

National Assembly Debates

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

Part I

5TH SITTING

2.00 PM

Thursday 14 December 2006

MEMBERS OF THE NATIONAL ASSEMBLY (71)

Speaker (1)

The Hon Hari N Ramkarran SC, MP - *Speaker of the National Assembly*

Members of the Government - People's Progressive Party/Civic (42)

The Hon. Samuel AA Hinds MP	- <i>Prime Minister and Minister of Public Works and Communications</i>
The Hon Clement J Robee MP	- <i>Minister of Home Affairs</i>
The Hon Dr Shaik K Z Baksh MP	- <i>Minister of Education</i>
The Hon Dr. Henry B Jeffrey MP	- <i>Minister of Foreign Trade and International Co-operation (Absent)</i>
The Hon Dr Leslie S Ramsammy MP	- <i>Region No. 6 East Berbice/ Corentyne), Minister of Health</i>
The Hon Carolyn Rodrigue-Birkett MP	- <i>Region No. 9 Upper Takutu/Upper Essequibo) Minister of Amerindian Affairs.</i>
*The Hon Dr Ashni K Singh MP	- <i>Minister of Finance</i>
*The Hon S. Rudolph Insanally OR, CCH, MP	- <i>Minister of Foreign Affairs (AOL)</i>
The Hon Harry Narine Nawbatt MP	- <i>Minister of Housing and Water</i>
The Hon Robert M Persaud MP	- <i>Minister of Agriculture</i>
The Hon. Dr. Jennifer RA Westford MP	- <i>Minister of the Public Service</i>
The Hon Kellawn Lall MP	- <i>Minister of Local Government and Regional Development</i>
*The Hon Doodnauth Singh SC, MP	- <i>Attorney General and Minister of Legal Affairs (Absent)</i>
The Hon Dr Frank CS Anthony	- <i>Minister of Culture, Youth and Sport</i>
The Hon Brindley H.R. Benn MP	- <i>Minister of Transport and Hydraulics</i>

* *Non-Elected Minister*

** *Elected Member from The United Force*

**The Hon. Manzoor Nadir MP	<i>- Minister of Labour</i>
The Hon. Priya D Manickchand MP	<i>- (Region No. 5 - Mahaica/Berbice)</i> <i>Minister of Human Services and</i> <i>Social Security</i>
The Hon Dr Desrey Fox MP	<i>- Minister in the Ministry of Education</i>
The Hon Dr Bheri S. Ramsaran MP	<i>- Minister in the Ministry of Health</i>
The Hon Jennifer I Webster MP	<i>- Minister in the Ministry of Finance</i>
The Hon Manniram Prashad MP	<i>- Minister of Tourism, Industry and Commerce</i>
Mr. Donald R. Ramotar MP	
Ms. Gail Teixeira MP	
Mr Harripersaud Nokta MP	
Mrs Indranie Chandarpal MP	<i>- Chief Whip</i>
Ms Bibi S. Shadick MP	<i>- (Region No. 3 - Essequibo Islands/West Demerara)</i>
Mr Mohan Irfaan Ali MP	
Mr S. Feroze Mohamed MP	
Mr Albert Atkinson JP MP	<i>- (Region No. 8 - Potaro/Siparuni)</i>
Mr Komal Chand CCH, JP, MP	<i>- (Region No. 3 Essequibo Island/West Demerara)</i>
Mr Bernard C. DeSantos SC, MP	<i>- (Region No. 4 - Demerara/Mahaica)</i>
Mrs Shirley V. Edwards J.P. M.P.	<i>- (Region No. 4 - Demerara/Mahaica)</i>
Mr Mohamed F Khan JP, MP	<i>- (Region No. 2 - Pomeroon/Supenaam)</i>
Mr Odinga N. Lumumba MP	
Mr Moses V. Nagamootoo JP MP	
Mr Mohabir A Nandlall MP	
Mr Neendkumar JP, MP	
Mr Steve P Ninvalle MP	<i>- Parliamentary Secretary</i>
<i>Mr Parmanand P Persaud</i>	<i>- (Region No. 2 - Pomeroon/Supenaam)</i>
Mrs Philomena Sahoye-Shury CCH, JP, MP	<i>- Parliamentary Secretary (Absent)</i>
***Mrs Pauline R. Sukhai MP	<i>- Parliamentary Secretary (Absent)</i>
Mr Dharamkumar Seeraj MP	
Mr Norman A Whittaker MP	<i>- (Region No 1 - Barima/Waini)</i>

* *Non-Elected Minister*

** *Elected Member from The United Force*

Members of the Opposition (28)
(i) People's National Congress/Reform (22)

Mr. Robert HO Corbin MP	
Mr. Winston S Murray CCH, MP	
Mrs Clarissa S Riehl MP	- Deputy Speaker of the N.A
Mr E Lance Carberry MP	- Chief Whip
Mr. Ivor Allen MP	- (Region No.2-Pomeroon/Supenaam)
Mrs. Deborah J Backer MP	
Mr. Deryck M.A. Bernard, M.P.	(Absent)
Mr. C. Stanley Ming, M.P.	(AOL)
Mr. Raphael G C. Trotman, M.P.	(Absent)
Mr. Vincent L. Alexander, M.P.	- (Region No.4-Demerara/Mahaica)
Mr. Basil Williams, M.P.	
Mrs. Volda A. Lawrence, M.P.	- (AOL)
Dr Dalgleish 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)
Mr. Jerome Khan, M.P.	
Dr George A. Norton, M.P.	
Miss Myrna E. N. Peterkin, M.P.	- (Region No.4-Demerara/Mahaica)
Mr. James K. McAllister, M.P.	- (Region No.3-Essequibo Islands West Demerara)
Dr Carl Max Hanoman, M.P.	
Miss Lurline A. Nestor, M.P.	- (Region No.4-Demerara/Mahaica) (Absent)
Mr Abdul Kadir, J.P., M.P.	- (Region No.10-Upper Demerara/Berbice)
Mr Ricky Khan, M.P.	- (Region No.1-Barima/Waini)
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.	- (AOL)
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

PRAYERS

The Clerk reads the **Prayers**

ANNOUNCEMENTS BY THE SPEAKER

Honourable Members, I think this is an appropriate time, to set out the principles which should apply in making amendments to Bills and Motions in the National Assembly:

- (i) Amendments must be in writing;
- (ii) Amendments must be presented in the usual format in accordance with the Standing Orders so as to give clear indications of:
 - (a) the words to be deleted;
 - (b) the words to be added;
 - (c) the words to be substituted for the words to be deleted.
- (iii) Notice of amendments must be given in sufficient time, to enable members to consider them.
- (iv) Simple amendments which require little or no time for consideration by Members or for which there is no objection, will be accepted if delivered to the Clerk one hour before the convening of the National Assembly.
- (v) Amendments which will require some study by Members or which are likely to generate discussion, disagreement or debate must be delivered to the Clerk before 10.00 a.m. on the day of which the debate is to take place.
- (vi) Substantial or complex amendments as in the case of the National Development Strategy, must be delivered to Clerk before 10.00 a.m. on the day before the debate is to take place in the National Assembly.
- (vii) Amendments which alter, add to or substitute resolve clauses, will be permitted in accordance with our practice, as occurs in many Parliaments, including the House of Commons. However, an amendment which alters the nature of the Motion or Bill will not be allowed.

Honourable Members, I will cause this little note to be circulated, so that all members will have an idea of what we should expect. There is a minor

grammatical error in the document, I ask you to please excuse that one, because if we try to correct it, you would not get it today.

QUESTIONS ON NOTICE

The Speaker: Honourable Members there are six questions in the Order Paper. Questions No 1 is in the name of Honorable Member Mrs Sheila Holder. The question is for an oral reply and it is for the Prime Minister.

1. GOVERNMENT'S POLICY WITH RESPECT TO THE USE OF STATE PROPERTY:

By the Honourable Member Mrs Sheila Holder:

Will the Hon Prime Minister state what the policy of the Government of Guyana is in relation to the use of state property by the governing political party for election campaigns and other political activities?

The Speaker: Hon Prime Minister, you may now proceed?

Hon Samuel AA Hinds: Mr. Speaker, Honourable Members, the policy of the Government is that State property is not available to the governing political party for election campaigns and other political activities. The Ministers, the Prime Minister and the President, who continue to be in office during the elections campaign, continue to enjoy that which was available to them for personnel use, personal security and protection.

The Speaker: Questions Nos. 2 and 3 are in the name of Honourable Member Mr. Raphael Trotman. Questions Nos. 4, 5 and 6 are in the name of the Honourable Member

Ms Chantalle Smith. All of these questions are for written replies. The answers are therefore in accordance with Standing Orders been circulated.

2 LEGISLATION TO REGULATE COMMUNITY POLICING

By the *Honourable Member Mr Raphael Trotman*:

Can the Minister say whether the Government is prepared to introduce legislation to define and regulate the concept of community policing?

Written reply submitted by the Hon Minister of Home Affairs:

The Hon Minister of Home Affairs wishes to inform the Honourable Member that there are no immediate plans to introduce legislation to define and regulate the concept of Community Policing.

3. CONSTRUCTION OF A NEW PRISON OUT OF GEORGETOWN

By the *Honourable Member Mr Raphael Trotman*:

Could the Minister state:

What, if any, are the plans to construct a new prison away from the centre of the City of Georgetown?

Written reply submitted by the Hon Minister of Home Affairs:

The Minister of Home Affairs wishes to inform the Honourable Member that the Government of Guyana has no plans to construct a new prison away from the City of Georgetown.

