navigation, twenty-four hours daily. Mr Speaker, regulations were drafted and gazetted, relative to the implementation of the international ship and Port facilities code - the ISPS, and I am pleased to announce that 25 ships and 37 port facilities were fully complied by 1 July 2004, in keeping with the IMO Mandatory Implementation Date.

The Work Services Groups - Roads and Bridges. At the end of 2004, Mr Speaker, multi year, three-year contracts were signed for maintenance of roads including:

- the East Bank public road;
- the Demerara East Coast public road from Georgetown to Mahaica;
- the West Coast and West Bank Demerara;
- the Linden/Soesdyke highway; and
- the Essequibo Coast road.

These roads are all part of our main road network, and these are three year contracts, where you will see regular maintenance, cleaning of shoulders, patching of potholes, et cetera, throughout those three years.

The New Amsterdam to Moleson Creek Road - During the year feasibility studies and designs were completed for the rehabilitation of the road from New Amsterdam to Moleson Creek. A loan contract was successfully negotiated with the IDB and, at the end of the year, procurement of consultants and contractors was in progress.

Institutional - the Ministry of Public Works and Communications took the initiative to strengthen its capability for planning and prioritizing all its transportation projects for roads, air, and maritime transport, by re-establishing a central transport planning unit. This unit became fully operational on 1 January 2005, and will be responsible for the execution and prioritizing of all new transportation projects.

Air Transport Reform Programme - The fulfilment and compliance of all the conditions precedent to the second trans-disbursement of the loan and the release from the IDB, the balance support of US\$13.2 million to the Government of Guyana, were totally satisfied. The following conditions were also met.

The *Guyana Civil Aviation Authority* has now been fully operational, with a secure financial structure, adequate internal procedures, adequate professional staffing, and applying the new aviation regulations of Guyana.

Air transport in Guyana is in full and sustainable compliance with the International Civil Aviation Department of Aviation of Organisation Standards. The business plan for the Cheddi Jagan International Airport has now been in operation. The airport is operating in full and sustainable compliance with ICAO Standards. Also Ogle Airport has now been in sustainable compliance with ICAO Standards..

Mr Speaker, 49 rural aerodromes were certified according to the plan presented to the IDB, and that is to ensure certification of aerodromes according to the Aviation regulations of Guyana and ICAO Standards.

Mr Speaker, consultancy for the design and tender document in preparation for the upgrading of the airport apron, for parking of aircrafts at the CGIA Corporation was satisfactorily completed.

Consultancy for the design and supervision for the construction of the new Hydrometeorological building at the airport at Timehri was also

satisfactorily completed. The following contracts were signed and are in execution, in addition to those already mentioned by the Honourable Minister of Finance:

- the rehabilitation of the taxiway lighting at CJIA; and
- the concrete and earthworks to the perimeter road and apron at CJIA.

One air runway sweeper was procured for the sum of US\$119,000 and handed over to City International Airport on April 30 of last year. The unit is being used to remove foreign objects and debris from the main runway and taxiways of the airport, also foreign objects from the aircraft parking apron.

Corydon Canada Limited was also warranted a contract with a supply and installation of three X-ray scanners at the airport for the sum of US \$175,000. They have already installed the three X-rays equipment for the airport on April 30 last. The equipment has enhanced the baggage and scanning and checking capabilities at the airport for security. The Multilateral Investment Fund to strengthen airport security, signing of the mixed agreement with the IDB for the provision of US\$500,000 dollars grant funds for the strengthening of the airport security programme in Guyana was done. It is anticipated that under this programme, the General Aviation Security regulatory framework will be formalised, an airport security certification programme will be developed, and a long-term strategy for the financial and operational sustainability of the present and future airport security system will be designed.

Ogle aerodrome - The environmental construction permit from the EPA for the expansion works to the aerodrome has been granted. The first phase of the Ogle aerodrome development plan for the operation of a Regional Municipal Airport at Ogle has commenced. Squatters who were obstructing the Ogle development works have been re-located by the CH and PA and the Ministry of Public Works. Also the Central Housing and Planning Authority has completed the zoning regulations for

the Ogle aerodrome.

New Airlines - As announced last month, Air Canada is planning to commence a service to Guyana as early as July, 2005. Mr Speaker, this is indeed a welcome development, especially at this time when thousands of Guyanese are being discomforted by the long delays and re-scheduling of flights by the airline that serves this route at present. Also Universal Airlines have applied to fly to Hamilton, Ontario, Canada, and this goes into effect sometime this year.

Sea Defence Works - Mr Speaker, under the European Development Fund, the details, designs and tender documents for the rehabilitation of four kilometres of sea defences in Region 2 and Region 3 were completed. Also the tendering for the construction works and the supply of equipment for emergency sea-defence works were completed. A GIS database incorporating parameters and information for sea defence design and management is almost fully developed. Also a hydraulic level for assimilation and forecasting of oceanographic parameters - which is waves, current and tides - is over 50 percent complete.

The CDB Finance Sea-defences - Mr Speaker, the contract for the reconstruction of 1,800 meters of rip-rap sea defences at Profit/Foulis, West Berbice was awarded in September of last year. The contractors has already commenced the production of boulders and has finished his mobilization.

Under the *EUs Ninth Development Fund*, the feasibility studies detailing the activities and cost of the ninth EDF Programme are expected to be launched in 2005. The EU is controlling this activity. The tender documents for the feasibility studies are available for emergency sea defence.

Emergency Sea Defence Works - Mr Speaker, emergency sea defence works were executed by contract and force accounts on several locations that are located along the coastland. They are:

- Anna Regina;
- Wakenaam Island;
- Leguan Island
- Dem Amstel;
- Paradise;
- Number 7 Village, West Coast Berbice; and
- Springlands, Corentyne.

In addition, the consulting firm of CEMCO has prepared a needs assessment for critical areas in Leguan in the vicinity of the sum of \$150 million - Belfield, Phoenix and Enterprise to plantation Canefield. Contracts for these works have already been awarded and works are ongoing.

The roads in Georgetown and under the miscellaneous road programme - Mr Speaker, the Government had taken a decision that all roads within the following boundaries would be rehabilitated:

- Between the Eastern Highway to the east;
- Water Street to the west,
- Lamaha Street to the north; and
- Hadfield Street to the south.

As a consequence, a number of roads in the city of Georgetown, as well as streets outside this boundary, have been completed by the Ministry's force account. In view of the unavailability of the Mayor and City Council to carry out infrastructure work in many areas of the city of Georgetown, the Government has been executing a great deal of work to rehabilitate roads and clearing of drains and canals in an effort to

restoring Georgetown to its once original state of the Garden City.

A number of roads have been awarded under the miscellaneous programme. Some are completed and others are to be completed in 2005. Works were also done in Black Bush Polder in the sum of \$22 million, and also in Bartica, Issano and Mahdia. A number of projects under the poverty project programme were also executed by the Ministry of Works. The Ruimzeigt footpath, footpath and fence of the Lusignan Community Centre; drainage works at Eleazar Square, Lodge Housing Scheme; cleaning of River View, drains and canals in Alexander Village, culverts and drains and road shoulders in West Ruimveldt. The desilting programmes in Albouystown, Charlestown and La Penitence have also been carried out. These are community-based projects involving the residents in the area.

Mr Speaker, the *Mabura/Lethem road*. The company - Mekdeci Machinery and Construction Inc., which has been given the contract to undertake the maintenance and upgrading of the Mabura/Lethem road and to operate the Kurupukari Crossing, has been doing a fine job. The road has been kept in good condition and there is even a thrice-weekly bus service from Georgetown to Lethem, intra-serve, by Mr Christopher Correia. Unfortunately works which ceased sometime ago on the Takutu Bridge has not recommenced but, as you know, Mr Speaker and Honourable Members, we were re-assured by President Lula of Brazil during his visit here in February that works will be recommenced this year. Meanwhile preliminary designs have been completed for the multi-purpose building to be constructed in Lethem, and this project will go out to tender shortly. The Parika market has now been completed and ready for use by vendors. When this is done it is expected that the road now used by the vendors from Thursdays to Sundays will no longer be a hindrance to vehicular traffic.

Georgetown Vendors' Mall - the sanitary facilities were completed and were handed over to the Mayor and City Council.

Mr Speaker, *Projections for 2005*:

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Demerara Harbour Bridge – There has been continued maintenance of the of the entire structure according to the computerised maintenance programme developed in 2004. We will procure 200 deck plates and 100 wire ropes snatch boxes. The bad decks need to be replaced before the asphaltting is done. The asphaltting of the carriage way is tied into the East Bank/West Demerara road project – the four-lane road project – this would be done this year.

We will also fabricate four large pontoons, two extra large ones for the bridge and the retractor span under the capital works programme; and this is in keeping with the desire to phase out the unifloat pontoons.

Design and construction of a slip-way for the future maintenance of the pontoons. In March of this year the annual maintenance of the retractor span hydraulic will be done by Kaikus Guyana Inc., and we will also move to complete the Admin and Audit Building.

Some constraints - The Demerara Harbour Bridge was constructed entirely of steel and the price of steel and steel products rose tremendously during 2004, as did the price for petroleum and petroleum-based products, which are required for the maintenance of the winches and wire ropes.

The question of an increase in tolls will therefore have to be considered at a later date if the Demerara Harbour Bridge is to remain viable.

The Transport and Harbours Department - vessels and ships. These will be docked and repaired to ensure efficient and effective service is provided throughout the year. Here again some general observations - substantial potentials exist in the Essequibo region, given the stage of the economic development. Consequently we are putting in an additional vessel, which will be deployed to meet the demands of the Region and capture the growing vehicular traffic.

Rehabilitation of Blairmont and Stanleytown Stellings, which started last year, will be completed to facilitate the berthing of another vessel

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there. The intention is to satisfy the increasing demand for capacity during the peak periods, and to capture that portion of existing passenger and vehicle traffic which are time-sensitive, thus reducing the long queuing of vehicles and minimising corrupt practices at the stelling.

A vibrant revenue collection programme is in place as well as a zero tolerance on fuel tampering.

Maritime Administration Department - Mr Speaker, during 2005, the following will be undertaken:

- Dredging of the ships' channel in the Demerara, Berbice and Essequibo Rivers;
- Maritime Regulations
- Implementation of the Caribbean Cargo Ships Safety Code
- Implementation of the small vessel code;
- Commencement of the Port State Control inspections;
- Implementation of regulations regarding the STCW Conventions

Under the *Work Services Groups - Roads and Bridges*: Road maintenance - significant improvement to the roads are expected to materialise under the new road maintenance contracts, some of which were signed recently. The Ministry has been involving, and will continue to involve, the RDCs in these projects, and will be seeking the resistance of unhealthy practice and dumping of refuse and garbage on the road shoulders since this has been posing a serious hindrance to maintenance contractors.

The main on-going projects - the Mahaica to Rosignol road and the bridge rehabilitation project, are scheduled to be completed by April/May of this year, except those bridges and culverts that were not cov-

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ered under the original programme for which funding is now being sought from the IDB to complete that entire project. The Ministry will be seeking the cooperation of the public in ensuring the proper and safe use of the roads, as well as their assistance in ensuring that the roadways are kept clear of encumbrances such as construction materials, derelict vehicles and other items which can cause damage to shoulders and pose an unnecessary hazard to the safety of road users.

Mr Speaker, utility companies are also guilty of untimely planning and uncoordinated programmes, which have led to unnecessary destruction of road shoulders and the excavation of new pavements. Further efforts will be made to ensure better coordination and collaboration with these groups.

Air Transport Reform Programme - This programme should conclude by the end of this year.

The Guyana Sea Defence and Emergency Sea Defence Works - The European Development Fund - A construction contract with the rehabilitation of 4km of sea defences in Region 2 and Region 3 is expected to be awarded by midyear. The bids are due on 8 March 2005.

The GIS database and hydraulic module are also scheduled for completion this year. Also the first outline for a master plan for sea defence management is scheduled for completion this year.

Tendering for a socio-economic study and public awareness programme is scheduled to commence in April 2005. Some of the issues to be studied include management; finance and maintenance policies of the sea defence sector; public participation and socio-economic characteristics - they are inter-connections and presumptions for sustainable implementations; and the present status of the management and the level of public participation in the sector. Additionally, the sum of €19 million has been allocated for sea defence works and a pilot project for mangrove re-establishment and institutional strengthening. Of that €19 million, €15 million will go to sea defence reconstruction, rehabilitation and

maintenance.

Under the CDB-finance sea defences - the contract for the reconstruction of 1,800 metres of rip rap at Profit/Foulis is scheduled for completion by November of this year.

Roads in Georgetown and the Miscellaneous Road Programme - The Ministry's Force Account Unit, has been doing a tremendous job in rehabilitating and repairing streets in and around Georgetown, as well as in the rural areas. This year we will continue to do so, more so in the light of the severe damages caused to a number of streets and roads as a result of the unprecedented floods in December 2004 and January 2005. The unit has a number of pieces of road-building equipment, and also has the benefit of a regular supply complex from the asphalt plant at Garden of Eden, which is under the Ministry of Works.

The four-lane highway: This project, both lots 1 and 2, should be completed by June 2005.

The Mabura/Lethem Road: Mekdeci Machinery and Construction Inc will continue to maintain the road and operate a ferry across the Kurupukari crossing. As I said before, this Company has been doing a remarkable job over the past years.

Mr Speaker, the initiative for the integration or regional infrastructure for South America, which is called IRSA ... As you and Honourable Members of this House would remember, following a commitment from the South American Heads of States in Brazil in September 2000, the initiative for the integration for South American countries, referred to as IRSA, was created. IRSA has since been compiling many studies to establish the way forward for the integration process, not only in the transportation sector, but in other areas such as energy, information communication technology, border crossing, air, and maritime transport, and financial systems.

At the historic meeting of the Heads of States in Ecuador in De-

cember 2004, IRSA announced that 2005 has been established as the year for implementation of projects, and approved of a short list of twenty-eight projects for implementation. Projects involving the integration of Guyana with neighbouring countries were included in that short list and are as follows:

- Pre-feasibility studies for the main road - Linden/Lethem/Bon Finn/Boa Vista.

- The Takatu Bridge - Pre-feasibility studies for a road-link with Venezuela from Linden to Eteringbang and connecting with Ciudad Guayana on the Venezuelan side.

Mr Speaker, IRSA is in the process of negotiating financing with donor agencies, and a meeting has been proposed in April in Caracas to discuss procedures for monitoring and implementing projects in the Guyana Shield Hub comprising of Guyana, Brazil, Venezuela and Suriname.