4. REPLACEMENT OF THE COMMON ENTRANCE EXAMINATION

By the *Honourable Member Ms Chantalle Smith*:

Will the Hon Minister say what safeguards the Ministry has put in place to authenticate the marks provided by individual schools in the new system of assessment that has replaced the Common Entrance?

Written reply submitted by the Minister of Education:

In 2003, the Ministry of Education introduced the National Grade 2 Assessment as part of a process of Continuous Assessment of Primary School Evaluation. The same cohort of children which did the National Grade 4 Assessment in 2005 is now eligible to sit the National Grade 6 Assessment in 2007.

The National Assessments for Grades 2 and 4 were marked by senior teachers in the Regions under the direct supervision of the Department of Education and later by the Regional Assessment Officers. To guide the marking process, mark schemes and a manual for the administration of the assessments were provided. The results were forwarded to NCERD along with a defined sample of scripts to be moderated to ascertain the level of compliance with the marking and administrative procedures for each of the two assessments.

The National Grade 6 Assessment on the other hand, will be marked nationally as was done for the SSEE in the recent past.

The scores for the National Grade 2 Assessment and the National Grade 4 Assessment are stored in a database and would be combined with the National Grade 6 Assessment to provide a profile of each child's academic achievement upon leaving Primary School.

5 RETENTION OF SERVICES OF TRAINED TEACHERS

By the Honourable Member Ms Chantelle Smith:

Will the Hon Minister say if the Ministry of Education is willing to institute a requirement that trained teachers who have received government funding for their education be required to remain in Guyana for a minimum of five years after completing their training? In addition, can the government reach an agreement with donor countries that they do not hire these teachers during this period?

Written reply submitted by the Hon Minister of Education:

Trained teachers who have received government funding for training are required to serve for a minimum of five (5) years after completing their training in the case of the Pre-Service teachers and three (3) years in the case of the In-Service teachers.

Government will endeavour to engage donor countries on the recruitment of teachers in keeping with the Commonwealth Protocol on the Recruitment of Teachers.

6. ST AGNES PRIMARY SCHOOL

By the Honourable Member Ms Chantelle Smith:

Will the Hon Minister say whether he is aware that the Fire Department has deemed St Agnes Primary School to be in contravention of the Fire Department's regulations because:

- The school presently houses over 900 students, approximately 400 more than it should according to the fire regulations;

- The school has no fire exits;
- The building is under repair and therefore should not be occupied.

If not, will the Minister say whether he is willing to investigate this matter further and take appropriate action if necessary.

Written reply submitted by the Hon Minister of Education:

Neither the Ministry nor St Agnes Primary School is in receipt of any report from the Fire Department in relation to the School contravening the department's regulations.

The present enrolment of the school is 776 pupils and given a floor space of the school, it is not overcrowded. The school has a fire exit, but this was kept closed. Instructions have been given for the exit to be kept open. Only the section of the school that houses the Grade 6 class is under repairs and the class was relocated to the auditorium of St Roses High School to ensure the safety of the pupils.

PUBLIC BUSINESS

(i) GOVERNMENT BUSINESS

MOTIONS

ITEM 1 - CONSIDERATION OF FINANCIAL PAPER NO. 3/2006

BE IT RESOLVED:

That this Assembly approve of the proposals set out in Financial Paper No. 3/2006 - Supplementary Estimates (Current and Capital) totaling \$1,694,288,044 for the period 2006-04-13 to 2006-11-17.

The Speaker: Yes Prime Minister.

Hon Samuel AA Hinds: Mr. Speaker, may I inquire? We need to nominate another Member.

The Speaker: That is coming up later on the Order Paper.

Hon Samuel AA Hinds: Thank you very much.

The Speaker: You are required by the Standing Order to place this item as the first Order of Business.

The Hon Minister of Finance, this is Financial Paper No. 3/2006.

IN COMMITTEE OF SUPPLY

Hon Dr Ashni K Singh: Mr. Chairman, in accordance with Article 171 (2) of the Constitution, I signify that Cabinet has recommended for consideration by the Assembly, the Motion for approval of the proposals set out in Financial Paper No. 3 of 2006. Supplementary Estimates (Current and Capital) for the period 13 April 2006 to 17 of November 2006 totaling \$1,694,288,004 and I now move the Motion.

Motion is proposed

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

SECTION 'A' - CURRENT ESTIMATES

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ITEM 1 - AGENCY CODE 01/1 - OFFICE OF THE PRESIDENT, Head Office Administration, Chart of Account 6223

Question is proposed that the sum of \$3,000,000 for Agency Code 01/1 - Office of the President - Head Office Administration, Chart of Account 6223 - Office Materials and

Supplies - stands part of the Estimates

The Chairman: The Honorable Member Mr. Murray:

Mr Winston S Murray: Mr. Chairman, I wonder if you could bear with me, Sir. These slashes are quite misleading. I think they all need to be removed, if not, because I could not find them in the Estimates any slash Agency Code, 01/1, 01/2, 03/1 et cetera. I just thought I would bring that to the attention of my colleagues.

With respect to Item 1, is the Hon Minister aware that for Office Materials and Supplies, for the years 2004 and 2005, the sums spent for each of those years were \$3.7 million, and \$3.7 million respectively; and if he is aware could the minister explain why the sum of \$4.4 proves inadequate especially since this sum was significantly higher than the sums actually spent in 2004 and 2005? And could he explain why doubling of those sums were necessary?

The Chairman: Who is answering this? *[Pause]* The Hon Prime Minister

Hon Samuel AA Hinds: Mr Chairman, we do not think that the increases are inordinate. We all know that fuel and lubricants, experienced a very significant increase in price; maybe a full doubling of the price. We know too that the government has been on various outreach programmes to the population. So we do not think that this is an inordinate increase sir.

The Chairman: Honourable Member Mr. Murray.

Mr. Winston S Murray: Mr Chairman, I was dealing with Item No. 1 - Office Materials and Supplies. I did not know that fuel and lubricants are included in office materials and supplies. Maybe that is a new definition. So I would like the question on Office Materials and Supplies.

May I ask the question of fuel and lubricants since they fall under one sir? Cause I was going to ask him anyhow. So he answered that one. And then on fuel and lubricants - there was not a fifty percent increase in price of fuel and lubricants up to November 2006. And in those circumstances could the Hon Minister say whether in addition to any increased cost there was not also increased quantities of fuel that were used.

Hon Samuel AA Hinds: Mr. Chairman, I did say that the government was involved and the Office of the President in various outreach programmes. The President has had a very active programme meeting people with people around the country. So I see two

contributions, increase in volumes and significant increases in prices.

Mr. Winston S Murray: I know I cannot force an answer out of the Prime Minister, but I think it may be an oversight. He does not seem anxious to tell me about office materials and supplies, which has doubled in consumption. Could minister make the frank admission that most of these items here relate to electioneering.

Hon Samuel AA Hinds: No, the minister certainly could not make that admission because it is not so.

Mr. Winston S Murray: Sir, with your admission, can the Hon Minister tell this House the dates when these Contingency Fund allocations and warrants would have been issued? Could he tell this House the dates when the warrants for \$3 million and the warrant for \$8 million were signed for fuel and lubricants so that we can put them in the electioneering context?

Hon Samuel AA Hinds: I do not know if I can supply them to be put in the electioneering context. They were not part of electioneering. But that sort of detailed information as the dates when these warrants were signed, we certainly had no expectations that they would be asked for, and we do not have to information at hand. Mr. Chairman, I would have to ask your leave to have to information researched and presented a later time.

The Speaker: The Honourable Member Mrs. Holder.

Mrs. Sheila VA Holder: Will the Minister please indicate whether or not this expenditure is related in any way to the Cabinet outreach exercises of the period.

Hon Samuel AA Hinds: Yes, they would have included in the various Cabinet outreaches.

Agency Code 01/1 - Office of the President - Head Office Administration, Chart of Account 6233 - Office Materials and Supplies - \$3,000,000 - agreed to and ordered to stand part of the Estimates

ITEM 1 - AGENCY CODE 01/1 - OFFICE OF THE PRESIDENT, Head Office Administration, Chart of Account 6231.

Question is proposed that the sum of \$8,000,000 for Agency Code 01/1 - Office of the

President, Head Office Administration, Chart of Account 6231 - Fuel and Lubricants - stands part of the Estimates.

Agency Code 01/1 - Office of the President, Head Office Administration, Chart of Account 6231 - Fuel and Lubricants - \$8,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 1 - AGENCY CODE 01/1 - OFFICE OF THE PRESIDENT, Head Office Administration, Chart of Account 6302

Question is proposes that the sum of \$28,000,000 for Agency 01/1 Office of the President, Head Office Administration, Chart of Account 6302 - Training (Including Scholarships) - stands part of the Estimates.

Agency Code 01/1 - Office of the President, Head Office Administration, Chart of Account 6302 - Training (Including Scholarships) - \$28,000,000 - agreed to and ordered to stand part of the Estimates

ITEM 1 - AGENCY CODE 01/1 - OFFICE OF THE PRESIDENT, Head Office Administration, Chart of Account 6321

Question is proposed that the sum of \$20,000,000 for Agency Code 01/1 - Office of the President, Head Office Administration, Chart of Account 6321 - Subsidies and Contributions to Local Organizations - stands part of the Estimates.

Mr. Winston S Murray: I am sorry, Sir, but I did not realize that the other two trading and subsidies and contributions were also on Item 1, Chart of Account 6321 - Subsidies and Contributions to Local Organizations. The Legend says to pay for broadcast for ICC Cricket World Cup 2007 by NCN. Could the Hon Minister say what is the total sum paid for broadcasting rights for ICC World Cup?

Hon Samuel AA Hinds: Mr Chairman, I did not anticipate such a question, so I do not have that specific answer. I will have to ask your leave again to provide that answer. I am being advised that it is the same sum and that that was the sum paid.

Mr. Winston S Murray: So can I take it from the Minister's answer that we have paid

only US \$100,000 for broadcast in rights for ICC Cricket World Cup?

Hon Samuel AA Hinds: That is my understanding, Sir.

Mr Winston S Murray: A follow-up Mr. Chairman. Would it to the right to say Honorable Minister that through sponsorship NCN would recover money through local advertisements on the TV?

Hon Samuel AA Hinds: Yes

Mr. Winston S Murray: If so, could the Honorable Minister say how these moneys are treated by N C N when they are received from these advertisers.

Hon Robert M Persaud: Mr. Chairman, the Honorable Member's question is that because this is an intervention ... *[Noisy Interruption]* Well, please let me answer the question. Okay, if you stay quiet you will get an answer. The point is that these were sums that NCN on their own could not have afforded, hence the need for this intervention by the government. So once a transfer is made, it is made immediately to the vendor.

Mr. Winston S Murray: That is not my question. The Minister has not answered what I asked. Having paid for these rights to ICC, when NCN delivers the product to the population in Guyana, they invite sponsors to buy spots for advertising purposes and they pay monies. So monies are recouped by NC N against its outlay. My question is how does NCN treat the revenues it receives from these advertisers? I hope that is clear.

Hon Robert M Persaud: Mr. Chairman, the Honorable Member should be advised that NCN is buying in the rights, but does not have the ability to place advertisements during that broadcast, because all of that is sold as part of the package. So it is not broadcast that NCN can go and market as such. Those sponsorships are covered under the arrangements with the ICC.

Mr. Winston S Murray: Mr. Chairman, so that I may be absolutely clear ... Is the Minister therefore saying that during the showing of World Cup Cricket on television that NCN will not accept local sponsorships for advertisements during the course of the showing of cricket?

Hon Robert M Persaud: That is our information.

The Chairman: The Honourable Member Mrs. Riehl.

Mrs Clarissa S Riehl: Mr. Chairman, I wish to ask the Honorable Minister whether these broadcasting rights will be shared whether for a fee or else by other television

stations or they will be confined. We can only watch World Cup Cricket on NCN. I wish to ask whether these broadcasting rights will be shared by other private TV stations.

Hon Robert M Persaud: Mr Chairman that has not been determined, because we would have to examine the conditions of that agreement. So that is a decision that has not been taken to the best of my information.

The Chairman: The Honourable Member Mrs. Holder.

Mrs. Sheila VA Holder: Mr. Chairman, I would like to ask the Honorable Minister to tell us in what way NCN will recoup the funds being expended here. The Prime Minister had said earlier that indeed NCN would make back the money. I am trying to find out how that will be done.

Hon Robert M Persaud: The intention is to recoup the money, but not directly through the sponsorships of the running of the game itself. But there are other associate programs in discussions so that are outside of the ICC rights, which NCN can go and market and try to garner revenue; but not the actual running of the game or the matches as such; but outside, before and during. NCN has the rights to place discussion programmes, call-ins, and so forth which it hopes to secure sponsorship for.

The Chairman: The Honourable Member Mr. Murray

Mr. Winston S Murray: Mr Chairman, could one of the Hon Minister tell me who is right. The Honorable Prime Minister said that NCN would recoup revenues and the Honorable Minister of Agriculture said it would not recoup revenues. Could I seek a clarification as to which is the correct answer?

Hon Robert M Persaud: I did not say that

Hon Samuel AA Hinds: Mr. Chairman, I cannot recall saying that they would recoup the revenues, but if I could, I do not know if we can refer to records ... but I cannot recall saying that they would recoup the expenditure.

The Chairman: The Honourable Member Mr. Vieira.

Mr Anthony Vieira: Mr. Chairman, with the greatest of respect, the Honorable Member cannot be serious. Cricket is very much of a financial matter. People buy the rights so that they could recoup their investments in terms of advertising. Now, while it is true that certain amount of advertising in international cricket, the sponsors have to be left in. It is also true that there are cases where you could preserve the title. And therefore it is very

misleading for the Honorable Member to say that we do not recoup it. Mr. Chairman, I find it unfair ... *[Interruption]*

The Chairman: Mr. Vieira, I am afraid I have to stop you. This is question time. If you want to comment, you will have to find another occasion for it. If you have a question, please put it.

Mr. Anthony Vieira: The question I put forward is how NCN intends to recoup the money?

Hon Robert M Persaud: I think I answered that question earlier. And if Members are interested, we can make that agreement that was entered with NCN and the feat supplier available for them to review. Thank you.

The Chairman: It looks as if members are very interested in that, so maybe that can be made available as soon as possible. Honorable Members is there any other questions on this aspect?

Agency Code 01/1 - Office of the President, Head Office Administration, Chart of Account 6321 - Subsidies and Contributions to Local Organisations - \$20,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 2 - AGENCY CODE 01/2 - OFFICE OF THE PRESIDENT, Presidential Advisory Service, Chart of Account 6265

Question is proposed that the sum of \$5,000,000 for Agency Code 01/2 - Office of the President, Presidential Advisory Services, Chart of Account 6265 - Other Transport, Travel and Postage - stands part of the Estimates.

The Honourable Member Mr. Murray

Mr. Winston S Murray: Mr. Chairman, is the Hon Minister aware that in 2004 under this Head, the sum spent was \$1.8 million and that in 2005 the sum spent was \$1.8 million, and that the voted provision for 2006 was \$5.3 million, more than three times that sum? Could the minister in those circumstances explain why an additional \$5 million was needed unless it was for abuse of taxpayers' money for electioneering purposes?

Hon Samuel AA Hinds: Mr. Chairman, it was required to meet the government's

programme.

Mr. Winston S Murray: Mr. Chairman, would the Honorable Minister say whether that programme included a programme for electioneering.

Hon Samuel AA Hinds: No.

Agency Code 01/2 - Office of the President - Presidential Advisory Services, Chart of Account 6265 - Other Transport, Travel and Postage - \$5,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 2 - AGENCY 01/2 - OFFICE OF THE PRESIDENT, Presidential Advisory Services, Chart of Account 6281

Question is proposed that the sum of \$7,000,000 for Agency 01/2 - Office of the President, Presidential Advisory, Chart of Account 6281 - Security - stands part of the Estimates.

Agency 01/2 - Office of the President, Presidential Advisory Services, Chart of Account 6281 - Security - \$7,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 2 - AGENCY 01/2 - OFFICE OF THE PRESIDENT, Presidential Advisory Services, Chart of Account 6293

Question is proposed that the sum of \$2,500,000 for Agency 01/2 - Office of the President, Presidential Advisory Services, Chart of Account 6293 - Refreshment and Meals - stands part of the Estimates.

Mr. Winston S Murray: Mr. Chairman, Chart of Account 6293 - Refreshment and Meals - is the Minister aware with the additional sum of \$2.5 million being sought that the total sum for the year to feed the Cabinet would be over \$8,000,000 amounting to a monthly sum of over \$600,000, and does the deem that to be very reasonable?

Hon Samuel AA Hinds: Mr. Chairman, I want to assure the Honorable Member that we continuously try to manage our expenditures and I think that this has been a reasonable sum.

Agency Code 01/2 - Office of the President, Presidential Advisory Services, Chart of Account 6293 - Refreshment and Meals - \$2,500,000 - agreed to and ordered to stand part of the Estimates

ITEM 2 - AGENCY CODE 01/2 - OFFICE OF THE PRESIDENT, Presidential Advisory Services, Chart of Account 6294

Question is proposed that the sum of \$17,000,000 for Agency Code 01/2 - Office of the President, Presidential Advisory Services, Chart of Account 6294 - Other - stands part of the Estimates.

Mr. Winston S Murray: Mr. Chairman, Chart of Account 6294 - Other - is the Minister aware that notwithstanding lower sums in 2004 of \$9.6 million and in 2005 of \$9.7 million and the voted provision in 2006 of \$11.8 million. That this sum represents more than 100 percent increase over the voted provisions. And could the Minister tell us what were these additional Presidential functions, which had to be met out of the Contingency funds and could not be catered for in the ordinary course of events?

Hon Samuel AA Hinds: Mr. Chairman, I can recall the President held a number of meetings with groups in society. I recall in particular meetings with various religious organizations and so on.

Mr. Winston S Murray: Mr Chairman, I ask, could the Honorable Minister list for these \$28 million of Presidential functions; what were the functions and costs relating to these functions so the public could be informed, Sir?

Hon Samuel AA Hinds: Mr. Chairman, it would have been good for me to have list of things, but the sum of the others that I can recall of these functions read a put in recent visits of the Vice-President to India and also the visit of Sir Paul Reeves. I can submit a list out of the various Presidential functions ... *[Interruption: 'When?' 'We can have it soon']*

Mr. Winston S Murray: Mr. Chairman, could the Honorable Minister in addition to that information, also provide the National Assembly with the date on which this Contingency fund warrant of \$17 million for Presidential functions was issued, so that we can see whether it would have reflected Sir Paul Reeves and/or the Vice-President of India's visit.

Hon Samuel AA Hinds: There could have been some planning and anticipation whether it was known by Honourable Members. But yes, we will seek this information and have it presented to the House.