Mr Speaker, the challenges in 2005 are great, more so as a result of the flood situation which we experienced for the first time in over a hundred years. After the impact assessment is carried out by the United Nations Economic Commissions in Latin America, and the Caribbean Team ECLAC, then a supplemental budget will be presented to this House, as was mentioned by the Honourable Minister of Finance. It is only after then that the government will have concrete information in relation to the extent of damages done and losses suffered so that a proper plan of action could be prepared and implemented. In the interim, every effort will be made to take whatever remedial action is necessary in order to alleviate the suffering of those affected. As we are all aware, this has started, and the Government will do all that is necessary in order to bring life back to normalcy, in relation to those affected.

Mr Speaker, I endorse the thrust of the Budget, which is a concerted effort to move this country forward. I would therefore urge my colleagues and all Members of this Honourable House to support this Budget.

I thank you. *[Applause]*

The Speaker: Thank you, Honourable Member.

Honourable Member, Mr Kadir, subject to the agreement of Members, this is an appropriate time where we can take the suspension for half an hour, or fifteen minutes, if you prefer. It looks as if we have a long night. If we can return at 19:45h, would that be okay ... twenty minutes? Is that in agreement to Members?

[Members reply in the affirmative]

Thank you.

THE SITTING IS SUSPENDED 19:25H

THE SITTING IS RESUMED 19:40H

Mr Abdul Kadir: I rise to add my voice to the Debate on this 2005 Budget of revenue and expenditure for 2005 - the Budget which is supposed to also include the philosophy of the plans of the Government for the economic development and social advancement of the country.

Mr Speaker, the Budget, as I understand, it has two main elements:

- The first element has to do with an analysis and examination of the performance of the Government over the past year, which is something concrete we can look at.
- The second element is the plans for the year ahead of us which, to the largest degree, can be termed as calculated speculation on the future performance of the Government.

Mr Speaker, there seems to be a main trend running through the Budget preparation so far, and I think it was encapsulated in the article in today's newspapers which says that the Budget is intended to provide tangible benefits to the poorest sections in the country. Mr Speaker, I would therefore like to focus somewhat on what we can say on the

aspects of poverty alleviation as being the main, or the central theme of this Budget.

Mr Speaker, I would also like to say that I see poverty reduction as an effect and not as a cause, because all of the plans and programmes of the Budget are either supposed to be doing two things, or a combination of them, at different levels - either towards the alleviation of poverty, or towards adding to the development programme of the Guyanese people. But before I deliberate in detail on my presentation, Mr Speaker, I would like to offer some comments on some of the presentations made by previous speakers in this Honourable House tonight. I will begin with the last speaker.

The Honourable Minister, Mr Anthony Xavier, mentioned that during the People's National Congress regime of twenty-eight years - but he said specifically that, over the last twenty years there has been no drainage and irrigation and sea defence programmes. The Honourable Member forgot that the MMA Scheme was done during the People's National Congress Regime; he forgot that there was a Tapacuma project, and he also forgot the Georgetown seawall rehabilitation - Vlissengen Road to the Pegasus Hotel.

Mr Speaker, fellow Guyanese, the 2002 Budget has come at a time when more than 30 percent of the Guyanese people are, according to the National Poverty Reduction Strategy, below the poverty line.

I would like to refer to the PRSP Report 2004 that gave us some indicators vis-à-vis the status of poverty in this country. The table at 3.7 monitoring those for the PRSP states that the national poverty line, from the year 1999 to 2005, would have been from 31.5 percent right down to last year's 32.2 percent. This situation is part and parcel that shows us that, according to this table here, one out of every three Guyanese is below the poverty line. And while we are in this state of poverty and hardships, we have seen, according to what was also expounded in the National Budget by the Minister of Finance, a situation occurring where undue hardships have been imposed upon the Guyanese people, based

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on the management by the Government of our kokers and sluices, canals and drainage structures. This has resulted in more than 250,000 Guyanese people suffering from the savage and merciless effects of unprecedented floods in this country.

This situation existed for more than thirty days in this land of ours.

But Mr Speaker, I would like to correct one misrepresented issue that seems to have been recurring, and that is that the unprecedented rainfall had been the direct cause of inundation or flooding in this country.

Mr Speaker, data coming forward showed very clearly that 60 inches of rainfall fell on this land of ours over a twenty-nine day period; and it was mentioned by the Honourable Member, Minister Gail Teixeira, that our kokers and our structures are designed to remove one inch of rainfall in every six hours. I bring this to your attention, Mr Speaker, because, according to the Budget Speech, Paragraph 1.3 on Page 1, it was misrepresented that our drainage system was not designed to cope with such huge volumes of water. Mr Speaker, 60 inches of rainfall over a 30-day period is an average of two inches of rainfall per day, and if our structures were designed to remove one inch of rainfall every six hours then that is two inches of rainfall per day. Therefore, by design, if our kokers and structures were managed and maintained properly there would have been no run-off water left on the land to cause inundation or flooding.

Mr Speaker, it is against this background that we view the 2005 Budget:

- we looked in vain for certain measures, as would be expected in the national Budget;
- we looked for serious poverty alleviation policies;
- we looked for real increased employment opportunities;

- we looked for improved social services, with respect to increased expenditure in health and education;
- we looked for a stable investment climate;
- we looked for policies that will indicate prevention of crime from an educational standpoint, and also from other preventative measures;
- we looked for increased opportunities for our young people;
- we looked for equitable distribution of the nation's resources, and last of all
- we looked for good governance.

Unfortunately, although these essential elements that are responsible, or are the basis, for the advancement of any country, we do not see their presence in the Budget of 2005. We know therefore, Mr Speaker, that the Budget that has been presented before us is just another indication of another Government that continues to fail its people in the provision of sound cultural, economic and social management in an environment of justice.

Mr Speaker, let us refer to the PRSP Progress Report of 2004, and as we see, there is a minimal yearly decrease in the population before the poverty line. The realities of these policies necessary to accelerate such are absent, and if we refer to Page 17 of the same report, Table 1 it shows us what is really happening. Table 1 deals with central Government's social spending by sector under the subhead of *Poverty Alleviation, Education and Health*. We see a constant drop from the year 2000 to 2004 - from 2.3 percent of the GDP to 0.9 percent in 2004.

We refer again to the capital expenditure under the heading of *Education and Health*, and see a continuous decline from 1997 to 2004 -

from 6.8 percent to 4.3 percent of the GDP.

Mr Speaker, this data clearly shows us that the elements which are necessary to effectively reduce poverty in this country are not present in this Budget, and so we seriously question what the Budget was designed to achieve. Once more we will see and suffer an increase in the cost of living, and a Budget that promises no relief to the Guyanese nation. Mr Speaker, because poverty reduction is so important to this nation, I want to refer again to the PRSP document on Page 6, which deals with the *Key Economic and Financial Indicators* from 1998 to 2003. Under this heading, which is tabled 21, there is a subhead which says *National Saving*, which is an indication of disposable income available to the nation of Guyana that is placed in the banking establishment as savings.

Mr Speaker, it is very revealing that, from 1998, the percentage of the GDP was 15 percent; 1999 the percentage of GDP was 12.6 percent; 2000 it was 6.8 percent; 2001 it was 5.1 percent; 2002 it was 6.5 and 2003 4.7 percent. What does this table mean? It shows us very clearly that Guyanese as a nation, taken across the board, the disposable income available to them has been reducing considerably from 1998 to 2003, which is the span of this table presented here before us by the Poverty Reduction Strategy Paper.

So Mr Speaker, once more it brings us to the sad fact that, if policies are not put in place to reverse this trend, then indeed we are in great trouble. The realities of the policies necessary to accelerate the reduction of poverty are absent.

Let us again refer to Page 17 of the same report - Table 17. Mr Speaker, I am using this report because this report is the official Poverty Reduction Strategy of the Government, and we can only use something that the Government puts out to examine what the Government is doing. The figures clearly show here what the investments in human and physical infrastructure are; and as the expenditure spells out, the Budget is not designed to achieve a reversal. These indicators show a very steep decline in our national savings.

Mr Speaker, in light of these realities, how does the Government set out to handle vulnerable and sensitive communities? What is the Government's programme for such communities? Let us look at Region 10 as a microcosm of this national approach. Let us use Region 10 as a case study. On Page 62 of the PRSP document, it gives us a very clear and concise definition of the state of affairs in Linden, Region 10. I will read the definition as seen by the *experts*:

Linden is in a long and painful process of adjustment as a result of the declining fortunes of the Bauxite Industry and the restructuring and possible privatisation of Linmine, its major employer. In the last two years over 1,200 workers were retrenched from Linmine, leaving only about 400 short-term workers with a company that once boasted more than 6,000 workers. These workers bear significant short-term cost as they moved to the cash-based economy, which requires different types of skills - either as entrepreneurs or small business employees.

Mr Speaker, as usual in such documents, what we have seen over the past three years following this introduction is a long explanation introducing LEAP as a panacea. However, LEAP has been existing since February 2002 and it has a seven-year life span, which will take it to the year 2009. It will be interesting for us to look at the expenditure at LEAP on a year-to-year basis, and let us look at the effects on all the communities of Linden/Region 10, and from that we can extrapolate and know what to expect over the remaining years of this programme. LEAP expended in:-

2001 -	\$18.4 million
2002 -	\$182.516 million
2003 -	\$200 million
2004 -	\$265.39; and project in the Budget

2005 - \$250 million

We are therefore looking at a total of \$666.38 million, plus \$250 million that LEAP would have received. This would be a total of G\$916.381 million. LEAP, like any other project that comes to a community - the community has a combination of ways by which they can benefit from that project.

- Firstly, if a project goes to a community, if the members of the community own that project, they can benefit from direct dividends.
- Secondly, they can benefit from employment in that project.
- Thirdly, they can benefit from infrastructure development; or
- Fourthly, they can benefit from human development along the lines of health or education.

Mr Speaker, we looked for the impact or the success of LEAP, which must therefore be seen by the people of Linden and Region 10, for whom the project was designed, and I dare say that, after three years and more than \$666 million of expenditure LEAF, which is the Linden Economic Advancement fund was launched, and the people can now borrow money to fund their businesses. This was indeed a welcomed injection for the people of Linden/Region 10 and that is for this very year. But what has been the reality today? I think it is very important that everyone in this House listened very keenly to these figures, because they tell a story. Mr Speaker, \$41 million was released to the Linden Economic Advancement Fund and out of this amount twenty-two loans have been given out, so twenty-two persons benefited from the G\$41 million in the form of loans.

Here is where the trouble starts - three of those twenty-two loans totalled \$35 million and the other nineteen loans, or the beneficiaries, were left to share \$6 million. Surely lending someone \$100,000 out of \$41 million to maybe sell mangoes in a tray is not our idea of poverty

alleviation. Mr Speaker, putting it in context - after spending \$666.381 million plus \$250 million, the beneficiaries of this programme, who are the common people in Linden, can now go and borrow \$100,000 for food processing, while three beneficiaries are able to borrow \$35 million. Mr Speaker, after three years, the people of Linden Region 10 are hard pressed to identify direct benefits of LEAP. In other words LEAP has not succeeded in putting bread on the people's table. So when the Budget expounds on LEAP and Linden/Region 10, that is the reality.

To judge LEAP's performance, let us once more turn to the PRSP document, Page 63 which spells out their objectives, and it goes as follows:

In addition, through the assistance of the European Union, LEAP's business incubator will be established in 2004 to provide services and support for the small and medium enterprises. Credit support will be made available to entrepreneurs through the Linden Economic Advancement Fund. LEAF will target existing or start-up businesses which cannot find finance in commercial banks. LEAF's inward investment facility will expand to attract large and medium investments in Region 10. Through these programmes LEAP aims to support the creation of at least five large companies, thirty medium companies, 200 small and micro-enterprise companies.

This was not achieved. This was not done. The objectives here were to be achieved by 2005. In addition, training programmes for retrenched workers and entrepreneurs will continue as well as programmes to support work entrepreneurship through the Region 10 youth entrepreneurial network. LEAP will provide training in employable skills to at least 700 retrenched miners, unemployed youths and entrepreneurs by 2005.

This was not done.

Mr Speaker, to continue, *through the low income settlement*

programme:

- 2,500 will be allocated in Amelia's Ward; this was not done;
- 450 house lots in block 22; this was not done.

And Mr Speaker, the list goes on and on and on with the non-performance of and the not-benefiting of all of these glorious plans that have been expounded in these documents. Mr Speaker, I want to refer to one particular issue that was raised by the Minister of Finance in his Budget Speech. He spoke about the re-employment of 575 persons, to be made possible by OMAI Mining Enterprise. The reality of the situation is that, from 1 August 2003, 1,250 persons were retrenched, or putting it in common terms, were knocked-off from their jobs - including me. When you dismiss 1,250 persons and you re-employ 575, I do not know what is there to celebrate; and then comes their further attempt to blow the trumpet to say another 225 persons may be re-employed. Mr Speaker, I want to caution that in the next few months, in the month of August, OMAI is scheduled to close its operations in the mining site, and this means that more persons will be made redundant in that environment. So it is very possible that the 225 new employees of OMAI, which is in the bauxite industry, will come from the OMAI mine site. I am saying this because I want to show clearly that these numbers do not reflect an improvement in the employment situation in Linden.

Again, Mr Speaker, on numerous occasions before 2003 I have heard, and many of us have heard, the Honourable Prime Minister Sam Hinds, while bemoaning the subsidies to Linmine which on some occasions were about G\$1.2 billion, indicating, as they laid the case for privatisation, that a fraction of these subsidies would have been ploughed back into the Linmine/Region 10 community once a cash-neutral position would have been obtained by the bauxite industry. Mr Speaker, from 1 August 2003, OMAI has secured the bauxite industry on a 70/30 relationship, and to date, a cash-neutral position has been ensured. But let us look and see what has been the allocation to the Regional

Democratic Council in light, of the promise made by the Honourable Prime Minister Samuel Hinds, and others of authority within the Government.

- In 2001 capital plus current allocation was \$138 million;
- In 2002 capital plus current allocation was \$154 million;
- In 2003 capital plus current allocation was \$148.623 million;

[Interruption: 'Where are you quoting those figures from?' 'These figures were taken from the Budget details of Estimates that were handed out to us.]

- In 2004 capital plus current allocation was \$158 million.
- In 2005 capital allocation expenditure budgeted \$113.9 million with current of \$689 million. That reflects a total of \$182.802 million.

In 2003, the year of privatisation, subsequent or following that year, according to the promise on the word of the Prime Minister who happens to be the Minister responsible for mining, we have not seen any significant increase in budgetary allocation for Region 10 indicating that there is no more need to expend these subsidies to the bauxite industry. Mr Speaker, the nation of Guyana is watching, and the nation of Guyana is taking note.

To date there has been no 2,500 house lots in Amelia's Ward. Mr Speaker, I want to seize the opportunity to find out from the Members of the Cabinet and the Government about some of the promises that were made to Linden and Region 10, that we have not seen reflected in the Budget for this year.

Mr Speaker, the Drainage and Irrigation Department has done a design for \$990 million for the entire West Watooka Scheme. What has

happened to that project? The road from Millie's Hide Out to the Berbice River - what has happened to that project? Rehabilitation and maintenance of the Linden/Kwakwani road - what has happened to that project? Rehabilitation of the link between Wismar and the Lethem Road, what has happened to that project? In 1995, the promise of the establishment of a duty-free zone in Dalla Walla - what has happened to that project. The new projects to be launched in Linden - what has happened to those projects? The employment opportunities of the skilled and unskilled, what has happened to those projects? The special fiscal incentives for projects to be located in Region 10, what has happened to those fiscal incentives? The Moblissa Farm road - what has happened to that project?

Me Speaker, at this time I will dare ask that, with the coming on board of the OMAI generation system, what will happen to the 15 MW capacity generating system of the Linden Power Company?

The Speaker: Your time is up, Honourable Member.

Mrs Deborah J Backer: Mr Speaker, I rise to move that the Honourable Member be given fifteen minutes to conclude his presentation.

Question put and agreed to.

The Speaker: You may proceed, Honourable Member.

Mr Abdul Kadir: Thank you, Mr Speaker. A few days ago we have had the visit by Mr Lula the President of our neighbouring country Brazil, and one of the things that he spoke about was the recommencement of the bridge over the Takatu River. Mr Speaker, any Government with insight, recognising this reality, will begin to put in place certain measures for us as a nation and a people to take advantage of this impending project. Mr Speaker, there are over a thousand miles of common border between Guyana and Brazil; what is the Ministry of Home Affairs doing, with respect to protection of that border territory? The corridor between Linden and Lethem, with its various intrusions, what is the Gov-

ement doing to protect and monitor that corridor. A port site authority to be established with its management, what is the government doing about that? Port Health facilities, what is the Government doing about that?

But Mr Speaker, I would like to wind up and I would like to conclude, by offering a few suggestions.

I would like to suggest:

- an increase in the percentage of the GDP on poverty alleviation programmes;
- the development and institution of effective tax reforms to broaden the tax net and to raise the income tax threshold;
- the development of infrastructure and to institute fiscal incentives that will encourage investment in vulnerable communities such as Linden and Region 10;

Mr Speaker, the reality of negligible house lots being allocated to that community, I would suggest and recommend:

- the acceleration of house lot allocation, with appropriate infrastructure to go along with it;
- a lowering of the interest rates for housing loans;
- putting measures in place to train and retain our teaching and nursing staff;
- payment of real and effective minimum wage to public servants;
- decrease in unemployment and the creation of new jobs to bring new money, especially in vulnerable communities; and last but not least

- the fulfilment of all promises made by gentlemen who are supposed to be honourable.

I thank you. *[Applause]*

The Speaker: Thank you, Honourable Member.

Honourable Minister in the Ministry of Labour, Human Services and Social Security.

Hon Bibi S Shadick: Alaikum Salaam to you, Mr Speaker. I rise to lend support to the approval of the Motion moved by my colleague Minister, the Honourable Mr Saisnarine Kowlessar, for the estimate to the public sector, and the Budget for the financial year 2005. A Budget which, I must say, is based on reality rather than the fantasy of, what you call it - the Highway 21 - that the Honourable Member James McAllister reminded us of.

Mr Speaker, just a few observations before I make my presentation proper, having listened to the contributions, and the opening contribution of my colleague of the opposition the Honourable Member Jerome Khan, I cannot help but observe that we sorely miss the usual reasoned and reasonable contribution of the Honourable Member, Mr Winston Murray, on economic matters generally.

I would also like to say to Mr Khan, that I listened to him likening the introduction of the VAT to increase our revenue receipts to the use of a jumbo jet to travel from Ogle to Matthews Ridge, but when I listened a little further and I heard the Honourable Member urge the Minister of Finance to introduce something, I cannot remember what its called, but I remember he said, Fin, as is done in Canada, right now in Guyana. I cannot help but posit that he was talking about using a Jumbo jet to travel from Ogle to Matthews Ridge, when he made that contribution.

Mr Speaker, the Honourable Member Mr Kadir, reading from the PRSP document, said that the document notes that 30 percent of Guyanese live below the poverty line at present. That document was

produced by this Government, so I am not saying it is lying, but what I would like to point out to the Honourable Member Mr Kadir, and to remind him, is that in 1992 when this PPP/Civic administration took office, according to the SIMAP report which was released in that year, 86 percent of Guyanese lived below the poverty line. Anyway one looks at it, 30 percent is a great improvement on 86 percent, and this government's policies and programmes are geared to further reduce that percentage to shorter term rather than longer term.

Mr Speaker, my area of responsibility includes the Human Services and Social Security Sector of the Ministry of Labour, Human Services and Social Security, as well as Region 3, for which I am one of the three regional representatives in this National Assembly. I would like to say to the Honourable Member, Mr James McAllister, that he, like me, has a fiduciary duty to faithfully represent the interest of at least one-third of the residents of Region 3, and this duty can only be served by openly and unambiguously discouraging public protest, which can only serve to disrupt and engender conflict. The Honourable Member can best serve his constituents if he communicates their concerns and irritants to those agencies and ministries which can adequately address and resolve them. I myself have found this approach very, very effective.

Mr Speaker, I have just said that my area of responsibility covers the human services and social services sectors of the Ministry of Labour, Human Services and Social Security, and I stress this to point out to the Honourable Member Mr Basil Williams that at present in this country there is no Ministry of Labour per se, because he kept referring to the Ministry of Labour. I would also like to say that matters pertaining to Labour and Cooperatives are addressed by my colleague, the Honourable Dr Dale Bisnauth whom I am sure is quite capable of dealing with the fulminations, concerns, and demands made by the Honourable Member Mr Basil Williams. And those demands that cannot be addressed by the Honourable Dr Bisnauth will surely be addressed by the Honourable Jennifer Westford when she speaks.

Mr Speaker, I will first address the matters falling under the Minis-

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try's portfolio and in so doing, I wish to report to this Honourable House on some of our activities in 2004, and to inform about the activities and programmes planned for 2005.

Mr Speaker, 2004 was a challenging year for the Ministry. The country-wide consultations and draft of the National Policy on Women was completed in January of 2004 and out of those consultation exercises the Ministry recognised the need to formulate a plan of action to address issues of exploitation of women and girls, especially in the hinterland regions. By early March our plan was being formulated when His Excellency, the President, convened a high level interagency meeting to address issues related to trafficking in persons, which had come to his attention while on a visit to Bartica. The Ministry of Labour, Human Services and Social Security was tasked with the responsibility of being the lead on all issues related to trafficking and exploitation of persons.

continued in Pt III

National Assembly Debates

**PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF
THE SECOND SESSION (2002-2005) OF THE EIGHTH PARLIAMENT
OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE
REPUBLIC OF GUYANA HELD IN THE PARLIAMENT CHAMBER
PUBLIC BUILDINGS BRICKDAM, GEORGETOWN** Part III

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A national interagency taskforce was put together, and a national plan of action was formulated in April 2004. This plan was launched at a well-attended symposium on 12 May 2004. A few days before, a seminar organised by the Ministry, in collaboration with the IOM and the SIM OAS, that is, the International Organisation for Migration and the Commission for the ... and the American Commission on Women, the United States Department of State, released its 2003 report on trafficking in persons, listing Guyana as a tier three country for the first time. Even though such a listing needed at least 100 confirmed cases of trafficking in persons, Government has yet to see any evidence. Nevertheless, the Ministry recognises the need to speed up the implementation of its national plan of action and, with financial assistance from the United States Agency for International Development, launched a countrywide sensitisation and public awareness campaign on trafficking in persons. Meetings were held in every Region of Guyana and with several religious, business and other organisations. In all, over thirty such meetings were held over the period July to September 2004, resulting in a heightened awareness among our citizenry, and an upgrade of Guyana's rating to a tier two on the US State Department's Special Watch list.

Mr Speaker, on 5 August 2004, the Government laid Guyana's Anti-Trafficking in Persons Bill in the National Assembly and, after very intensive fine-tuning by a Special Select Committee, the Combating Trafficking in Persons Bill was passed by this Honourable House on 30 December 2004, thus fulfilling our promise to have such legislation before the end of the year 2004.

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Mr Speaker, in 2005 the Ministry, as provided for in the national plan of action, plans to hold not less than fifteen one-week training programmes for the police, the Committee Development Officers of the Ministry of Amerindian Affairs, and 300 representatives of all ten administrative regions. The training programmes will cover a wide range of issues, in addition to issues of trafficking in persons so that, by the end of this year - 2005, there will be at least one person in every village who can offer advice, support, and assistance to others on issues including labour and NIS regulations, mining regulations, domestic violence laws, child abuse and protection. The training should make police officers more efficient and effective when they receive complaints relating to women and girls especially, and social issues on the whole.

All of the activities mentioned here were coordinated by the Women's Affairs Bureau, with assistance from the Resource and Documentation Centre for Gender and Development. Mr Speaker, a sister project at the Guyana Women's Leadership Institute has been executing a gender equity in governance project with funding from CEDAW's gender equity fund. Workshops have been held, firstly, to train trainers and facilitators with regional and local Government bodies in Regions 2, 3, 5 and 6 in 2004. The project will continue in the other administrative regions this year. Both at the documentation centre and the Guyana Women's Leadership Institute are projects established to strengthen and enhance the work of the Women's Affairs Bureau, which organised and held several activities during 2004 in observance of International Women's Day and the Day of Non-violence against Women.

The Women's Affairs Bureau continues to hold regular meetings with the interagency Ministry Committee and interagency meetings to discuss and prepare a report for the UN/CEDAW, the SIM/OAS and the UNCSW and the Commonwealth Secretariat. The Bureau also coordinates the work of the Regional Women's Affairs Committee and last year held the usual annual meeting of the Regional Women's Affairs Committee in 2004. The meetings for 2005 will be held in April of this year.

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Also, in 2004, the Women's Affairs Bureau completed the draft of the National Policy on Women. This draft was presented to Cabinet and the National Policy Paper will ultimately be laid before this Honourable House.

Mr Speaker, in order to be more focused, the Ministry has set up a special unit to coordinate all activities dealing with trafficking in persons. It is intended that this special unit will have the responsibility for updating and tracking our reports to such bodies as UN/CEDAW/CRC and SIM/OAS, and also to serve as the Ministry's link with the Constitutional Rights Commissions on Women and Gender Equality and Rights of the Child when they are appointed by this National Assembly - hopefully sooner rather than later.

Mr Speaker, Government has been consistent in its programmes and policies which relate to the welfare of children, and in order to better facilitate these policies, the Probation and Family Welfare Department has reorganised its operations to focus more on care and protection of children. There is now a Child Welfare and Protection Unit which held Child Protection Week in September, and this is intended to be an annual feature. The unit has identified a special officer who liaises with the Ministry of Education and deals with issues of birth certificates and placements in schools. They have established a protocol for handling reports of child abuse. At present a policy paper on child protection is being formulated.

Mr Speaker, the Children and Violence project launched by the Ministry, in collaboration with UNICEF in August 2003, continued in 2004 with pilot peace education and conflict resolution sessions in selected communities being completed. We hope to have this incorporated in the Health and Family Life Education curriculum in schools.

A public education campaign entitled *Growing-up Without Violence* was launched in October; and the national database to monitor and evaluate the progress of child abuse victims is being established and is set for completion and launch in September of this year.

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Mr Speaker, the Ministry continues to manage the Drop-in Centre for urban street children and the Mahaica Children's Home, both of which house children who are in conflict with their families. At present there are thirty-two inmates - male and female, at the Mahaica Home which was not meant to accommodate more than twenty, and fourteen urban street children permanently reside at the Drop-in Centre. On a daily basis over twenty boys pass through the centre, although, for the first time since its establishment in 1997 - two girls were accommodated early this year. Both of them have since been re-united with their families after intervention by probation officers.

Mr Speaker, during 2004, the Probation and Family Welfare Department intervened in 2001 cases of child abuse, including sexual abuse. Of note is the fact that over 75 percent of sexual abuse cases, the perpetrator was a parent or a close family member; leaving these child victims in the home can constitute risk. Proposals have been put up for submission to Cabinet for the extension of both the Drop-in Centre and the Mahaica Home as we recognise the need for the removal of children from such situations and risks.

Mr Speaker, there has also been established a unit which has its responsibilities for orphans and vulnerable children. One activity of this unit is to monitor the operations of all children's homes and orphanages in this country, and the work of the visiting committee falls within this area. A special unit with responsibility for adoption and foster care has submitted a project proposal for funding to run a public sensitisation and training programme and foster care. It is intended that this project will be executed this year.

In addition to all of the above, the Probation and Family Welfare Department made interventions in 295 social inquiry reports, hopefully for the Courts, Magistrates, the High Courts; 7,514 cases of matrimonial and social matters were investigated and intervened in, 2,274 prisoners were interviewed and welfare contact were made on their behalf, also 212 adoption reports were prepared and presented to the Adoption Board.

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Mr Speaker, in the area of social security, the Department of Social Security serviced 32,991 old age pensioners and 15,285 public assistance recipients during 2004. The Ministry's budget for 2004 was in the vicinity of \$1 billion, of which \$969 million was actually expended for old-age pensions and public assistance, while the budgeted figure for 2005 is \$1.5 billion. Every year recipients receive increases in benefits, comparable with increases in public sector wages so that in 2005 an old age pensioner receives \$2,005, while a public assistance recipient gets \$1,340.

Over the past three years, the Ministry has re-organised the distribution of pension and public assistance voucher books, so that were it not for the recent rains and flooding all old age pensioners would have received their books before the end of January this year. As it is, as of today, in spite of the difficult situation, 90 percent of old age pension books have already been distributed.

It is also to be noted that, in 2004, for the second consecutive year, there were no irregularities, or instances of fraud, with respect to old age pensions and public assistance. This was due to proper systems which were put in place to minimise such activities.

Mr Speaker, in 2003 and 2004, some age pensioners upon application and based on a means test, received a waiver of 50 percent, or 100 percent, of their water bills. In 2005, all old age pensioners will be eligible for a 100 percent waiver of their water bills. *[Applause]*

Old age pensioners who cannot afford also got assistance to pay for medicines which are not available at the Government hospitals or health clinics, and to pay for spectacles if they need them. In 2004, using funds made available for the Ministry of Health, the Minister of Labour, Human Services and Social Security expended \$9.8 million to provide spectacles to 654 pensioners and persons in difficult circumstances in Region 2. We are ready to assist in the coordination of similar activities in other regions to cater for the expenditure of the \$50 million budgeted for the same purpose this year. These activities are all under-

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taken by the Department of Social Security. And I would like to say to the Honourable Member, Mr James McAllister - please note, James, that there is hope for the elderly.