Agency 01/2 - Office of the President, Presidential Advisory Services, Chart of Account - 6294 - Other - \$17,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 3 - AGENCY CODE 03/1 - MINISTRY OF FINANCE, Ministry Administration, Chart of Account 6321

Question is proposed that the sum of \$8,000,000 for Agency Code 03/1 - Ministry of Finance, Ministry Administration - Chart of Account 6321 - Subsidies and Contributions to Local Organisations - stands part of the Estimates.

Mr. Winston S Murray: Mr. Chairman, Chart of Account 6321. Is the Minister aware that the estimates for 2006 had the sum of \$61 million as a subvention to the Ethnic Relations Commission and is not Culture Fest 2006 something that could have been and should have been planned for in advance of its occurrence? And if that is so, why would it have been necessary to raid the Contingencies Fund for an additional \$8,000,000 which is intended only to be used for urgent matters - for Culture Fest by ERC.

Hon Dr Ashni K Singh: Mr. Chairman, the activities financed out of this \$8,000,000 advance from the Contingency Fund was not anticipated. And in fact, the budget of \$61,000,000, given the level of activities of the Ethnic Relations Commission could not have accommodated these activities and so an advance was granted from the Contingencies Fund to execute these activities.

Mr. Winston S Murray: Mr. Chairman, could the Honorable Minister say what was the date on which this Culture Fest was held?

Hon Dr Ashni K Singh: Mr. Chairman, I am advised that it was in August. I do not recall myself, but I do recall it was widely publicized. It was held at the Sophia National Exhibition Centre. It was opened the public for free admission and was nationally advertised. I recall seeing the advertisements myself in the newspapers. But I cannot tell

you the dates myself.

Mr. Winston S Murray: Mr. Chairman, would it not therefore be reasonable to conclude that this activity of Culture Fest held in August 2006, was part of the elections campaign.

Hon Dr Ashni K Singh: Mr. Chairman, I do not share that view.

The Chairman: The Honourable Member Mrs. Backer

Mrs. Deborah J Backer: Mr. Chairman, on the same Account Code 6321, the sum of \$8,000,000 to meet the cost of additional subvention required by the Ethnic Relations Commission to finance activities associated with the elections monitoring and Culture Fest. What portion of that \$8,000,000 went to the Culture Fest and what portion went to the elections monitoring programme?

Hon Dr Ashni K Singh: Mr. Chairman, I am advised, that of the \$8,000,000, \$3,500,000 went towards the elections monitoring, and \$4,500,000 to Culture Fest.

Mrs. Deborah J Backer: A supplementary question - Could the minister indicated whether the Ethnic Relations Commission has presented a report based on the monitoring of the 2006 elections.

Hon Dr Ashni K Singh: Mr. Chairman, I could not say at this point in time.

Agency 03/1 - Ministry of Finance - Ministry Administration, Chart of Account 6321 - Subsidies and Contributions to Local Organizations - \$8,000,000 - agreed to and ordered to stand part of the Estimates

ITEM 4 - AGENCY CODE 03/2 - MINISTRY OF FINANCE, Accountant General, Chart of Account 6294.

Question is proposed that the sum of \$127,834,000 for Agency Code 03/2 - Ministry of Finance, Accountant General, Chart of Account 6294 - Other - stands part of the Estimates

The Honorable Member Mr. Murray

Mr Winston S Murray: Mr. Chairman, could Honorable Minister inform this National Assembly, of the breakdown by region of the distribution of this large sum of money at

the national flood relief?

Hon Jennifer I Webster: Mr. Chairman, towards the end of the year 2005 and early in January of 2006. Regions 3 and 5 experienced severe flooding. In response to the Honourable Mr. Murray's question, the areas of Mahaica/Mahaicony/Abary, there were 390 in cash crop and cattle farmers who were given monetary relief in the sum of \$100,000 each. The areas included farmers in the Joe Hook, little Biabu, Grass Hook, Mahaicony, Bara Bara, Hydepark, Handsome Tree, left and right bank Abary River, Burma housing scheme and the Bara Bara - Mora point.

In region 3, Canals Nos. 1 and 2 Polders, there were 114 farmers who received the sum of \$50,000 each. In the areas of Good Hope, Anna Catherina, Jacoba these areas were affected by some amount of overtopping of the Canal; 153 farmers received assistance. Canal No. 2 Polder - 82 farmers. Also in the area of Canal No. 2, 329 farmers in the conservancy dam, Northern and Southern sections, Alliance and Endeavour areas received monetary assistance in the sum of \$50,000 each.

In the Pomeroon area which suffered some amount of overtopping also, 1,375 farmers were given an amount of \$50,000 each. And those areas included Kaiaboury, Warabana, Upper Pomeroon, Aberdeen Canal, Marlborough, Lower Pomeroon, Jacklow, Akawini Creek, Sirikie, Hackney Canal.

Mr. Chairman, I can provide in writing a breakdown region by region, but I have given the details individually by the varying respective regions.

The Chairman: Thank you Honourable Member.

The Honourable Member Mr. Murray.

Mr. Winston S Murray: Mr. Chairman, I am kindly asking the Minister to in fact make that submission as early as possible.

The Chairman: The Honourable Member Mr Norton

Mr Aubrey C Norton: Mr Chairman, I note clearly that one said got 50,000 and another set \$100,000. Could Honorable Minister tell us what objective criteria or criterion was used to determine the figure and could the Minister also tell us if there was flooding in Region 4 in the same period.

Hon Jennifer I Webster: Those farmers who received \$100,000 were cattle and cash

crop farmers and I could provide the criteria used in writing.

Mr Aubrey C Norton: There is another element to the question I raised. Was there flooding in the same period in Region 4?

Hon Jennifer I Webster: No.

Mr Mervyn Williams: Mr. Chairman, could the Hon Minister say of the fifty-three farmers from Anna Catherina, Jacoba and Good Hope, how many came from Anna Catherina?

Hon Jennifer I Webster: Mr. Chairman, I could provide the information requested by the Honourable Member as to how many farmers were in receipt of monetary assistance from Anna Catherina.

The Chairman: The Honorable Member Mr Williams.

Mr Mervyn Williams: A follow-up Sir. In the case of Anna Catherina specifically, could honorable minister provide names of the farmers who were so affected? *[Noisy Interruption]*

The Chairman: I think the Hon Minister agrees.

Yes, Mr Danny, you wanted to ask something.

Mr Dave Danny: Mr. Chairman, I just like to ask the Honorable Minister, if she was aware that I live on the East Coast in Region 4 and it was flooded. Is she aware?

The Chairman: I think the Honorable Minister answered that question already.

Agency Code 03/2 - Ministry of Finance - Accountant General, Chart of Account 6294 - Other - \$127,834,000 - agreed to and ordered to stand part of the Estimates.

ITEM 5 - AGENCY CODE 16/1 - MINISTRY OF AMERINDIAN AFFAIRS, Chart of Account 6291

Question is proposed that the sum of \$10,021,160 for Agency Code 16/1 - Ministry of Amerindian Affairs, Chart of Account 6291 - National and other events - stands part of the Estimates.

The Honourable Member Mr Murray.

Mr. Winston S Murray: Mr Chairman, could the Minister say whether in fact unlike the Culture Fest 2006, Amerindian Heritage Month was known at the time of the

presentation of the budget of 2006, and if it was known, why was not provision made for the celebration of this month, in the ordinary course of the budget so that the Contingency Fund may have been spared from this raid?

Hon Carolyn Rodrigues-Birkett: Mr. Chairman, not every time the amount you requested, you would get the full amount, but what I can say to Mr. Murray is that while we know we have Amerindian Heritage month every year, it was actually in September, not before that we did not know the Amerindian Heritage village would have been Annai. That was made after, and as such the infrastructure that the community requested took some more money than we had previously anticipated.

The Chairman: The Honourable Member Mrs. Backer.

Mrs. Deborah J Backer: I am glad to see the Hon Minister here and visible. Sir, could the Honorable Minister say when this \$10,000,000 was requested, because we are all hearing that Amerindian Heritage month a very important function which was in September. But when was this village known? It must have been before September.

Hon Carolyn Rodrigues-Birkett: The village was known sometime around June and they had expected to receive funding from the German Government to put in their benab, the water supply system and some other things which they did not receive and then they made that request to the Government, which we provided because we believe we should have highlighted Amerindian Heritage.

The Chairman: The Honourable Member Mr Norton

Mr Aubrey C Norton: Mr Chairman, could the Honorable Minister say if it is true that before June the Government including the Minister were talking about building a Benab in Annai for those activities. The logical sequel of that is that you had to know.

Hon Carolyn Rorigues-Birkett: No sir, as I said before, the community had planned to build a Benab. It is not the practice for us to build Benabs when they have Amerindian Heritage month. But they had planned and the actually started, unfortunately the member could not visit to see what was going on. But it was all until later on, they realized that they would not have had receive the funding that he had expected and they requested it from the Government.

Agency Code 16/1 - Ministry of Amerindian Affairs, Chart of Account 6291 -

National and Other Events - \$10,021,160 - agreed to and ordered to and stand part of the Estimates

ITEM 6 - AGENCY CODE 21/1 - MINISTRY OF AGRICULTURE, Ministry Administration, Chart of Account 6321

Question is proposed that the sum of \$195,300,000 for Agency Code 21/1 - Ministry of Agriculture, Ministry Administration, Chart of Account 6321 - Subsidies and Contributions to Local Organizations - stands part of the Estimates.

The Honourable Member Mr Murray.

Mr Winston S Murray: Mr. Chairman, could Honorable Minister explain to the National Assembly the breakdown for this additional \$195 million according to areas in the country.

(ii) If these were routine maintenance as it says here, they are not emergency works which are provided by elsewhere. Why were not these resources put into budget in the first place at the beginning of the year?