Mr Speaker, the National Commission for the elderly, the members of which are appointed by Cabinet each year, has to enhance the work of the Department of Social Security. During 2004 Commissioners, together with social workers intervened in over twenty reported cases of abuse of elderly persons by their own children; intervention helped to resolve all the cases. Some of the complaints were about children who were trying to rob their parents of their properties before they die.

During the flood the Department of Social Security listed shut-in pensioners in flooded urban areas and distributed about 100 food hampers to such persons who had no one to render assistance to them. Shut-in pensioners in areas on the East Coast and in Region 3 were catered for by the relief teams who visited the areas house-to-house.

Mr Speaker, a decision was taken during 2004 to merge the Department of Social Security and Probation of Family Welfare Services so that our social workers can better serve the people of Guyana. The details of this are still being worked out. All of our efforts are geared toward providing a better quality of life for all of our people.

Mr Speaker, nearly 15,000 children of parents in difficult circumstances continued in 2004 to receive assistance to purchase school uniforms. This number represents the children living on the coastland who benefited from an allocation of \$20 million, while all school children in Regions 1, 8 and 9 and the riverain areas of Region 7 benefited from the allocation of another \$20 million for the same purpose.

Children continued to benefit from assistance to acquire spectacles, hearing aids and prosthetic limbs if necessary. Funding for these activities is accessed from the Poverty Alleviation Fund, from which allocation is made to the Ministry.

Mr Speaker, in 2004, the Ministry's Difficult Circumstances Unit distributed the sum of \$17.5 million to 1,021 persons who needed assistance during the year. Assistance was given for prosthetic limbs, funeral expenses, food hampers, small income generating initiative, medicine and medical expenses, spectacles, transportation, maternity kits, school items, assistance to victims of trafficking in persons, assistance to people who suffer after fires, wheelchairs, mattresses and/or beds for disabled persons and other miscellaneous matters.

Finally, Mr Speaker, I must report that the Government, through the Ministry of Labour and Human Services and Social Security, continues to fund and operate the night shelter for persons who have nowhere to live, as well as the Mahaica Hospital, and the Palms institute for the elderly indigent. At present there are thirteen residents at the Mahaica Hospital, 245 inmates at the Palms, and, on a nightly basis, an average of 75 persons make use of the facilities offered at the night shelter. These include a hot dinner and breakfast the following day, bathing facilities, as well as clean clothes and a bed for the night. Counselling sessions are also held at the night shelter three times weekly and, as a result, during 2004, nineteen residents of the night shelter returned home and jobs were acquired for several persons who had skills.

Mr Speaker, I am sure that this nation is satisfied that the Government, through the Ministry of Labour, Human Services and Social Security, continues to carry out its mandate to provide an improved standard of living and a better quality of life for all the people of Guyana. To the Honourable Member, Mr James McAllister, who asked for a high standard of living, I say that, from the situation we inherited in 1992, we have continued to make improvements, and we will continue to improve the standard of living until, I can assure you, we attain the goal of a high standard of living. *[Applause]*

Mr Speaker, I now turn very briefly to the plans for Region 3 for 2005. In the interest of time I will try to be brief and I am sure that my colleague ministers will expand more during this debate, as it continues. For 2005, as outlined in the regional budget, and I am going to deal with

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the regional budget only, because my colleague, Honourable Minister Tony Xavier, dealt with the Central Government budget. In the area of drainage and irrigation, the sum of \$29 million has been budgeted for revetment work at Wakenaam and Hague Jib. This sum will also be used to purchase tubes to aid drainage in several areas; the sum of \$9 million has been earmarked for bridges at Hague seawall road and Leonora and Zeeburg Secondary schools; \$29 million is allocated for the completion of the Zeelugt and Belle West Nursery schools, as well as the extension of the Endeavour and Cummings Primary school; access roads at LaGrange, Patentia, Groenveldt, Poudereyen and Den Amstel will be rehabilitated at the cost of \$40 million, while the sum of \$20.8 million will be spent on roads in the housing areas at Hague, Tuschen, Crane and Parika. The stores at the West Demerara Regional Hospital are to be rehabilitated, and health posts will be established at Goed Fortuin, Vive-La-Force and Lanaballi at the cost of \$12.5 million. Mr Speaker, I have addressed here only some details of the physical works to be done in Region 3, but this House must appreciate that all the works being undertaken by the Ministry of Labour, Human Affairs and Social Security cater for the residents of Region 3, as it does for all the other regions of Guyana. One can also see that all I have outlined here today only serve to confront the challenges, while we strive to sustain growth and development in this beautiful land called Guyana.

I thank you. *[Applause]*

The Speaker: Thank you, Honourable Member.

Honourable Member, Dr Dagleish Joseph.

Dr Dagleish Joseph: Mr Speaker, I wish to add my voice to the current debate of the Budget of 2005, as was presented by the Honourable Member, Mr Kowlessar. But first, Mr Speaker, allow me the opportunity to say these few words in rebuttal to what the Hon Bibi Shadick just said.

It is known that programmes are in place to address issues in rela-

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tion to child abuse, but one of the problems that care-providers have been having relates directly to the inability of the Ministry of Social Services to provide feedback, to communicate with care providers as we, from time to time, identify cases of child abuse, but we need to know what are the actions that are taken. Many of those cases returned and are re-admitted to health care facilities without health care-providers knowing what has been done in the lives of these children. I sincerely hope that the Minister will take onboard the suggestion that health care providers need a feedback mechanism so that we can know that the social services out there are really solving these problems that plague the lives of our children.

Mr Speaker, we are almost five years into the new millennium, and no significant improvement in the quality of life of the people of Guyana has been noted. Unfortunately and I mean no harm to the Honourable Minister Kowlessar, for not having chronicled the achievements of his 2004 National Budget during his Budget Speech of 2005. In 2004, the Government made many projections and promises aimed at improving the quality of life of the people of Guyana, and one would have expected the PPP/C Government to come clean on its failures or triumphs in the Budget of the fiscal year 2004.

Today, Mr Speaker, the largest ever National Budget has been presented. It is presented at a time when Guyana is plagued by its worse ever proliferation of crime, drug trafficking, brain drain of the skilled and educated, poverty, and wide-spread unemployment. In reality Guyana has become the crime capital of the Caribbean, where Government officials have been accused of being involved in the commissioning of crimes on its own people. *[Interruption]*

The Speaker: Honourable Member, *Government members have been accused of crime* - what kind of allegations are you making there? *Government officials have been accused of crime?* Honourable Member, I will ask you to withdraw that statement, please. *[Pause]*

I ask you to withdraw that statement, please. *[Pause]* Honourable

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Member, I ask you to withdraw that statement, please.

Dr Dalglish Joseph: I withdraw, Mr Speaker. Drug abuse, drug-related crimes, the street children population has dramatically increased. Domestic and other violence against women and children - rape, incest, sodomy and the like have risen in large proportions. In reality, Mr Speaker, Guyana has now become a nightmare for its own citizens. Imagine Sir, in the midst of the recent devastating flood disaster, persons continue a spree of violent crimes and terror on innocent citizens in different parts of the country. Young people today walk our streets in despair and hopelessness. People no longer feel safe in their own homes. The Police Force has lost its hard-earned credibility among the people, and the rule of law continues to be flouted and disregarded by those in authority.

The Public Service continues to be the principal focus of the regime's attention in its effort to muzzle and exert maximum political control over public servants and their legitimate representatives, the GPSU. The frank disregard for the rule of law and, more specifically, as in the case of the marshals of the Supreme Court who, by now, should have taken their matters to the Ethnic Relations Commission, so that we can assess the worthiness of this current Commission.

This Budget, like many others since 1999, does not provide any information on the total number of contracted employees in the public sector. I repeat, the Budget, since 1999, does not provide any information on the total number of contracted employees in the public sector. This can only be so because it is the PPP/C's regime's intention that the marginalization of the GPSU and its legitimate representatives of public servants must be a continuous process. It is therefore necessary for us to understand that it is no accident that the PPP/C's regime now employs a record number of public officers who are not appointed by the PSC, but are contract employees - all in keeping with the regime's plan to continue to maintain its control over key public service positions.

Mr Speaker, it is now safe to say that prosperity has been quite elusive to the people of Guyana under the PPP/C regime. Over the last

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year, large numbers of Guyanese citizens have been on the breadline, while others, who could not continue to survive in a country ravaged by persistent rise in inflation and high cost of living, made the only logical choice, which was to migrate to greener pastures.

The PPP/C regime continued to speak about attracting foreign private investment but, in reality, our own private sector has not benefited from any Government programmes aimed at strengthening and expanding this vital sector of our country. Our only locally-produced beer seem to be signalled out for tough times under the PPP/C regime; and I speak about Banks Beer.

Mr Speaker, the Budget of 2005 does not ease, in any way, the tax burden on the citizens of this country. Every Guyanese is obligated now to pay taxes for speaking, and when I say paying taxes for speaking, I am referring to paying taxes for speaking on the telephone. The meagre amount of money that Guyanese is able to save in commercial banks is even taxed under the PPP regime. The current tax threshold seems to be written in stone, since the last time it was increased has been long forgotten.

Mr Speaker, our public utilities have not benefited from Government's adequate supervision, and timely intervention. Water tariffs have been unilaterally increased by the water company without any significant improvement in the quality of water that comes through our pipelines. It is unclear whether the Guyana Water Inc has conducted any field testing to determine the quality of water that is distributed throughout this country. The PNC/R wishes to say, here and now, that GWI needs to clearly state what plans it has for water expansion in areas where it does not exist. We would also like to know what water-testing regime is in place to guarantee safe water, if delivered to the people of this country.

Mr Speaker, GPL has continued to create unbearable burdens to the Guyanese consumers and its previous and current administration. Also the government's untimely intervention has not, in any way, brought the desired benefits to our people. Consumers continue to complain that

their electricity bills only go up. They never go down.

The Health Sector in review - We on this side of the House have had the benefit of review of the National Development Strategy, the Poverty Reduction Strategy, and also the Strategic Health Plan, and we therefore wish to put in context how we view these three plans, having had years of experience at the helm of health care delivery and management in this country.

What I will chronicle to you today is what ought to obtain in any strategic plan that seeks to guarantee the people of this country, quality health care and equity. When one reviews the Poverty Alleviation Strategy Paper, when one reviews the Strategic Health Plan, when one reviews the National Development Strategy, the watchwords have been equity and quality. In 1964 the People's National Congress inherited a healthcare delivery system that was grossly inadequate, both in terms of infrastructure, and also in human resource. There were only two specialist hospitals, one national hospital, three regional hospitals ... [*Inter-ruption: 'All the health centres are properly equipped.'* "Bheri, be quiet and learn"] ... twelve district hospitals, twenty-eight health centers, and no health post. Healthcare delivery was essentially curative, and little or no emphasis was placed on primary health care. Decision-making was centralized. There was gross under-utilization of health facilities, lack of co-ordination of health services amongst facilities, concentration of health facilities in urban areas of Demerara, Essequibo and Berbice. The provision of maternal child health services were at a comparatively high cost. These factors collectively created a weak peripheral health care delivery system, with significant underutilization and de-emphasis of intermediary health care facilities, which left an overcrowding at the apex - the apex being Georgetown Public Hospital. At this time also, Mr Speaker, the health sector was plagued by mal-distribution of resources, both human and financial, between curative and preventative services. Many of the existing facilities were in a state of disrepair and required urgent rehabilitation.

From 1964 to 1992, and take notice, we established a National

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Healthcare Plan that clearly set forth our goals and objectives in the health sector for the ensuing years among which were:

- to qualitatively and quantitatively improve health services in Guyana.
- to ensure equitable distribution of health services to both urban and rural areas respectively.
- to urge Guyanese population to adequately utilize all healthcare facilities in their respective communities in order to avoid unnecessary overcrowding and poor utilization of central complex facilities in areas;
- to accept responsibility for dealing with health problems and situations which were bound and beyond the scope and capacity of individual health care providers;
- to eliminate the dichotomy of preventative and curative healthcare services by integrating them at all levels of health care;
- to provide free basic preventative health services such as maternal health care, maternal child health, which included pre-natal care, post-natal care, pre-school, and school children;
- dental care, nutrition, vector control, and basic environmental sanitation were all part of our developmental plan of trust;
- to develop the most appropriate health-care system that will facilitate the provision of an adequate and reliable quality of health-care to the people of Guyana.

We set forth to do the following, some of these strategic charges or targets were:

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- to reduce mortality and morbidity rates, especially in maternal and child health mortality;
- to increase general life expectancy in Guyana;
- to reorganize the administrative structure of health services, which included the decentralization of health administration and health-care delivery;
- to reduce the incidents of communicable diseases and to eradicate those diseases that were of low incidents by intensifying communicable disease control;
- to improve the nutritional status of our population by maximizing our efforts and collaborating with non-governmental and other agencies;
- to improve and extend our dental services, with emphasis on primary dental care, and to provide a better quality of dental care to the Guyanese people, bringing the benefits of improved environmental sanitation to all communities through the collaborative efforts of Government and all relevant agencies;
- to develop veterinary public health programmes, particularly in light of our agricultural trust;
- to develop a programme of health education that was geared to provide healthcare professionals of every category, consistently with our health care objectives, and to provide relevant health education to Guyanese citizens in an effort to help them promote their own health;
- to develop relevant human resources in order to provide an adequate staff; national healthcare delivery system capable of providing qualitative and quantitative improvement in healthcare delivery nationwide;.

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- to provide an expanse in diagnostic and therapeutic rehabilitative services and facilities;
- to provide services to special groups, such as the aged and the disabled – now referred to as the physically and mentally-challenged in our country;
- to establish and develop a system of health statistics and information geared for the health planning and periodic evaluation of health programmes;
- to improve the quality and accessibility of mental health services to the general population.

Mr Speaker, in 1985 the Peoples National Congress established a regional healthcare plan in the form of a delivery system and successfully began the process of decentralization of health administration from centre to periphery. I repeat, in 1985 we established the regional healthcare delivery system and successfully began the process of decentralization of healthcare administration from the centre to the periphery. I say this because we will very shortly debate the Regional Health Authority Bill, and we do not intend to reinvent the wheel. Inherent in this system was the establishment of regional health office, headed by the regional health officer, who had responsibility for all regional healthcare matters.

Concomitantly, Mr Speaker, we established a national healthcare delivery plan that comprised five levels of care. These levels are:

- the healthcare post, or community health area
- the health centre;
- the district hospital;
- the regional hospital; and
- the national referral hospital.

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These were done by the People's National Congress, and I wish to chronicle them so that the Guyanese population will know. In 1964, we built approximately eight health posts, with each having a capacity to provide basic care to an average population of one thousand Guyanese. During the same period, we built more than 94, I repeat, 94 health centers, repaired and refurbished all those that needed urgent repairs, and also six district hospitals. I will tell you them so that you can go and find out:

- Charity;
- Leonora;
- Kumaka;
- Lethem;
- Fort Wellington;
- Ishalton;
- Best Hospital, formerly the tuberculosis hospital, was expanded and upgraded by the People's National Congress administration to a status of a general hospital, which is now known as the West Demerara Regional hospital.

Let us chronicle, Mr Speaker, what we have done:

- at the Lethem hospital we erected a facility with a capacity of eighteen beds;
- we constructed an optology operating theatre suite at the New Amsterdam Hospital at that time in collaboration with the New Amsterdam Lions;
- we constructed the David Rose Centre in West Ruimveldt which is still active today;

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- we modernized the out patient facility at Skeldon Hospital, still operative today;
- we opened, in 1976, the Dental Auxiliary School, which has not been repaired by this Government;
- we opened the upper Demerara Regional Hospital in 1976, still there;
- the old Carib Hotel was purchased and renovated by us to house the medex training programme in 1979;
- a medex programme was established by us, de-emphasized by the PPP, and renovated by them after medical doctors started leaving the health care delivery system;
- the new Accident and Emergency Unit of the Georgetown Hospital was opened in 1980;
- we undertook serious rehabilitation and reconstruction work at the Georgetown, New Amsterdam, and Suddie Hospitals respectively;
- the Ishalton hospital was opened in 1982;
- we renovated the Central Medical Laboratory of the Georgetown Hospital in 1983;
- the children's rehabilitation centre, now known as the Ptolemy Reid Rehabilitation Centre, was established by us in 1984.
- the operating theatre at the Bartica Hospital was renovated and made functional in 1984, and I operated there under the People's National Congress period.
the theatre has been non-functional for more than a decade under

the PPP/C.

The population needs to know.

- Between 1985 and 1992, we developed and successfully negotiated the funding of Health Care I and Health Care II Projects, respectively.

I repeat, the People's National Congress/Reform successfully negotiated the funding of Health Care I and Health Care II Projects, respectively. The former consisted of Health and institutional strengthening of the healthcare system, and the latter was construction of the new Ambulatory Surgical and Diagnostic Centre in the Georgetown Hospital. You have taken credit for that, but it is our negotiated project.

The PNC/R has always invested in the continuous development of our human resources and the health sector was no exception. In order to guarantee adequate healthcare to the Guyanese people, we began the development of key and critical healthcare professionals through the following programmes:

- in 1965, we established the dental nursing programme;
- in 1968, we established the nursing assistant programme;
- in 1971, we established the nutrition assistant programme;
- in 1973, we established the dispensary assistant programme;
- in 1975, we established the x-ray technician training programme;
- in 1976, we established food service supervisory training programme;
- in 1977, we established a medex training programme - which is still alive and well - reluctantly under the PPP/C regime;

- in 1979, we established the epidemiology technician training programme; and
- in 1980, we established the physiotherapy auxiliary training programme.

Mr Speaker, isn't this investment in human resources?

With the collaboration of the University of Guyana Health Sciences Faculty, we established:

- the medical technology training programme;
- the environmental health officers training programme;
- the radiography training programme;
- the health sciences tutors and managers training programme;

Isn't this investment in human capital? The PNC's heart health ministry over the years conducted many other training programmes:

- the professional nursing programme at the Georgetown Hospital was started by us'
- the midwifery training programme was also started by us;
- with regard to overseas training we had sent more than 400 Guyanese youths for training overseas in health and other related medicine and health fields.
- In 1985, with the collaboration of the University of Guyana Health Sciences Faculty, we successfully established the University of Guyana School of Medicine and started, for the first time in Guyana to locally train medical doctors.

Yes, Mr Speaker, I am chronicling here investment in human capi-

tal. We have invested in the lives of the Guyanese people. During our tenure we succeeded in reducing the infant mortality rate to 33 per one thousand; maternal mortality rate to 0.432 per thousand; and I would hope the Honourable Minister, Dr Ramsammy, would have known about these achievements. Most of our immunization programmes reached their target population and were successful.

Mr Speaker, all these things and more were done by the PNC/R during their 28 years in office. With this generation of leaders we have here today, we did it then and we will do it again, come 2006. Mr Speaker, we have more development to come for the Guyanese people in 2006. Under the PPP/C administration, Mr Speaker, the health of the Guyanese people has been cast in great obscurity. No one in authority seems to want to share the truth with those concerned. Technocrats in senior healthcare positions seem muzzled when questions are asked about their areas of responsibility in health. There is a perpetual tendency of those officials to refer all questions to the all-encompassing Minister of Health. *[Interruption: 'Who helped you write that speech?' 'Gail, I helped you a lot, do you remember?'] [Laughter]*

The recent flood disaster made it all too clear, Mr Speaker, that the PPP/C's Minister of Health ealthwants to have his hands on everything that has to do with health and so, on many occasions, the decisions that seriously affect the lives of Guyanese people are made with the exclusion of senior technical staff of the Ministry of Health. It is no wonder that, under the watch of the current PPP/C's Minister of Health, most of the senior technical staff have now left his Ministry, while others have been marginalised; and in the case of the head of the National Aids Programme Secretariat, Dr Maurice Edwards, we are still awaiting his fate. The PPP/C's Minister of Health seems to be very comfortable working with foreigners, whom he can intimidate easily, and who will respond to his beck and call without questioning. Dr Curtis La Fleur continues to hang around, for want of a better word, the Ministry of Health without a substantive appointment that is directly related to his field of study and competence.

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The Speaker: Your time is up, Honourable Member

Mrs Deborah J Backer: Mr Speaker, I rise to move that the Honourable Member be given fifteen minutes to conclude his presentation.

Question put and agreed to.

The Speaker: You can proceed.

Dr Dagleish Joseph: Thank you, Mr Speaker. More than a decade has elapsed since our professional nurses have failed to find relevance in our local healthcare system. Nowhere in the strategic health plan are there any concrete proposals to address the perpetual shortage and continuous migration of Guyana's most vital health resource. I repeat, nowhere in the strategic plan are there any concrete proposals to address the perpetual shortage and continuous migration of Guyana's most vital health resource.

Mr Speaker, the PNC/R believes that there is urgent need for a strategic human resource management plan to be undertaken by the PPP/C's regime, now, if we are to successfully achieve the goals and objectives set forth in the National Development Strategy, Poverty Reduction Strategy, and National Health Plan. Mr Speaker, the PNC/R feels that the time has long come for the PPP/C's regime to intensify its efforts in the creation of an environment in which professional nurses are recognised as key and critical healthcare staff; where their growth and naturalisation are continuously encouraged. Mr Speaker, if you invest in them now you can never lose, but in fact you will increase human capital and attract the best quality. Migration of professional nurses have been severely affecting the quality of healthcare delivery in every area of our country. Many regional governments have created a thriving industry because of this fact, and continue to attract and retain many of our nurses in an effort to sustain their own health care delivery system. What is wrong with us? The PPP/C's Minister of Health says that this phenomenon is *trading in services*. We of the PNC/R feel, and would like to ask the question, how is Guyana benefiting from this trade arrangement?

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And with whom are we trading? We await his response to these questions. Mr Speaker, it is true that the world is greatly plagued by a global shortage of professional nurses, but the PPP/C's regime has persistently failed to address the numerous concerns of nurses in Guyana over the last decade.

Unfortunately in Guyana, Mr Speaker, every potential graduate from our professional nursing programme is already acquainted with information and job opportunities beyond Guyana's shores, and the PPP's regime continue to hold them only by bonds and black-listing at the airport. This perpetual shortage of professional nurses that currently plagues the healthcare delivery system leaves major gaps that have to be filled by requisite staff, and I emphasize here - requisite staff. The PPP/C's Minister of Health's approach to this problem, which has been the creation of a category of non-professionals staff called PCA - who are not professional nurses, is not the answer to this problem.

Mr Speaker, on Page 56 of the Budget Speech, under Health and Education, Item 5.3, the *Number of Nurses per Ten Thousand Population* has been stated here as 34. In the previous years it was strikingly low. Now I do not know how the Minister of Finance, or the Government, arrived at this figure. I would like to know, as a healthcare provider in this country, and the people out there need to know, where are these nurses? I repeat, where are these nurses? Thirty-four!

Mr Speaker, the goals of the National Development Strategy and Strategic Health Plan cannot be achieved if the PPP/C fails to invest in human capital. Mr Speaker, the health sector is now in its worst ever period under the stewardship of the current PPP/C's Minister of Health, and I must say that Gail did better, but she had my help. *[Laughter]* For the first time in the history of this Ministry, Guyanese healthcare professionals are constrained from making their contributions to the health of this nation. Key positions in the Ministry of Health are now being filled by foreigners and persons who are ill-experienced, to the exclusion of well-trained and experienced Guyanese sons and daughters. Is this discrimination? I need to know. Our Adolescent Health Programme is now

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being headed by a foreigner, when many Guyanese who are qualified and experienced applied for this position and have not received it. The Minister of Health needs to tell us why Mr Speaker, is the PPP/C's regime saying to our young people who go to our institutions of higher learning, our young people who have a goal and objective to remain here and develop Guyana, to look overseas for meaningful employment? I need to know, they need to know.

The 2005 Budget, Mr Speaker, promises that the construction of the new hospital complex at Linden, Region 10 soon commence. The PNC/R looks forward eagerly for the commencement and completion of this project.

Mr Speaker, the Honourable Minister, Satyadeow Sawh, had said that development can only occur in a democracy. Well, the development I have chronicled, in what system, Sir, did they occur? I repeat, he said that development can only occur in a democracy. Well, what we have chronicled, Sir, I would like to know in what environment they were done.

Mr Speaker, health legislation has been a very preoccupying and worrisome situation for the People's National Congress/Reform. Instead of the Minister of Health bringing forth into this Honourable House legislation that will qualitatively improve the quality of healthcare delivery to the people of Guyana, his legislation has so far been to progressively increase his powers, making him czar, or God on earth. There are many areas of health legislation that need urgent attention.

The flood disaster only recently made it more pellucid that we need to put in place the appropriate solid-waste management legislation to effectively deal with this problem in our country. Mr Speaker, it is important that, as medical technology develops, that we need to create an environment for research that will protect humans against violation. Therefore, Mr Speaker, there is need for health legislation that provides an opportunity for sound bioethics. I sincerely hope that the Minister of Health will take this into consideration.

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Mr Speaker, the Medical Practitioners Act of 1991 has now been in place for more than a decade, and professionals in this country - and I say medical professionals - have reviewed it and realised that there is now urgent need to review it in order to bring it in line with advances in medical technology and other medical advances.

Mr Speaker, in conclusion, my colleague, Dr Max Hanoman, will also deal with matters related to health, but I have, and the People's National Congress/Reform has, clearly established that, unless there is a deliberate plan on the part of the PPP/C to attract, develop, and retain key human resources, we will not achieve the laudable goals set forth in our National Development Strategy, our Poverty Reduction Strategy, and our Strategic Health Plan.

Mr Speaker, I also indicated to some of the members of the other side that a number of important issues and recommendations came out of the recent, tiresome, laborious, but essential debate on the flood disaster, and I sincerely hope that the Government will set forth a project to document the suggestions that came out from presentations in this Honourable House, because those recommendations and suggestions are not recommendations and suggestions that are meaningless, to say the least, but they are strong recommendations and proposals that will advance the quality of the lives of people in Guyana.

For these reasons, Mr Speaker, I join with my colleagues who have spoken before me, who have also outlined our review of the fiscal year 2004, and also sought to highlight what we consider inherent deficiencies in the provisions of 2005. I hope that what we have said has touched the ears of those concerned about progress and development in Guyana.

I thank you. *[Applause]*

The Speaker: Thank you, Honourable Member. The Honourable Member, Dr Bheri Ramsaran.

Dr Bheri S Ramsaran: Mr Speaker, I rise to add my bit to this debate

and, at the same time, to lend support to my colleague, the Honourable Minister of Finance, in his presentation of the Budget, and to give my support for his call that we do support it in the coming days.

In his presentation he has given us a tool which he has fashioned to confront the challenges, while supporting growth and development. He has done so against the background of economic growth of 1.6 percent, slightly up from the previous year of 0.6. He attempted to outline to us some of the serious constraints and challenges that the nation and, of course, his ministry faced, and why we did not do as well as we should have done.

At the same time, from the other side of the House, there were continuous attempts to indicate, or to emphasize, the shortcomings. I would like to address some of those before I get into the meat of my discussions on some of the things I would like to highlight from the Minister's intervention; and I would not only like to speak on health. I did note Dr Joseph's intervention, his contribution, a few minutes ago. Mr Speaker, I must tell you that I was heartened a little. Democracy and debate is alive, and I am happy that the PNC/R has taken this approach to come up with, even trying to glorify, the things that they did, and I agree Mr Speaker and colleagues, that in some cases things were done.

The PNC indeed were in power for twenty-eight years. Not only did they rig elections, they also built health centres. Not only did they set up KSIs - the Knowledge Sharing Institutes, which forced us to line up to purchase toilet paper and soap. Those, Dr Joseph, were conditions under which you operated. But a foundation has been built, and while you were operating under those unfavourable conditions imposed upon the Guyanese people, you were still able to show some signs of development and growth in some cases, especially in the early years. But if, good people, you were to reflect on Dr Joseph's intervention, you would notice that he could not mention any significant contributions that were done after a certain period. You can consult the electronic records, or the Hansard when it is published and review the speeches.