Hon Robert M Persaud: Mr. Chairman, these works were identified as for 2006, but there were additional works that had to be carried out in the drainage and irrigation areas subsequent to 2005/2006 floods. In direct response to the member's question, I can list the areas or the activities that add up to \$195.3 million:

- \$60 million was spent on the operation costs for the maintenance of the drainage pumps. And as members know the government purchased fifteen excavators which were put under the control of NDIA, and deployed to a number of drainage and irrigation areas;
- \$61 million was spent, or allocated and paid to the Water Users Association. There are nine Water Users Associations in Regions 3, 4 and 6;
- \$22.5 million was spent for the maintenance of various drainage and irrigation canals on the East Coast and West Bank of Demerara;
- \$9.8 million was spent on the cleaning and maintenance of channels in the housing areas of Sophia, Parfaite Harmony and Grove;
- \$1 million was spent in the cleaning and maintenance of channels at

- Akawini, Little Trice, Maduni and Pomeroun;
- \$1.5 million was spent on the cleaning and maintenance of drainage creeks and drains in section B Christianburg, that is Region 10;
 - \$28 million was spent in the maintenance of a pontoon which is being used in the East Demerara Water Conservancy on which the excavators are placed the carried out work; \$8 million was spent to repair the Doorn Haag Koker at Leguan; and
 - \$3.5 million spent to repair the Crown Dam and Koker at Cove and John.

That gives you a total of \$195.3 million.

The Chairman: The Honourable Member Mrs. Holder.

Mrs. Sheila VA Holder: Mr. Chairman, I would like to ask the Honorable Minister of Agriculture to indicate how many of these fifteen excavators purchased are still functioning and have worked since.

Hon Robert M Persaud: All of them are functional and I could give you the locations. Should I proceed, Mr. Chairman or await a question?

The Chairman: You were not asked for the location.

Hon Robert M Persaud: Thank you very much.

The Chairman: The Honourable Member Mr. McAllister.

Mr. James K McAlister: Mr Chairman, I wonder if the Honorable Minister can say which local organization managed this \$195 million.

Hon Robert M Persaud: These works were executed under the supervision of the National Drainage and Irrigation Authority.

The Chairman: The Honourable Member Mr. Murray

Mr. Winston S Murray: Could the Honorable Minister say in relation to the \$20 million and I think that is the figure he called, that was given to the Water Users Association. Tell us whether these are government agencies, quasi government agencies and who superintend the use of these money for the purposes intended.

Hon Robert M Persaud: Mr. Chairman, I am not sure whether the Honorable Member recalled when the new NDIA Act was presented to the National Assembly, the issue of Water Users Association was raised. The concept which was a condition of some of the programmes and projects that we were executing with the donor community. These are

farmers' organizations, they are elected and they are democratic organizations based on the water users. That is the whole concept. And they are supervised by the NDIA in terms of the quality of work they have done. There is no breach or deviation from the established procedures in terms of awarding and certainly the supervision of works done.

Mr. Winston S Murray: Mr. Chairman, I hope you would bear with me. I need to make a statement, because he asked the question. I want him to know that I am fully aware of the issue of Water Users Association and what they are intended to do. I serve on the Economic Services Committee where he has not yet come in his new capacity, but will deal with him there. The follow-up questions, Sir, is would the Minister not confirm that these Water Users Associations are intended to be self-financing entities and they are supposed in large measure collective the fees related to the use and therefore to what extent and over what time period are these users association going to become independent of this kind of money being given.

Hon Robert M Persaud: Under the agreement that was signed between the NDIA and Water Users Association, they are responsible for the operation and maintenance of secondary and tertiary canals. Their objective is that in the near future, once the necessary work would have been carried out especially under the agriculture support services project. Then the farmers and water users in those areas will be able to contribute towards the operations and maintenance of these systems. So the direct response, yes, that is the intention, but it is done in a phased and planned manner.

Agency Code 21/1 - Ministry of Agriculture - Ministry Administration, Chart of Account 6321 - Subsidies and Contributions to Local Organizations - \$195,300,000 - agreed to and ordered to stand part of the Estimates

ITEM 7 - AGENCY CODE 44/1 - MINISTRY OF CULTURE, YOUTH AND SPORT, Ministry Administration, Chart of Account 6284

Question is proposed that the sum of \$168,750,000 for Agency Code 44/1 - Ministry of Culture, Youth and Sport, Ministry Administration, Chart of Account 6284 - Other - stands part of the Estimates.

The Honourable Member Mr. Murray.

Mr Winston S Murray: Mr. Chairman, could take Hon Minister say what cost these \$168,7500,000 are intended to meet, especially since they are categorized under the section of the Estimates which says water goods and services purchase and is under miscellaneous category called *Other*, which is opaque to us. So could he bring some transparency to this matter?

Hon Dr Frank CS Anthony: Mr. Chairman, this sum of money is to meet our obligation on the Cricket World Cup for accommodation.

Mr. Winston S Murray: Mr. Chairman, is this the sum of money that was advanced to Buddy's Hotel in lieu of hotel rooms to be paid for by the government during ICC Cricket World Cup?

Hon Dr Frank CS Anthony: ICC World Cup Cricket wanted us to secure rooms for purposes of hosting and we as part of our obligation to them, we have to have these rooms and therefore we have to secure them. This money was used to pay for those rooms.

Mr. Winston S Murray: Mr. Chairman, would the Minister not acknowledged that this is a grave in propriety in which one is advancing money against rooms that are not yet constructed; against a hotel that is not yet in existence and that this therefore is an unprecedented use of the Contingencies Fund in an improper way, because you are not paying for any extant rooms, you are paying in the hope of rooms.

Hon Dr Frank CS Anthony: Mr. Chairman, the answer is no.

The Honourable Member Mr Trotman.

Mr. Raphael GC Trotman: Mr. Chairman, can the Minister say, whether the government intends to recoup or recover this \$168 million and if so by what needs. And lastly, is there any kind of the agreement or promissory note or some form of security for this money advanced to Buddy's.

Hon Dr Frank CS Anthony: There is security for the rooms and Cricket logistics will be paying back for those rooms.

The Chairman: The Honourable Member Mr. Corbin

Mr. Robert HO Corbin: Mr. Chairman, may I ask the honorable minister, whether this facility is being extended to other hoteliers building in Guyana and whether the same conditions and facilities apply for those who are working for World Cup, particularly

those hotels that are nearby?

Hon Dr Frank CS Anthony: The answer is yes. Such a facility has been extended to the other hotel near to the stadium - the same conditions.

Mr. Winston S Murray: Could the Honorable Minister indicate whether the Auditor General has deemed this to be or he has not yet sought the opinion of the Auditor General as to whether this is a proper expenditure at this time?

Hon Dr Frank CS Anthony: I have been advised that it is in order.

Agency 44/1 - Ministry of Culture, Youth and Sport, Ministry Administration, Chart of Account 6284 - Other - \$168,750,000 - agreed to and ordered to stand part of the Estimates.

ITEM 8 - AGENCY CODE 47/5 - MINISTRY OF HEALTH - HEALTH SCIENCES EDUCATION, Chart of Account 6294

Question is proposed that the sum of \$44,179,300 for Agency Code 47/5 - Ministry of Health - Health Sciences Education, Chart of Account 6294 - Other - stands part of the Estimates

Mr. Winston S Murray: Mr. Chairman, could the Minister say this additional sum of \$44, 179,300 from the Contingencies Fund was due to a steep increase of stipends to these nurses, students, medexes and pharmacy trainees.

Hon Dr Leslie S Ramsammy: Mr. Chairman, we have several training programmes for basic midwives, rural midwives, community health workers, dock workers being upgraded to community health workers, medex - a new pathway to medexes programme, dentex - dental assistant, and now a dentist programme, community dental therapist; professional and nursing assistants. All of these students receive stipends. In addition, we support them at various facilities in Region 10, Region 6, Region 4 and Region 1. The money being requested is to cover the cost between September and December.

Mr. Winston S Murray: Mr. Chairman, may I repeat the question? I cannot force him to answer it, but perchance he is understood me. Could the Minister kindly say whether this sum of \$44 million taken from the Contingencies Fund is in respect of paying increased stipends to the nursing students and to the other categories herein mentioned?

Hon Dr Leslie S Ramsammy: It is to cover the increased number of persons being trained in the programme.

Mr. Winston S Murray: Mr. Chairman, could Hon Minister inform this House why it was not possible ... these things could not have occurred overnight, it was not possible for the minister to have planned for this intake and put the money properly in budget at the beginning of the year or he did not know that he was going to get these students?

Hon Dr Leslie S Ramsammy: We planned to increase the number of students. The request to the Ministry of Finance for a year 2006 was a reduced used sum allocated, because the number of students we had in the programme in 2005 was being supported by the Ministry of Finance and the request was made that when we have additional students, we could make request. The programmes were expanded from September.

Mrs Deborah J Backer: Could the Hon Minister indicate to us ... he is speaking about an enlarged number ... as we speak, how many nursing students, medexes, nursing and pharmacy trainees do we have currently on the roll receiving stipends under this head.

Hon Dr Leslie S Ramsammy: In excess of 300 students.

Mrs Deborah J Backer: A follow-up question - would I be correct Minister to conclude that it is less than 350? You see, when you say over 300, it could be 700, it could be 800? Could you be more specific?

Hon Dr Leslie S Ramsammy: They are 300 students and we are preparing for an intake of an additional 250 students.

The Chairman: The Honourable Member Mrs Holder

Mrs. Sheila VA Holder: Mr. Chairman, will the Hon Minister of Health give us an idea of the stipend? How much is it per student or trainee?