Mr Speaker and colleagues, I made a statement that a foundation has been laid - a foundation that was being built upon. Dr Joseph indicated that the PNC started the decentralization of health, that they started to bring equity to those pockets of population that previously did not have that level of service. Colleagues, this is not so. The person that started that in health was no other than the then Minister of Health under the PPP Government, was Janet Jagan. *[Applause]* And let me remind you that there still is infrastructural evidence of that strewn across the country, and had not the foreign masters of the PNC intervened to stifle democracy in this country, we would not have had plan Guyana 28, and that progress would have continued. Let me tell you of some of the infrastructural evidence of the intervention of Janet Jagan as the Minister of Health, which are still strewn across the country. Those little match-box health centers, Bohemia, Sixty-four - that was the first attempt at decentralization. Dr Joseph does not know his medical history; and by that I do not mean the medical history of a particular patient or patients. We can go into that another time. I mean, he does not know the history of the devolution of the health system. Yes, years after the PNC brought in the regionalised system; a hybrid system that never really reached its full potential; and let me tell you that not only in the present condition is it weak, but even under the PNC it had certain weaknesses in the regional system, simply because they could not staff it adequately. The exodus started even then, and the smaller regions suffered the more, especially those on the periphery. Mr Speaker, where is my good friend and colleague Dr Joseph at this time? Has he gone with Max too? I would like to emphasise this point, especially to the media, and I suspect that they should probably go a little into the annuals, into the history. They should check how the Bohemia centre came about, and it still stands small, modest, but proud. It serves a strategic catchment area in a community that previously was thought of as a rural and backward canecutter and coolie area, because in those Colonial days those people were kept in the background. Even the needs of the Amerindians in the hinterland were ignored before Mrs Jagan's intervention. The steps taken by that Minister of Health were, of course, aborted when there was a change of government.

Machinations of an international nature against the broader canvas of the cold war - those are things that we must know, and those are the things that the cameras must record, because those are the things that young people must know about. The PNC was part of that; the PNC introduced that pathology into this country whereby the little beginnings that we had started, the little devolutions were crushed. Well, the Americans have of course apologised. I do not have to tell Bullen; Bullen of course, is a good diplomat, and he would have read the records. The Americans have apologised to Dr Jagan for overthrowing him, or for allowing the PNC to make them being a part of that. *[Laughter]* It is a fact that you really cannot follow this story I am telling you. It means that you are starting your history book, or the history pages of that book where you like, as Dr Joseph attempted to do. He spoke of all the structures that were built, but before that other structures were built; and my friends, those structures were built in an atmosphere of hostility. Those things had to be built while things were burning and blazing in the city.

Now, Mr Speaker and colleagues, Dr Joseph asked an interesting question, albeit a rhetorical question - under what conditions were we doing all of this? In other words, the PNC is implying that to have structures going up, and to have services rolling out, you had to have democracy. No, you didn't have to have democracy. During the PNC days you had rigged elections, but things were still happening. Why? They were not starved for funds. In those days the dictators and those who served certain masters were given money freely. Right now ... *[Interruption: 'Like Fidel']* "you should not speak about Fidel, your friend was just boasting that they send so many students to Cuba; he too went there. and I would like to tell you, Mr Speaker, that it is the PPP Government, under austere and severe circumstances, and while still running a colony, which first started the foreign students programme in this country, which was at that time known as British Guiana. As a matter of fact, Mr Speaker, and I hope that the cameras will record it, and that the young people will note it, even during the days while in opposition, the PPP, in its foresight and vision, continued to send scores of young people overseas for training as doctors, *[Applause]* as engineers, as econo-

mists; and some of them, having been trained in the dark days of the PNC dictatorship, are still serving now. [Applause] So Dr Joseph was just rewriting history. The foreign scholarship programme in this country was started by Dr Jagan [Applause] way back and, of course, there are still notable members of various communities to whom I can point - Dr Anderson in New Amsterdam, a product of that programme; Dr Motilall, who was once a member of this Assembly, studied overseas and, when he returned, could not get a job under the PNC – shameful; [Applause] and I want the cameras to record that. The man whom has given many years, to the chest clinic in later years when things started to change, initially found it difficult to get a job under the undemocratic PNC Government. That is a shame. Dr Dalgeish Joseph, my good colleague, neglected to tell you such details.”]

Well, there are so many details that I will have to fill in, punch so many holes into the misleading story that Dr Joseph told us, that I suspect that we will have to be here until 2 o'clock. But then, Mr Speaker, the night is young, and I feel like speaking, because I always feel like revealing the truth whenever my sense of history has been insulted, and more and more by the PNC insulting us after having hidden certain things from the nation. Let us answer Dr Joseph's questions - when he was asking how could they build this hospital, and that health centre, and that health post if they did not have, or did not provide the conditions, before I really come to the Minister's speech, and make my contribution on matters of health, on which I will speak only a little, because I know that Dr Ramsammy is rearing and ready to go because he really wants to wade into Dr Joseph this evening; so before I get into those aspects of my discussion, let us look at some of the conditions which Dr Joseph neglected to tell you about.

Incidentally, I should make a little note here, and I should tell you about it before it slips me. While Janet Jagan was the Minister of Health, several health centres were built. That was supposed to be the skeleton of a wider evolving system, and it caught my attention the other night when a film dedicated to her life did not record this fact - not a single aspect of that part of her life or contribution was recorded. Further to

that ... [Interruption: 'Well, you fill them in nuh.' 'Oh stop making noise and listen. Oh my God!'] [Laughter] Further to that, Mr Speaker, the introduction of health launches in this country was engineered, was pioneered by the People's Progressive Party. [Applause] This was an aim and an activity undertaken to bring equity to those riverain farmers who brought the oranges to Georgetown, who laboured to bring the plantains - the famous BG plantains, to Georgetown, but who never had access to professional healthcare. It was on that beginning, friends ... and I see my good colleague there is actually propping her chin and taking the history lesson, and she should know better, because she is older. It is those beginnings that fashioned what went on later. I must mention again that the health launches played a very significant part in the lives of the rural poor, because in many instances it was thought that if you own a farm, or if you produce, you had means. As of now studies have shown the rural poor in Guyana might own a piece of land, but they do not have the wherewithal to realise their potential, or to even travel to the centres of service. That was an aim. The aim of that project was to take the boats with the doctors, with the nurses, with the midwives, to the points where the service was needed. Incidentally, in those days, there was a system whereby you stuck a white flag where the boat was passing so that the medical personnel passing will know that somebody down *yah suh need help, right yah, and yuh stap*. I think it was a white flag, right? I am sorry I offend your sensibilities, but that is how it was. A flag was stuck in the ground, and that indicated to the operatives that they should stop at that point and take to this poor person or his family a bit of medical service.

So, Mr Speaker, I would like to move on, and I would like to say ... I want to rub this piece in. I would like to say that if they could somehow make part two of that film, and they can weave this part in about Janet Jagan's life - all the venom and all the filth that they throw against the woman, and yet these are contributions that she made to this nation.

Now, what are the conditions that existed, after some time, under the PNC; and these are conditions of which Dr Joseph too would know.

There was a time, Mr Speaker, when we had to recycle gloves - the surgical gloves. The nurses would have to wash and recycle the gloves, and then they would have to powder them with baby powder. The only difference being that the same Johnson and Johnson powder we would have to buy, we call it baby powder at home, but in the hospital we call it talc. The sister would talc the gloves, and Dr Joseph wore such gloves; I worked in the same hospital with him. There were those nurses, who were dedicated enough to go through that laborious, tedious and unrewarding process, and some of them have not migrated, but have graduated to the leadership of the hospitals and the sector. So things were not all hunky-dory under the PNC.

Let me remind you of the days when rats would be eating the patients in the hospital beds - two and three in one bed. Let me remind you of the days when it was not strange to hear reports of the dogs running away with a placenta in the hospital compound. Those were the days of the PNC. I am happy that my good friends have been silent and are listening, so please do not spoil it by bubbling up with some stupid heckling.

Mr Speaker, right now there has been a dearth of academic activity in the medical fraternity. Fortunately, the Georgetown Public Hospital Corporation is now becoming a hub of training, including post-graduate training in medical fields. But before I tell you about that, and tout the achievement of the present regime, I would like us to go back a little more. I was trying to tell you of the foundations that the PPP was trying to lay. Dr. Joseph spoke about certain programmes that the PNC rolled out. Training of this level of worker, or that level of worker, and incidentally, please note that that petered out after a certain period. But what I would like to point out, Mr Speaker and colleagues, is that, even before that the University of Guyana had been founded as a visionary move by Dr Jagan. Many of us, and especially the younger people, do not know the venue, or the original venue, of that institution. It would be good for us to do some homework and find out where it was. Incidentally, in those days, Mr Speaker, this august institution - this vision of Dr Jagan's was laying the foundation for the medical school, for the training of law-

yers, but what was it known by? What was the name, the slander, it was called by the PNC in their official documents and slander sheet? It was called Jagan's night school. Why? Because we could not afford a campus for the foundation for our intellectual development at that time. And so it was being held on the premises and properties of a high school. So, the high school children or pupils would go to the school during the day, and in the nights the adult workers would come to study. On other words it was a night school. The PNC, of which Dr Joseph is a part, and who was not taught this when they took him to the Cuffy Ideological Institute, used to call it Jagan's Night School. Jagan's Night School has now evolved into the University of Guyana, and they are now claiming that they put a medical school there. That was part of the package that was stymied and aborted when you joined with the United Force and your foreign masters to kick out the PPP and to continuously rig the elections after that. Further, Mr Speaker, and since this history of the University came to me, and also since we are speaking of roads, bridges and ferries ... at that time too there were added developments, and this bit will further expose the nature of the PNC as sometimes even being anti-national. A few weeks ago, when we labelled them as being anti-national for their activities during the flood, they wanted to hit the roof. But I will tell you this, Mr Speaker, early in the 1960s we needed to bridge the rivers, but we could not afford bridges, so Dr Jagan built our commission boats. If you travel over the Berbice River now and you look at any one of those large old boats, there is a plaque which says, *made by Sprostons*. Whenever I take a young person and show them that plaque, I bang it into their heads that *that ain't mek by Sprostons, that mek by Jagan*. [Applause] At that time those boats were ridiculed as the University had been because they were large because the roads were narrow and small in those days. They were red roads, and there were few cars; so the boats were ridiculed and called by the PNC *dance halls in the ocean*. Jagan created *dance halls in the ocean*. Sit and be educated, your anti-nationalism went to that level, up to and including the proposition of establishing a University. So that is the genesis, and I did hear somebody mutter some nonsense about the Acrabre College of the Social Sciences? Had you attended that, you would have been properly

educated, and would have been a grounded citizen. *[Applause]*

We heard of mental health, and the many nice things of which Dr Joseph was speaking. These are good things, but there was a time in this country, and not so far back, when any person of unsound mind was simply known as a madman and thrown into the Canje hospital. The conditions there were atrocious. Look at what we have inherited. A large colonial building, glorious in its time under the colonials, but when we took it over, it was a horror house – Ribs of inmates only showing. So friends, these are some of the things I want to speak about. I want to paint the proper picture against the background which the PNC's programme evolved.

They inherited an economy which had a favourable balance payment. That changed under their watch and, in 1992, we inherited a burdensome debt, leading to approximately 97 cents out of every dollar having to be paid overseas. Well, obviously, some of these comrades were not able to attend Jagan night school, *deh can't tek the rockings in the nights, so they just quit.*

Mr Speaker, I would also like to point out too that there are certain misconceptions. For example, there was mention of the Patient Care Attendant or Assistant (PCA). This is by no means any attempt by the Ministry, or this Government, to replace a trained nurse by a substandard product; and it is surprising that Dr Joseph, who works in the institution which created this position, is so little informed. I am being kind by not saying misinformed. The Patient Care Assistant is a creature of the Georgetown Public Hospital, geared to satisfy their needs only. What is interesting, though, is that the programme has been so successful, and the in-house training has been so effective, that many of these PCAs are now graduating as students into the nursing programme. In other words, the Georgetown Hospital is actually losing its PCAs into the nursing programme. In other words, it is a stepping stone to a professional career. It is very disappointing that a member of staff, a senior member of staff, of that institution does not involve himself enough in the activities of that institution to know of this. As a matter of fact, the CEO of the institution

is actually complaining - not bitterly, but complaining that he is losing his cadre of PCAs to the nursing programme.

Now, again there is the implicit accusation of discrimination - that local staff, or staffers, are being overlooked for foreigners. Sometimes I am hesitant to mention some things, because the persons referred to are not here to defend themselves, but I am doing this only in response to the misinformation not so long ago given on the issue of the adolescent health head, there was an interviewing committee, and the pretend applicants were all interviewed. That committee did not comprise PPP hacks. It comprised of persons including the PPO of the Ministry of Health. That person cannot be said to be a PPP black dog. *[Interruption]*

The Speaker: Honourable Member, I would be very obliged if you could watch your language.

Dr Bheri S Ramsaran: I am sorry.

The Speaker: You have been continuously, throughout your speech, using language that is inappropriate to the dignity of this House.

Dr Bheri S Ramsaran: I am sorry.

The Speaker: Would you please watch your language?

Dr Bheri S Ramsaran: I fully apologise for that, but this person cannot be said to be a stooge or a creature of the ruling Party. That is the sense I want to bring over, Mr Speaker, and I would like to repeat my apologies for being taken away in the description.

Mr Speaker, we heard of a list of social woes and ills that allegedly have evolved under the PPP:

- mistreatment of children;
- child abuse, including sexual abuse.

But what I would like to point out, Mr Speaker and colleagues, is

that in many cases the seeming increase in these incidents, or maladies, is due to the fact that there is increased and more effective reporting. This, in many instances, is due to the better education of the victim, and that, to a large extent, is the result of efforts that have been put in the work of the relevant ministries, including the Ministry of Human and Social Services, and the extensive TV and other educational work undertaken.

For Dr Joseph to say that there is no improvement in the first five years of this millennium is obviously misleading. Sometimes I do wonder why he insists on wearing his dark shades - and I repeat that, if he removes them he will probably see things a wee bit clearer.

Let us, for example, look at what was said during the public consultations for the preparation of the Poverty Reduction Strategy Paper. Colleagues, over 700 public meetings were held in a very democratic way. I remember at one activity at Hosororo, our good friend and colleague, the Honourable Ricky Khan participated. Coming out of those consultations, it is said as follows:

The consensus was that the poor working habits of healthcare personnel affected the quality of healthcare delivery. Reference was made to discrimination at hospitals, the hostile behaviour of some medexes, absence of medical personnel at health centres, especially during the night and poor physical facilities ...

And it goes on. You can check this for yourself on Page 20 of that report which was recently circulated. This, of course was a survey that was done a few years ago, and which was describing the accumulation of inheritances that this Government and administration received. It is by no small measure that this regime and this Government, along with the Ministry of Health, was able to maintain certain standards - certain golden standards - that are recognised by the international community as being good indicators of a good public health system. For example, my good colleague Dr Joseph referred to the vaccination programme. Let me tell you that, despite the constraints experienced and the continued attrition

of staff, we can say that our immunisation coverage was about, or is, among the best in the third world. For example, the coverage for our one-year-olds, with practically all the vaccination profiles, range from the late 1980s - that is, 89 percent in 2000, right up to 92 or, 94 percent in some cases, in 2004. Friends, colleagues, Mr Speaker, this is a good indicator as to the effort that has been put in by this Government over the past years. Of course, we can see that table on Page 56 as Appendix 1 of the Budget Speech of the Minister. You can see, for example, that we have been able to hold our heads high at a percentage of 92 to 94 coverage for particular vaccinations in 2004, as compared to the relatively high percentage coverage in 2000 of 89 to 93 percent. Why I mentioned that is because it is a signal achievement. In some more developed countries - for example India, China, in many cases they do not meet half-way up with those measures.

Mr Speaker, the Budget has been presented against a background of signal achievements in the health sector. This is not to say that there have not been challenges, that we have not lost our skilled workers, but there have been certain encouraging developments. The New Amsterdam Hospital, which is structured to cater, not only for the citizens of Region 6, but also for Region 5, has been a significant addition to our arsenal of health facilities. As a matter of fact, over the past few days, almost 100 cataract extractions have been done. That is only over the past few days. As no doubt the Minister of Health will tell you, the aim is to have 3,000 cataract removals done, and not only will they be removed, but the artificial lens will also be implanted. So I think we can pat ourselves on the shoulder that the President is delivering. He has promised, especially to the older folks, that there will be a special eye care programme to take care of the backlog of cataract cases, and that is actually being done. As a matter of fact, you can look upon the Budget - last year's and this year's as tools for achieving that promise and that objective.

The Speaker: Your time is up, Honourable Member.

Mr S Feroze Mohamed: Mr Speaker, I wish to move that the Hon-

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ourable Member be given fifteen minutes to conclude his presentation.

Question put and agreed to.

The Speaker: You may proceed, Honourable Member.

Hon Bheri S Ramsaran: Thank you, Honourable Member Mohamed, for supporting me with these few minutes more.

What I would like to note, Mr Speaker, is that there is some silence in the chairs, or the benches of the Opposition, and I do find it a bit unfair that, after severe criticisms and attacks against the Budget and achievements of this Government, that they should withdraw. This, I think, is shameful and it is not in keeping with my initial impression that discussions and democracy were alive. I was very pleased to hear Dr Joseph going into the history of his Party and legitimately boasting of some of the things that he claims his party achieved, but I am somewhat disappointed - terribly disappointed - that the PNC has again run away from their responsibilities and are not representing their constituencies.

Mr Speaker, these are some of the points that I would have liked to mention. But I can not part without telling you of some of the achievements also mentioned by the Honourable Minister in his Speech. One achievement is the nutrition project - a project which is specially tailored to address the needs of the most vulnerable, and in many cases that means poor members of our communities. This very expensive programme will be so tailored as to benefit mothers, pregnant women and very young children. In other words, it will be a health-centre based initiative, valued at approximately some \$36 million, and it will be focused ... The Government will be using the Budget and its control of these funds as a tool to achieve a certain public health goal, which is the improvement in the nutritional status, including the fight against anaemia of our women. Mr Speaker, you must note that, in many cases some of these women are heads of single-parent households, and they need all the assistance they can get. This is one of the methods of bringing equity and justice to the health sector, and I must thank the Minister of Finance

for specially including that in the Budget.

I would also like to point out that the un-informed comments about the medex training programme cannot go unchallenged. Dr Joseph is obviously getting some information from within the Ministry, but it is being skewed. The medex training programme was never abandoned by the PPP/C. If you would have read the WEST ON TRIAL, there is a certain chapter which says *In Office but not in Power*. Unfortunately, in some cases we still have microcosms of that experience, whereby the bureaucrats in the Ministry can stymie and hold back progress. That medex programme was never abandoned. After certain difficulties it was re-introduced when I took office as the relevant person in-charge, after certain reluctances, after leading members of the programme were going about their other businesses, including their own development. But again I would like to refrain from making certain statements when those persons are not around to defend themselves. I would simply like to close on this score by saying that Dr Joseph is misinformed. The PPP/C has never abandoned the programme. As a matter of fact, when the PPP/C realised that the persons responsible for training were not carrying it on as vigorously as they should, we started first of all to recruit retired medexes to fill the gaps, while we reintroduced the programme. I was this particular job for two and a half years, and it took me the better part of those two and a half years to get that programme restarted, because there were certain resistances.

Mr Speaker, another interesting aspect of training - and here again I emphasize training because we will lose people, but we will continue to train often - the anaesthetic nurse training programme will commence again in the next few weeks. This programme was postponed a little because of some difficulties created by the flood period but it would soon be back and up and running again with the support of the international partners. Again, that programme will reside at the modernised New Amsterdam Hospital. Here again we are taking advantage of the new conditions created by that investment.

In closing, I would like to touch a little on the comments made

about water safety. There were comments that the water company, the Guyana Water Incorporated, might not be in a position to deliver safe and wholesome water. Let me emphasize, and I am certain that the Minister will delve more into this, that the water authorities are actually doing testing, even on site, as they deliver water to the flood victims. In some cases the chlorination might need upping once they do the testing, which they are doing. They take the necessary steps to remedy this. So, yes, we do not need to spread alarm and make the populace become apprehensive, because the Guyana Water Authority is capable of doing that. But what did catch my eyes, Mr Speaker, is the fact that, again in the not so distant past, we did not have investment in the water sector by the PNC Government. The same women of whom we speak that we want to empower, had to spend hours pulling carts along the Corentyne Highway with their young children whom they had to bring home early from school, and along the East Coast Highway to fetch water. It is shameful that a leading Member of this Assembly should, in a misinformed manner, try to now paint a different and misleading picture. The PNC neglected to provide wholesome water to large sections of our population for many, many years.

Mr Speaker as I pointed out, during the debate on the flood, our success in curbing diseases during the flood was due to our investment, first of all, in sharing out strictly bottled water, bleach, and our previously mentioned wise investment in social infrastructure, namely a good water distribution system, bringing water to the flood victims up to a certain period, and allowing them to have some degree of quality water.

Mr Speaker, I can go on and on with some things, and make comparisons between what is and what was.

But I would just like to close now and congratulate the Minister of Finance for making a well-thought-out presentation in which he, while accepting the difficulties, he at the same time has charted a course that I would feel confident and happy to follow, and I would like to invite the House to endorse this Budget. *[Applause]*

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The Speaker: Thank you, Honourable Member.

The Honourable Member, Mrs Rajcoomarie Bancroft.

Mrs Rajcoomarie Bancroft: Mr Speaker, just allow me to make a little introduction of the constituency which I represent. I just want to give a brief introduction, then I will get to the Budget presentation.

Region 8 - Potaro/Siparuni, is located in a remote part of Guyana, and is home to numerous communities. It has a population of approximately 8,000 residents, that is the 1997 estimate, because the 2003 census exercise did not give us credible information. It is predominantly Amerindian - 6,000 with the remainder of 2,000 plus being an assortment of mixed and other ethnicities.

The residential communities are populated on a crude average of three persons per square mile. These communities are mostly air-accessible and have a space network of interconnecting foot-trails and a number of vehicular dry-weather roads. There are a few negligible waterways in this region. The territory is made up of vast forests, savannahs, and mountains. The local economy is mainly gold and diamond-driven.

Mr Speaker, I will now venture to get into the meat of the matter - *Water and Housing*. I was going through the Budget speech, and I read the part where it stated that there are water and housing facilities; but I want to bring to this Honourable House that, in 2001, Guyana sunk two wells in Mahdia to the tune of \$17 million. To date these produced less than 50 gallons per day.

In March 2003, the Honourable Minister Nokta and Minister Baksh visited Mahdia, and at that very visit they held a meeting at a public forum, where we were promised that, by August 2003, Mahdia will have potable water from Salbora. Mr Speaker, when Basic Needs took the opportunity to do a feasibility study, we were told that \$60 million were available to complete the laying of pipelines for us to have gravity feed water. To date Mahdia remains without water. Come the next dry weather, all of Mahdia will suffer. And just let me interject here,

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the new dormitory that they are boasting about - yes they are finished, but there is no water and no light.

Now I want to talk a little about Paramakatoi. Paramakatoi has a population of 2,000 people. There is a wind-driven pump and a 16,000-gallon tank of storage water. Obviously that cannot do, because we are talking about Paramakatoi and an extended village where we have the Education complex and the Health complex to deal with.

Mr Speaker, when the dry weather comes, Mother Nature will take the toll and there would be severe problems, because the population is increasing and I have not seen any plan to boost up the water situation.

Monkey Mountain has had the same problem for the longest while. I think last year myself and the Honourable Minister Nokta were on that trip when the Basic Needs representative was there, and they went and did a feasibility study. They visited the mountains, and so we are expecting to have extended pipe lines so that we can have water.

Kopinang also needs pipelines. *[Interruption: 'You only remember me.' "Because you were there, Honourable Minister."]* Then Kato has a windmill. Other than Kato, Kopinang and Monkey Mountain and the rest of Region 8 is in deep trouble from the dry weather. While the coastland is encountering floods, we are encountering drought. So it is a different thing altogether.

I want to talk a little about Housing. Region 8 continues to suffer from housing problems. In 2001, the same subject Minister went to Mahdia and an area was promised to the residents. It was identified, surveyed, cleared and graded, but that area was subsequently given to GT&T and we were promised to have telephones since December 2004. To date Region 8 is the only administrative region that stands without a telephone, and it is so difficult sometimes to reach me. *[Interruption: 'Tell the Prime Minister.' "The Prime Minister knows that"]* Then there is another area that is allocated for the housing scheme down to the

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end of the airstrip, but I think that is there for a special purpose - to be manipulated for election gains, so I do not want to make too many comments about that.

Mr Speaker, I want to talk about roads, because it is Region 8, and we should touch all around.

Roads and Bridges - While the road programme is good so far, and well-intended, all-weather roads seem to be a long time in coming. We need four more bridges to link Region 8, and I will bring that out in my recommendations. The roads in Region 8 are only dry-weather roads and we cannot move when there is rain. When you are stuck in one village because the water rose, you cannot move. So we only have dry-weather roads. I hope that this Government, or whomever is responsible for road programmes, look at an all-weather road programme, because Region 8 tends to be far away and in the middle of nowhere.

Mr Speaker, I would like to turn my attention to *Transportation and Communication* and say that I was listening carefully to all the comments. Whereas in the past we had a State-owned air service, now commuters are left at the mercy of private airlines and exorbitant fare structures from any point to any point in Region 8 - meaning from one village to another the airfare for that seat is \$22,000. To travel out from Region 8 to any part of Ogle or Timehri it is \$15,000; and we have to pay it because we do not have a mail service; to get into the village is \$22,000, and if I am lying - ask any airline.

I want to talk about the recent toll that was raised at the Mabura Gate. I hope that the Minister of Works would get this message from one of his colleagues. We have to pay a toll at the Demerara Bridge, and then, when we get to the Mabura Gate, we have to ... or we used to, pay \$150, but now we have to pay \$1,000 without even informing the bus drivers. Now the bus drivers are contemplating to raise their fares to \$5,000. All this plus, when we get to Mango Landing, we have to pay \$11,000 for a light vehicle. I am saying all of this because I want people in this House to understand what is happening.

Two weeks ago, I was at the Gate (please listen) with the media and decided to talk with the administrators, but I was told that everybody had gone into the fields. Nobody was there to listen to us [*Interruption: 'I am listening.'* "*You are listening, but you are not acting.*"] And so I spoke to the media. I told them of all the problems we have and that the matters are still not being addressed. The bus drivers have to pay \$1,000, if they do not, a padlock is placed on the gate, and that is the only road that is maintained by the administration - seven miles of that roadway - the rest is being maintained by Mekdeci. So, Mr Speaker, I just want this Honourable House to know that all is not well and good with Region 8, as the Government's side has claimed. [*Interruption: 'Xavier gone and he has not heard this.'* "*He will get the message.*"]

I will now turn to *Health*. The staff at Mahdia Hospital is inadequate, so we need more nurses. The Malaria Department is one of the most troubling areas, because the malaria drugs are being monitored from Georgetown, and when you have to walk for miles in the forest to get to the people ... [*Interruption: 'Talk to the Minister, use his office.'* "*listen Belgrave, the people at the administration level do not want to pay those CHW subsistence.*"] ... that is a problem because you cannot walk the hills.

I want to bring a very important thought to this Honourable House. In the 2004 Budget, an ambulance was purchased for Region 8. To date it is still on the wharf. That is the information recently received. Yes, well, according to the Honourable Minister Nokta, he was doing his yearly report. So on 10 January, I was at Tumatumari listening to the radio and I heard, on the 12 o'clock news, Minister Nokta reporting about his capital works and all that has been finished, and that it is 100 percent completed in Region 8. At that moment the roof for the X-ray Department was not on. However, the roof is on now, but I have a shocking story for this House. The X-ray Department is built in such a way that it cannot accommodate lead, so there is no X-ray unit. We have a goat house and I can attest to that. I was there two days ago. So we need to pay some attention to Region 8, because it is far-flung. [*In-*

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terruption: Are you minding goats in the new X-ray room?' "Well, I am glad for more attention, Minister."]

I want to talk about *Education* - The Regional Education Department used to be staffed by a REDO, DEO, DES, an accounting staff, and a secretarial staff. At the moment Mahdia is the Headquarters, and there is where the office lies. We have no staff except one retiree, who is an acting REDO and a cleaner. That is what we have. *[Interruption: 'Are you sure?' "Of course, I walked the Region to get my information, so I am bringing first-hand information to this House. I am not bringing any second-hand information."]* There is also a lack of trained staff in Region 8. While the Government is talking about education, health and all of that, I agree with them. I am not here to criticize anybody. I am just here to bring facts to this House. We need more trained staff.

On 2 March 2004, an education team visited Mahdia, headed by the PS of the Ministry of Education, and the topic of gazetting the Mahdia Secondary School was raised. I raised it. The PS personally promised to do that, but to date, the school has not been Gazetted, and that in itself would hinder the students when they have to write the CXC exams, because if it is not gazetted they cannot write the CXC.

Then I note with concern my friend - Honourable Bibi Shadick, talking about uniforms. I want to bring to this noble House, that in this academic year, when uniforms were being distributed, I was actually trying to get involved. I called the Minister of Amerindian Affairs, the Office of the President, and all of them and only then uniforms were sent around. But I want to bring this figure to the House - seventy-two uniforms were given to Mahdia Primary School, and we have on roll 100 plus. I would like to know how we are going to distribute those uniforms. *[Interruption: 'Each person will get one. ']*

Now, Mr Speaker, I would like to turn to the main activity of Region 8, and because we are in the hinterland, mining is our main economic activity. As I was reading the Budget Presentation by the Honour-

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able Minister Kowlessar, and I note with concern that pork-knockers will soon be extinct from Region 8, because there is no provision made for pork-knockers to pick their spades and their bat. All the lands that are being allocated and blocked out are for big companies and foreigners such as the Brazilians. So, for me as a small man, or the residents as the small people, cannot go with the spade and the batel anymore, because there are so many unlicensed guns; by the time you entered upon a man's claim, I am sorry ...