Hon Dr Leslie S Ramsammy: I cannot give the specific sum. It varies from student to students - from the category of students.

Agency Code 47/5 - Ministry of Health - Health Sciences Education, Chart of Account 6294 - Other - \$44,179,300 - agreed to and ordered to stand part of the Estimates.

ITEM 9 - AGENCY CODE 51/1 - MINISTRY OF HOME AFFAIRS -

SECRETARIAT, Chart of Account 6321

Question is proposed that the sum of \$16,000,000 for Agency Code 51/1 - Ministry of Home Affairs - Secretariat, Chart of Account 6321 - Subsidies and Contributions to Local Organizations - stands part of the Estimates

Mr. Winston S Murray: Mr. Chairman, could the Hon Minister inform this National Assembly, how many members are on the Commission for Law and Order? What is the stipend they are paid and what is the et cetera, because apart from the stipend there is et cetera that brings this sum of money up to \$16 million for this Commission? Could we get that information please?

The Chairman: The Hon Minister of Home Affairs

Hon Clement J Rohee: Mr Chairman, the National Commission on Law and Order comprises of approximately over twenty persons. Your information is thirty; I give you the benefit of the doubt. The money that is being sought here under supplementary provision for the functioning of the Commission's Chamber is for the purpose of conducting a number of programmes we anticipate to carry out for the Commission. Only yesterday the Commission on Law and Order met and endorse a programme of outreach activities to go out to meet members of the public and to engage in a number of other activities which would sensitize the public on the work of the Commission as well as to involve the public in a greater way in terms of the question of law and order and the fight against crime.

The Chairman: The Honourable Member Mr. Murray

Mr Winston S Murray: Mr. Chairman, would the Minister agree that what he has outlined to the National Assembly are plans by the Commission to undertake programmes and activities? Could he then explain why he needed to burden the Contingencies Fund with a withdrawal of \$16 million in advance for the execution of programmes? And is he aware that with a thirty-member Commission getting a stipend out of \$5000 per month, it amounts to \$1.8 million per year and that can be no justification for a \$16 million raid on the Contingencies Fund?

Hon Clement J Rohee: Mr. Chairman, I do not agree with the adjectives that have been used about raiding and burdening. The Commission has to function and for the

Commission to function effectively, it has to have the requisite resources. After the Commission was established, the budget had already been passed for that previous year. And therefore we always have to make provision for entities of this type to function effectively. One can very well imagine a commission functioning without the requisite resources, to give it teeth so to speak. Thank you.

Agency Code 51/1 - Ministry of Home Affairs - Secretariat, Chart of Account 6321 - Subsidies and Contributions to Local Organisations - \$16,000,000 - agreed to and ordered to stand part of the Estimates

The Chairman: Page 2

ITEM 10 - AGENCY CODE 51/2 - MINISTRY OF HOME AFFAIRS - GUYANA POLICE FORCE, Chart of Account 6222

Question is proposed that the sum of \$8,000,000 for Agency Code 51/2 Ministry of Home Affairs - Guyana Police Force, Chart of Account 6222 - Field Materials and Supplies - stands part of the Estimates

Mrs. Deborah J Backer: Mr. Chairman, Agency Code 51/2 - \$8,000,000 - the Remarks column says to meet additional expenses, could the Minister be helpful to the National Assembly and to the Guyanese people as to what these additional expenses are?

The Chairman: The Hon Minister

Hon Clement J Rohee: Mr. Chairman, these additional expenses have to do with the alignment of ranks of the Guyana Police Force at that time and to provide them with the requisite materials such as much mattresses and other household items for them to be comfortably aligned at that time.

Agency Code 51/2 - Ministry of Home Affairs - Guyana Police Force, Chart of Account 6222 - Field Materials and Supplies - \$8,000,000 - agreed to and ordered to stand part of the Estimates.

**ITEM 10 - AGENCY CODE 51/2 - MINISTRY OF HOME AFFAIRS - GUYANA
POLICE FORCE, Chart of Account 6231**

Question is proposed that the sum of \$64,000,000 for Agency Code 51/2 - Ministry of Home Affairs - Guyana Police Force, Chart of Account 6231 - Fuel and Lubricants - stands part of the Estimates.

Agency Code 51/2 - Ministry of Home Affairs - Guyana Police Force, Chart of Account 6231 - Fuel and Lubricants - \$64,000,000 - agreed to and Ordered to stand part of the Estimates.

**ITEM 10 - AGENCY CODE 51/2 - MINISTRY OF HOME AFFAIRS - GUYANA
POLICE FORCE, Chart of Account 6261**

Question is proposed tat the sum of \$119,200,000 for Agency Code 51/2 - Ministry of Home Affairs - Guyana Police Force, Chart of Account 6261 - Local Travel and Subsistence - stands part of the Estimates

Agency Code 51/2 - Ministry of Home Affairs - Guyana Police Force, Chart of Account - 6261 - Local Travel and Subsistence - \$119,200,000 - agreed to and ordered to stand part of the Estimates

**ITEM 10 - AGENCY CODE 51/2 - MINISTRY OF HOME AFFAIRS - GUYANA
POLICE FORCE, Chart of Account 6264**

Question is proposed that the sum of \$10,000,000 for Agency Code 51/2 - Ministry of Home Affairs - Guyana Police Force, Chart of Account 6264 - Vehicle Spares and Service - stands part of the Estimates.

Agency Code 51/2 - Ministry of Home Affairs - Guyana Police Force, Chart of Account 6264 - Vehicle Spares and Service - \$10,000,000 - agreed to and ordered to stand part of the Estimates

**ITEM 10 - AGENCY CODE 51/2 - MINISTRY OF HOME AFFAIRS - GUYANA
POLICE FORCE, Chart of Account 6294**

Question is proposed that the sum of \$6,000, 000 for Agency Code 51/2 - Ministry of Home Affairs - Guyana Police Force, Chart of Account 6294 - Other - stands part of the Estimates.

Agency Code 51/2 - Ministry of Home Affairs - Guyana Police Force, Chart of Account 6294 - Other - \$6,000,000 - agreed to and ordered to stand part of the Estimates.

**ITEM 11 - AGENCY CODE 51/3 - MINISTRY OF HOME AFFAIRS - GUYANA
PRISON SERVICE, Chart of Account 6222**

Question is proposed that the sum of \$3,486,000 for Agency Code 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6222 - Field Materials and Supplies - stands part of the Estimates

Agency Code 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6222 - Field Materials and Supplies - \$3,486,000 - agreed to and ordered to stand part of the Estimates.

**ITEM 11 - AGENCY CODE 51/3 - MINISTRY OF HOME AFFAIRS - GUYANA
PRISON SERVICE, Chart of Account 6231**

Question is proposed that the sum of \$500,000 for Agency Code 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6231 - Fuel and Lubricants - stands part of the Estimates.

Agency Code 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6231 - Fuel and Lubricants - \$500,000 - agreed to and ordered to stand part of the Estimates.

ITEM 11 - AGENCY CODE 51/3 - MINISTRY OF HOME AFFAIRS - GUYANA

PRISON SERVICE, Chart of Account 6255

Question is proposed that the sum of \$603,700 for Agency Code 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6255 - Maintenance of Infrastructure - stands part of the Estimates

Agency 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6255 - Maintenance of Infrastructure - \$603,700 - agreed to and ordered to stand part of the Estimates.

ITEM 11 - AGENCY CODE 51/3 - MINISTRY OF HOME AFFAIRS - GUYANA PRISON SERVICE, Chart of Account 6292

Question is proposed that the sum of \$800,000 for Agency Code 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6292 - Dietary - stands part of the Estimates.

Agency 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6292 - Dietary - \$800,000 - agreed to and ordered to stand part of the Estimates.

ITEM 11 - AGENCY CODE 51/3 - MINISTRY OF HOME AFFAIRS - GUYANA PRISON SERVICE, Chart of Account 6293

Question is proposed that the sum of \$1,200,000 for Agency Code 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6293 - Refreshment and Meals - stands part of the Estimates.

Agency Code 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6293 - Refreshment and Meals - \$1,200,000 - agreed to and ordered to stand part of the Estimates.

ITEM 11 - AGENCY CODE 51/3 - MINISTRY OF HOME AFFAIRS - GUYANA PRISON SERVICE, Chart of Account 6284

Question is proposed that the sum of \$350,000 for Agency Code 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6284 - Other - stands part of the Estimates.

Agency Code 51/3 - Ministry of Home Affairs - Guyana Prison Service, Chart of Account 6284 - Other - \$350,000 - agreed to and ordered to stand part of the Estimates.

ITEM 12 - AGENCY CODE 51/5 - MINISTRY OF HOME AFFAIRS - GUYANA FIRE SERVICE, Chart of Account 6261

Question is proposed that the sum of \$11,000,000 for Agency Code 51.5 - Ministry of Home Affairs - Guyana Fire Service, Chart of Account 6261 - Local Travel and Subsistence - stands part of the Estimates.

Agency Code 51/5 - Ministry of Home Affairs - Guyana Fire Service, Chart of Account 6261 - Local Travel and Subsistence - \$11,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6222

Question is proposed that the sum of \$43,000,000 for Agency Code 53/1 – Guyana Defense Force - Chart of Account 6222 - Field Supplies and Materials - stands part of the Estimates.

Agency code 53/1 - Guyana Defense Force, Chart of Account 6222 - Field Supplies and Materials - \$43,000,000 - agreed to and ordered to stand part of the Estimates

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6231

Question is proposed that the sum of \$25,000,000 for Agency Code 53/1 - Guyana Defense Force - Chart of Account 6231 - Fuel and Lubricants - stands part of the

Estimates.