While I was talking about the figure, there are about 6,000 Amerindians there, about 5,000 do not have any jobs and they are depending on mining, because that is the only livelihood they have. There is no other industry. Region 8 does not have control of the natural resources such as timber and gold. All we deal with is health, education and infrastructure, so we become a rubber stamp and all the other big things are happening in Georgetown. And so we have no control over the timber (nor the gold) that is being extracted from Region 8.

I will then go on further in mining. In the north Pakaraimas, since we have the Road Project ... and it is so nice to have the road interlinking all the villages, which is good; I appreciate it. But we have two excavations - one at Monkey Mountain and one at Maikwak; then after the excavations, we are getting the gold, but the water is being polluted and so our residents are at the mercy of the pollution. The gold is being shipped out of Region 8. I do not know where it is going across the border. [Interruption: 'To Brazil.' "Well, it does not come to me. It is going to the other people." 'Well, it is your Region.'] The danger of living in Region 8 is becoming more evident, because mercury is polluting the water.

Mr Speaker, I am actually coming to the end, but I just want to raise my points. I listened to what the Honourable Minister Sawh just said *we believe in the farmers*. I beg your pardon, but in the Budget Presentation there is no agriculture programme for Region 8. In the past, we used to get Irish potatoes in the Mittleholter days. We had the best legumes, spring onions, tomatoes, cabbage, to name all the other

things. The thing about it is that Region 8 is in the hinterland, so when we produce all these things in a glut, they plant in a glut and they reap in a glut, and so crops are wasted. Can't the Government look at some canning process so that we can have our produce properly looked after. I am wondering what the residents of Region 8 will do since we do not have an agriculture programme.

Well, at one time Guyana was the bread-basket of the Caribbean. I know that was under the days of the PNC and those days are coming again. *[Applause]* FCH was a programme under the PNC.

Mr Speaker, I am at the closing point, because I have made all my points, but I have a couple of recommendations that I want to bring to this House. I would like the Government to take a keen note, because they only hear, they do not listen. I note with concern they go to a meeting and they only hear what they want to hear.

While we need four more bridges, I strongly recommend that we have those four bridges to link Chinapaow, Cheong Mouth, Kato and Itabak and Kanapang. Then we have one main bridge at Echilibar. If we can have that bridge where we can link Regions 8 and 9, that will make easy access for the residents of Region 8. I will be so happy to have that.

I would like to make a recommendation - that some kind of consideration be given to small miners, not only the big fishes, because our people are suffering and transportation has gone up so high for the people of Region 8. Mahdia people cannot come to Georgetown except perhaps when they become patients, because that is when the Government pays for them. So we need to look at all of those issues if we are talking about development. I notice that everybody is standing up here and using politics and manipulating people's life as if we are on a chess-board, but I want to see development. I stand here to represent Region 8, because I want to see the things that I would like to see happening in Region 8. I hope the Government's side is listening.

Mr Speaker, I thank you. *[Applause]*

The Speaker: Thank you, Honourable Member

The Honourable Member, Mr Zulfikar Mustapha.

Mr Zulfikar Mustapha: Mr Speaker, I rise to support the Honourable Minister of Finance for a very comprehensive and well-thought-out Budget for 2005.

Mr Speaker, this year's Budget calls for an expenditure of \$86.4 billion, and has as its theme *Confronting Challenges - Sustaining Growth and Development*.

It reflects a 14 percent increase over last year's estimate, and it is worth noting that this year's Budget has come at a time when our country is faced with its worst disaster, which requires immediate intervention by the Government. Mr Speaker, I am very proud to say that our Government responded very well to the situation. *[Applause]*

Mr Speaker, much has been said by my other colleagues on this side of the House, and it is evident that our country, despite the rough seas, is being manned by a very competent captain, and ably supported by a competent crew. *[Applause]*

We have been listening all the time to the members of the opposite side about what they did. We are hearing talk about what the Opposition did when they were in Government. Mr Speaker, when the PPP/C presented its first Budget in 1993 to the nation, we highlighted the harsh realities that have to be overcome for the rapid turnaround of Guyana's shattered economy. At that time Guyana, our country, was competing with Haiti as the poorest country in this hemisphere. Mr Speaker, after only 12 years in government, we have taken this country to a middle-income country. *[Applause]*

Mr Speaker, our debt servicing had accounted for an excess of 90 percent of our revenue that were collected at that time. Today, we have

taken that to 20 percent. We are spending more money on social services and infrastructure throughout our country.

Mr Speaker, there was a decline of real income among our population. And I want this to be noted, that there was a separate ministry to provide State funds to cover the benefits of Party functionaries at that time, the Ministry of National Mobilisation. There was a total shut out of public accountability. I am proud to say that we from the PPP/C have presented every single year to this august body the Auditor's General's Report for the public funds of this country to be scrutinised. *[Applause]*

Mr Speaker, that was the state of our country, and I need to emphasize these points because, in our country today, there are many whose common objectives are either to take over the Government, or to get into the Government through the back doors.

Mr Speaker, our country's economic performance in 2004 was commendable. Our economy grew by 1.6 percent, reversing the negative growth of 0.6 percent in 2003. This occurred because of our careful management of the economy. Sugar continued to be the pillars of our economy, and sugar exports netted US \$136.8 million.

Mr Speaker, in my 2004 presentation, I did say that developmental works in our country were moving at a rapid pace, and this would further accelerate this year. Approximately 94 percent of our Public Sector Investment Programme was implemented during 2004.

Under our Physical Infrastructure Programme the following has been done:

- The rehabilitation of the Mahaica to Rosignol Highway would be completed during this year at a cost of \$2.8 billion. This road is already benefiting users as travelling to and from Georgetown is now done in relative comfort and less time.
- 2005 would see the commencement of the rehabilitation works on the New Amsterdam/Moleson Creek Highway.

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Berbice has seen tremendous development during 2004, and this will continue this year. Many out there have been spreading rumours in Berbice over the years, but I am pleased to report to this Honourable House that at least one talk show host has run out of speed. Issues and Answers have been discontinued in Berbice, no doubt because Berbicians know the facts.

Mr Speaker, the sooth-sayer's false talk that Berbice has been neglected by this Government was forced to move away because of the tremendous development taking place. I just mentioned the soon-to-begin rehabilitation of the New Amsterdam/Moleson Highway, which will also include the construction of numerous bridges and road lights. In 2004, we witnessed the rehabilitation and construction of numerous community roads across Region 6, which included Fyrish, Gibraltar, Courtland, Port Mourant, Bloomfield and other areas throughout the region.

Mr Speaker, the new modern New Amsterdam Hospital was recently commissioned by His Excellency. This project, financed through a Japanese grant, is now providing an improved service to residence in Regions 5, 6, and part of Region 10. In this regard, I am pleased to report that our Government has secured the services of an Indian specialist, who would be here for the next three years, to perform a number of cataract surgeries at this institution. Mr Speaker, I am also pleased to report that the New Amsterdam Hospital and the Georgetown Public Hospital Corporation are the two institutions in our country that are carrying out cataract surgeries at absolutely no cost to the patients. *[Applause]*

I mentioned earlier that our sugar industry continues to be the main earner of foreign exchange. As I speak today, massive construction is moving apace on the new Skeldon Estate Modernisation Project, jointly financed by the Government of China and Guyana. The completion of this project will see an additional 10 megawatts of electricity being fed into the national grid, while at the same time putting in place a refinery to process our raw sugar.

Mr Speaker, works continue on the Annexe of our Berbice Campus, which will assure our students more places at this institution. The new Technical Institute has already created an impact on the lives of the people in the Upper Corentyne area.

Under Buildings, over \$100 million were spent in the rehabilitation and maintenance of schools in Regions 5 and 6. Among the projects completed are:

- the extension of the Cotton Tree Primary School, West Coast Berbice;
- the extension of the Novar Primary School;
- construction of the lower flat of the Morocobai Primary School in the Mahaicony River;
- construction of Phase II of the Port Mourant Nursery School;
- rehabilitation of the Port Mourant Primary School;
- rehabilitation of the Industrial Arts building of the Winifred Gaskin Secondary School;
- construction of the Nursery School at Glasgow; and
- repairs to the Johanna Primary School.

Mr Speaker, the Drainage and Irrigation System remain a key component of our agricultural programme. This is reflected in our dedicated efforts to improve efficiencies and administration to this sector. The huge amount of resources that is allocated each year - over \$370,000, was spent by the National Drainage and Irrigation Board to construct irrigation check-structures in different areas of this country. Also there were two drainage pumps that were installed at Liverpool and Fyrish to avoid any flooding.

Mr Speaker, in one of the main Agricultural Schemes in Berbice, which is the Black Bush Polder Scheme, out of a total of 140 canals we were able to maintain and excavate 128 of those canals. *[Applause]* That is why our rice production has increased tremendously in that area. These works were executed by the beneficiaries themselves, and also created employment for a number of residents in that area.

Mr Speaker, of utmost importance to our country, and more particularly Berbice, is the drilling operation by CGX, as this company moves to produce oil in commercial quantities. The Spanish Firm REPSOL has joined CGX in a heightened search for oil. CGX is investing a further US\$7.3 million to drill up to four wells in a Berbice location with a high probability of gas and oil find.

Again in Berbice, the Russian Aluminium Company will be investing US\$20 million in a new entity, the Bauxite Company of Guyana Inc. That would eventually be merged with Aroaima Mining Company, which plans to double its production capacity to 2.5 million tonnes annually. At present, a US\$10 million feasibility study is being conducted by RUSAL on a US\$1 billion aluminium plant, and if the finding is proven to be a viable one, then the way would be cleared for the establishment of a large aluminium investment there.

Mr Speaker, Local Government elections were last held in 1994. Continued efforts by our Government to hold these elections when they become constitutionally due, that is, every two years, have been thwarted by the main opposition party for reasons best known to themselves. Consequently these elections have to be continuously postponed. This has been done against the best wishes of our Government. Mr Speaker, this continuous postponement has brought a great deal of inertia among the NDCs. Many members have died, migrated or resigned for various reasons. In some cases, where the lists have become exhausted, new interim bodies have had to be put in place. It has now become absolutely necessary for these elections to be held and, in this regard I want to take this opportunity to ask Honourable Members on the opposite side of this House to stop moving the goalpost, to use the phrase of the

Honourable Minister Clinton Collymore, and let us move forward in the true spirit of compromise and work towards having these elections held at the earliest. *[Applause]*

Mr Speaker, amidst the foregoing, the 65 NDCs have done very well. Much needed developmental works have been done throughout Guyana, utilising the \$3 million subventions given by Central Government to each NDC. We have seen development taking place in every community across this country.

The 10 Regional Democratic Councils have also performed well. Most of them have been able to complete in excess of 95 percent of their work programmes, and this is a credit to the Ministry of Local Government and Regional Development - the agency that oversees the administration of the 10 RDCs in this country.

Mr Speaker, under the Urban Development Programme, the sum of \$784 million has been allocated primarily to complete Phase I and Phase II Projects.

These Phase I projects include the rehabilitation of Hadfield, John, and Lombard Streets in Georgetown; Smyth Field and Vryheid Roads in New Amsterdam; Jackman, Market Street, and James Street in Corriverton.

Phase II works are the rehabilitation of markets and town halls at New Amsterdam, Rose Hall, Corriverton and Bush Lot. Rehabilitation of roads and drains in New Amsterdam, Rose Hall, Corriverton, Linden, Anna Regina and the provision of technical assistance and municipal development and property tax reform.

Mr Speaker, our Government will continue to imply prudent borrowing and debt management strategies to ensure that the development does not come at a price of a huge debt burden, as happened before 1992. Sir, the national debt in that year stood at a frightening stage of US\$2.1 billion, but has been reduced to just US\$1 billion.

Mr Speaker, one of the recommendations coming out of the National Debt Strategy and the National Financing Workshop, which were held last year, was the need for Guyana to better evaluate the quality of new financing and, in this regard, our Government will be shortly organising a high-level seminar at which cross-country debt management experience will be examined, with a view of insulating and adopting best practices.

Under the Fiscal and Financial Management Programme, the law governing the processes of debt management would be overhauled and the organisational structure changed. This would certainly improve the flow of information and the operational process necessary for effective debt management.

Mr Speaker, I want to say that this is no time for despair. While our Government is doing everything possible to deal with the aftermath of the flood and restore normalcy, we must continue the process of nation-building. The 2005 Budget will certainly aid in the reconstruction process by allowing Guyana to maintain a sustained and consistent programme of development within all of the ten administrative regions. Our Government will continue to focus strongly on the social sectors - education, health, housing, water, sanitation and poverty reduction, as well as physical infrastructure, security and good governance. These are all intended to achieve the goal of providing a better life for all of our citizens.

Mr Speaker, on the international scene, Guyana continues to gain recognition. Our country only recently hosted several CARICOM Heads of State when the grand CARICOM Secretariat was formally commissioned - a pride of the Guyanese people, Sir. *[Applause]*

In addition, the Presidents of the neighbouring Brazil and Chile paid State visits here. Guyana is currently the spokesperson for the Region in trade negotiations with the Third World Trade Organisation. At the recently-concluded CARICOM Heads of Government meeting in Suriname, Guyana was selected to speak on behalf of the Region on the

critical sugar issue.

Mr Speaker, if there are any doubts that our Government is a caring one, those doubts would have been permanently erased as he dealt with the effects of our country's first natural disaster.

Mr Speaker, the 2005 Budget as presented by the Honourable Minister of Finance, has deserved our praise and wholehearted support. It contains an exciting formula for confronting the challenges as we move towards sustaining growth and development while, at the same time, we continue to unshackle the chains of poverty which were tied around the necks of every Guyanese by those before us.

Sir, in conclusion, I wish to say that now is not the time to point fingers. Now is the time for nation-building and, as we continue to rebuild our country, as we continue to enhance the lives of our Guyanese brothers and sisters, I ask our friends on the opposite side to join with us. Let us forget about our creed, colour and religion and let us move this country forward for peace, progress, and prosperity. As our motto says, *one people, one nation, one destiny*. [Applause] Therefore, Sir, it is my pleasure to recommend that the Honourable House give its unqualified approval to the 2005 national Budget.

Thank you, Mr Speaker. [Applause]

The Speaker: Thank you, Honourable Member.

Honourable Members, I have listed Mr Neendkumar, whom has indicated his preference to speak tomorrow. In the circumstances, our business for today is concluded.

The Honourable Minister of Parliamentary Affairs.

Hon Reepu Daman Persaud: Mr Speaker, I wish to move that the National Assembly stands adjourned to Tuesday, 1 March 2005 at 14:00h.