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6231 - Fuel and Lubricants - \$25,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6242

Question is proposed that the sum of \$5,500,000 for Agency Code 53/1 - Guyana Defense Force, Chart of Account 6242 - Maintenance of Buildings - stands part of the Estimates.

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6242 - Maintenance of Buildings - \$5,500,000 - agreed to and ordered to stand part of the Estimates

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6243

Question is proposed that the sum of \$2,000,000 for Agency Code 53/1 - Guyana Defense Force, Chart of Account 6243 - Janitorial and Cleaning Supplies - stands part of the Estimates

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6243 - Janitorial and Cleaning Supplies - \$2,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6252

Question is proposed that the sum of \$5,088,220 for Agency Code 53/1 - Guyana Defense Force, Chart of Account 6252 - Maintenance of Bridges - stands part of the Estimates

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6252 - Maintenance of

Bridges - \$5,088,220 - agreed to and ordered to stand part of the Estimates.

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6255

Question is proposed that the sum of \$14,313,316 for Agency Code 53/1 - Guyana Defense Force, Chart of Account 6255 - Maintenance of Infrastructure - stands part of the Estimates.

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6255 - Maintenance of Infrastructure - \$14,313,316 - agreed to and ordered to stand part of the Estimates.

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6264

Question is proposed that the sum of \$4,000,000 for Agency Code 53/1 - Guyana Defense Force, Chart of Account 6264 - Vehicle Spares and Service - stands part of the Estimates

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6264 - Vehicle Spares and Service - \$4,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6265

Question is proposed that the sum of \$44,000,000 for Agency Code 53/1 - Guyana Defense Force, Chart of Account 6265 - Other Transport, Travel and Postage - stands part of the Estimates.

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6265 - Other Transport, Travel and Postage - \$44,000,000 - agreed to and ordered to stand part of the Estimates

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of

Account 6271

Question is proposed that the sum of \$7,500,000 for Agency Code 53/1 - Guyana Defense Force, Chart of Account 6271 - Telephone Charges - stands part of the Estimates.

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6271 - Telephone Charges - \$7,500,000 - agreed to and ordered to stand part of the Estimates.

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6282

Question is proposed that the sum of \$14,000,000 for Agency Code 53/1 - Guyana Defense Force, Chart of Account 6282 - Equipment Maintenance - stands part of the Estimates.

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6282 - Equipment Maintenance - \$14,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6292

Question is proposed that the sum of \$30,000,000 for Agency Code 53/1 - Guyana Defense Force, Chart of Account 6292 - Dietary - stands part of the Estimates.

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6292 - Dietary - \$30,000,000 - agreed to and ordered to stand part of the Estimates

ITEM 13 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Chart of Account 6294

Question is proposed that the sum of \$51,000,000 for Agency Code 53/1 - Guyana Defense Force, Chart of Account 6294 - Other - stands part of the Estimates

Agency Code 53/1 - Guyana Defense Force, Chart of Account 6264 - Other -

\$51,000,000 - agreed to and ordered to stand part of the Estimates.

The Chairman: Page 3

SECTION 'B' - CAPITAL ESTIMATES

ITEM 1 - AGENCY CODE 501 - DIVISION OFFICE OF THE PRESIDENT - Sub Head 12002

Question is proposed that the sum of \$10,000,000 for Agency Code 501 - Division Office of the President - Subhead 12002 - Office and Residence of the President - stands part of the Estimates

Agency Code 501 - Division Office of the President - Subhead 12002 - Office and Residence of the President - \$10,000,000 - agreed to and ordered to stand part of the Estimates

ITEM 1 - AGENCY CODE 501 - DIVISION OFFICE OF THE PRESIDENT - Sub Head 17001

Question is proposed that the sum of \$15,000,000 for Agency Code 501 - Division Office of the President - Subhead 17001 - Minor Works - stands part of the Estimates.

Agency Code 501 - Division Office of the President - Subhead 17001 - Minor Works - \$15,000,000 - agreed to and ordered to stand part of the Estimates

ITEM 1 - AGENCY CODE 501 - DIVISION OFFICE OF THE PRESIDENT - Sub Head 25001

Question is proposed that the sum of \$31,659,113 for Agency Code 501 - Division Office of the President - Subhead 25001 - Purchase of Equipment - stands part of the Estimates.

Agency Code 501 - Division Office of the President - Subhead 25001 - Purchase of Equipment - \$31,659,113 - agreed to and ordered to stand part of the Estimates.

ITEM 1 - AGENCY CODE 501 - DIVISION OFFICE OF THE PRESIDENT - Sub Head 34008

Question is proposed that the sum of \$12,000,000 for Agency Code 501 - Division Office of the President - Subhead 34008 - Public Management Modernization Programme - stands part of the Estimates

Agency Code 501 - Division Office of the President - Subhead 34008 - Public Management Modernization Programme - \$12,000,000 - agreed to and ordered to stand part of the Estimates

ITEM 1 - AGENCY CODE 501 - DIVISION OFFICE OF THE PRESIDENT- Sub Head 45002

Question is proposed that the sum of \$12,925,000 for Agency Code 501 - Division Office of the President - Subhead 45002 - National Communication Network (NCN) - stands part of the Estimates.

Agency Code 501 - Division Office of the President o Subhead 45002 - National Communications Network (NCN) - \$12,925,000 - agreed to and ordered to stand par of the Estimates.

ITEM 2 - AGENCY CODE 505 - DIVISION CONSTITUTIONAL AGENCIES - Sub Head 25010

Question is proposed that the sum of \$126,549,250 for Agency Code 505 - Division Constitutional Agencies - Subhead 25010 - Guyana Elections Commission - stands part of the Estimates.

Agency Code 505 - Division Constitutional Agencies - Subhead 25010 - Guyana Elections Commission - \$126,549,250 - agreed to and ordered to stand part of the

Estimates

**ITEM 3 - AGENCY CODE 505 - DIVISION CONSTITUTIONAL AGENCIES -
Sub Head 25007**

Question is proposed that the sum of \$8,000,000 for Agency Code 505 - Division Constitutional Agencies - Subhead 25007 - Director of Public Prosecutions - stands part of the Estimates.

Mr. Winston S Murray: Mr. Chairman, could Hon Minister say what is to make and CC of this vehicle, because it is a US \$40,000 vehicle, Sir, and it would be duty free? That's all! I noticed that it is not for the Office of the DPP. Am I right that this is a vehicle for the DPP and not for the Office of the DPP?

Hon Samuel AA Hinds: Mr Chairman, I do not have the specifics on the make of the vehicle and whether it is for the Office or the person, I expect it is for the Office, but I can obtain the answers to those questions.

Agency Code 505 - Division Constitutional Agencies - Subhead 25007 - Director of Public Prosecutions - \$8,000,000 - agreed to and ordered to stand part of the Estimates

**ITEM 4 - AGENCY CODE 506 - DIVISION MINISTRY OF FOREIGN AFFAIRS
- Sub Head 25001**

Question is proposed that the sum of \$2,589,900 for Agency Code 506 - Division Ministry of Foreign Affairs - Subhead 25001 - Office Equipment and Furniture - stands part of the Estimates.

The Chairman: The Honorable Member Mr. McAllister

Mr James K McAllister: Mr. Chairman, I understand that we are at Item No. 6.

The Chairman: We are at Item No. 4.

Mr James K McAllister: Sorry, Mr Chairman.

Agency Code 506 - Division Ministry of Foreign Affairs - Subhead 25001 - Office Equipment and Furniture - \$2,589,900 - agreed to and ordered to stand part of the Estimates

ITEM 5 - AGENCY CODE 507 - DIVISION MINISTRY OF HOME AFFAIRS - Subhead 12001

Question is proposed that the sum of \$7,913,700 for Agency Code 507 - Division Ministry of Home Affairs - Subhead 12001 - Building - Prisons - stands part of the Estimates.

The Chairman: The Honourable Member Mrs Backer

Mrs. Deborah J Backer: Mr. Chairman, Subhead 12001 - Building - Prisons - a further figure of \$7,913,700 - the Remarks column says repairs to building to ensure better security. Could the Minister inform this Honourable House which one of prison buildings, is it Camp Street, is it Lusignan, is it the Mazaruni?

The Chairman: The Hon Minister of Home Affairs

Hon Clement J Rohee: I am advised that it is the Georgetown Prison.

Mrs. Deborah J Backer: Could Hon Minister say whether the repairs have begun and if they have, where are they in terms of completion, and if it has not begun when is it expected to start?

Hon Clement J Rohee: When is it expected to stop or to start?

Mrs Deborah J Backer: To start - has it started, if not, when will it start?

Hon Clement J Rohee: Rehabilitation of those blocks has actually commenced and is well on its way to completion. Hopefully by beginning of January, I would say a safe time to conclude when that rehabilitation work will be completed.

Agency Code 507 - Division Ministry of Home Affairs - Subhead 12001 - Building Prisons - \$7,913,700 - agreed to and ordered to stand part of the Estimates

ITEM 5 - AGENCY CODE 507 - DIVISION MINISTRY OF HOME AFFAIRS - Sub Head 26003

Question is proposed that the sum of \$3,000,000 for Agency Code 507 - Division Ministry of Home Affairs - Subhead 26003 - Tools and Equipment - Fire - stands

part of the Estimates

Agency Code 507 - Division Ministry of Home Affairs - Subhead 26003 - Tools and Equipment - Fire - \$3,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 5 - AGENCY CODE 507 - DIVISION MINISTRY OF HOME AFFAIRS - Sub Head 26004

Question is proposed that the sum of \$3,474,000 for Agency Code 507 - Division Ministry of Home Affairs - Subhead 2004 - Other - Equipment - Prisons - Stands part of the Estimates.

The Chairman: The Honourable Member Mr. Murray.

Mr. Winston S Murray: Mr. Chairman, could Hon Minister say given that these funds were taken out in a hurry from the Contingencies Fund, whether the communication equipment for the Prison Service and the acquisition of industrial stores for the Georgetown Prison has actually taken place? Are these things now available?

Hon Clement J Rohee: Mr Chairman, I take umbrage to these slipping in of words such as *raid, taking money in a hurry*. This Chairman which you respect my colleague, I would appreciate him asking those questions, but to slip in those descriptive words by asking it in such a way. Mr Chairman, as I said, this work is well on its way and I think the management of the prisons has it well under control.

Mr. Winston S Murray: Mr Chairman, I am asking the Hon Minister, whether the communication equipment that the seemed in a hurry to have acquired, given the funds came out from the Contingencies Fund have been bought or acquired and are now available to the Prison Service and similarly are the industrial stores which should have been acquired; have they been acquired and are now available to Prison Service? Those are my questions.

Hon Clement J Rohee: I think for security reasons I do not want to disclose these matters ...*[Laughter]*

Mr. Winston S Murray: Mr Chairman, doesn't the Minister think that that is ant absurd answer, since I am not asking him for the nature of the equipment, but whether they are

available.

Hon Clement J Rohee: Mr. Chairman, I wish to assure the Honourable Member that it is not an absurd answer; it is a serious answer I have given to you. Thank you.

Agency Code 507 - Division Ministry of Home Affairs - Subhead 26004 - Other Equipment - Prisons - \$3,474.000 - agreed to and ordered to stand part of the Estimates.

ITEM 5 - AGENCY CODE 507 - DIVISION: MINISTRY OF HOME AFFAIRS - Sub Head 26010

Question is proposed that the sum of \$10,950,000 for Agency Code 507 – Division: Ministry of Home Affairs - Subhead 26010 - Community Policing - Stands part of the Estimates

The Chairman: The Honourable Member Mrs Backer

Mrs. Deborah J Backer: Subhead 26010 - Community Policing - \$10,950 000 taken out not in a hurry but quickly to purchase vehicles for Community Policing Unit. Could the honorable minister say whether these vehicles have been bought, and if so, seeing it is in the plural, could he indicate how many vehicles and where are they allocated? Where can they be found?

Hon Clement J Rohee: Mr Chairman, these vehicles have indeed been bought. Only the other day I happened to be driving along the East Coast and I saw one of the vehicles, a green vehicle. It has written on it *Community Policing Group 'C' Division. Community*. Note *Community* emphasis on *Community* - Community policing group 'C' Division - and similar vehicles have been distributed to 'D' and 'G' Divisions with similar marks on them for the community to be aware that they are owned by public resources. Thank you.

Mrs. Deborah J Backer: Mr. Chairman, I am still not clear on how many vehicles were bought.

Hon Clement J Rohee: Mr Chairman, three vehicles.

Mrs Judith David-Blair: Mr Chairman. I would like to ask Minister, whether any of these vehicles have been allocated to Region 7 or Bartica more so.

Hon Clement J Rohee: No, Mr. Chairman. No vehicle has been assigned to Bartica. We are thinking about assigning other forms of transportation to Bartica.

Agency Code 507 - Division Ministry of Home Affairs - Subhead 26010 - Community Policing - \$10,950,000 - agreed to and ordered to stand part of the Estimates.

ITEM 6 - AGENCY CODE 508 - DIVISION MINISTRY OF AGRICULTURE - SUB HEAD 13003

Question is proposed that the sum of \$249,265,000 for Agency Code 508 - Division Ministry of Agriculture - Subhead 13003 - Rehabilitation of D&I Areas - stands part of the Estimates

The Chairman: The Honourable Member Mr McAllister

Mr James K McAllister: Yes Mr. Chairman. We are finally here.

The Chairman: Oh, you are waiting for Item 6. *[Laughter]*

Mr James K McAllister: Yes, Sir. Could the Honorable Minister say where these emergency works were carried out?

Hon Robert M Persaud: Mr Chairman, the areas where these works were carried out and are being carried out are as follows:

- Construction of a culvert at Western Hogg Island - \$8.1 million;
- Construction of a drainage structure at Charity which is about to be completed - \$25.5 million;
- Monitoring and remedial works at the East Demerara Water Conservancy - \$26.7 million;
- Construction of Culvert and revetment at Supply, Mahaica - \$10.5 million;
- Installation and operation of pumps for flood control, that is in East Berbice - \$29.3 million;
- Dredging of the out falls on the East Coast of Demerara, mainly we are talking about to Hope - \$3.9 million;
- Rehabilitation of the company canal and koker the Buxton that was recently completed - \$17.2 million;

- Rehabilitation of Trafalgar drainage pumps and supply and installation of a power generating set - \$14.7 million; that will be commissioned soon;
- Installation of the drainage tubes at Biabu, there 24 of those - \$3.8 million;
- Excavation works in Canals Polder - \$18.4 million;
- Construction of drainage culvert at Perth, Mahaicony - \$3.9 million;
- Drainage works carried out again at Perth, Mahaicony - \$8.4 million;
- Revetment works at Cuffy Outfall Channel and that is taking place as we speak -\$29.3 million;
- Structural and earthen works on the East Demerara Water Conservancy that is the relief channel again at Cuffy - \$12.8 million. Those works are going on.
- Drainage and irrigation works at Friendship/Supply/Brickery - \$25.6 million; and
- Construction of new doors Lama Sluice East Demerara Conservancy - \$10.5 million.

That gives us a total of \$249.2 million.

The Chairman: Thank you.

The Honorable Member Mr. McAllister.

Mr. James K McAllister: Yes Mr. Chairman. I know that in original allocation provision was made for works on the East Demerara Water Conservancy and for drainage works in Buxton and a number of the areas, but for those two specifically I have noted that they have been catered for in the original provision. Could the Honorable Minister say therefore, what is the nature of this new work or if you had an overrun or if this is a new project that is happening, because I see that it is already provided for?

Hon Robert M Persaud: The works done at Buxton were emergency works. The culvert at this seaside there was leaking. We had to carry out immediate works. Then the cane farmers who were operating at the back of Buxton, made representation that they had difficulty in transporting their canes to the factory and we had to carry out those works urgently.

The monitoring and remedial works on the East Demerara Water Conservancy, those are

additional capital works in terms of looking at the level of the dam and the areas that need building just to ensure that the entire East Coast and certainly all of Region 4 is safe for the current rainy season and certainly in the future.

Mr. James K McAllister: Mr Chairman, I ask this question because we had problems with this kind of issue before. Could the Hon Minister say who is executing the work on the East Demerara Water Conservancy - which contractor?

Hon Robert M Persaud: These works are being supervised by the NDIA and through a competitive tendering process a contractor was selected. I do not have that contracting company or the name of the contractor with me, but that can be provided. As a matter of fact I do not have the names of any contractor based on these works that were awarded, but those names can be supplied.

Mr James K. McAllister: Therefore, Mr Chairman, can I ask the Hon Minister to supply the information. He said that he could. He did not say that he will do so.

Agency Code 508 - Division Ministry of Agriculture - Subhead 13003 - Rehabilitation of D&I Areas - \$249,265,000 - agreed to and ordered to stand part of the Estimates

ITEM 7 - AGENCY CODE 510 - DIVISION MINISTRY OF AGRICULTURE - SUB HEAD 13001

Question is proposed that the sum of \$15,000,000 for Agency Code 510 - Division Ministry of Agriculture - Subhead 13001 - Civil Works - stands part of the Estimates.

Agency Code 510 - Division Ministry of Agriculture - Subhead 13001 - Civil Works - \$15,000,000 - agreed to and ordered to stand part of the Estimates.

The Chairman: Page 4

ITEM 8 - AGENCY CODE 541 - DIVISION MINISTRY OF CULTURE, YOUTH AND SPORT - SUB HEAD 12001

Question is proposed that the sum of \$9,423,875 for Agency Code 541 - Division Ministry of Culture, Youth and Sport - Subhead 12001 - Building - Cultural Centre - stands part of the Estimates.

The Honourable Member Mrs. Backer

Mrs. Deborah J Backer: Mr Chairman, could the Hon Minister say whether \$9.42 million to effect rehabilitation works at the National Cultural Centre the, will include provision that will prevent the perennial problem of flooding at the National Cultural Centre where half of the lower auditorium is under water..

The Chairman: The Hon Minister

Hon Dr Frank CS Anthony: I am assured by the people who is doing the construction that this will be so.

The Chairman: The Honourable Member Mrs. Backer.

Mrs. Deborah J Backer: Could the Hon Minister say whether in addition to that work any other work is being contemplated under this \$9.4 million or it is wholly to prevent the perennial flooding.

Hon Dr Frank CS Anthony: The works that are being done are for the reconstruction of the stairway, to create some walls - building curb walls - to prevent the water from flowing in; to clean some of the drains around there so that there can be drainage and for the installation of three pumps.

Agency Code 541 - Division Ministry of Culture Youth and Sport - Subhead 12001 - Building Cultural Centre - \$9423,873 - agreed to and ordered to stand part of the Estimates

ITEM 9 - AGENCY CODE 552 - DIVISION MINISTRY OF HOUSING AND WATER - GUYANA WATER INCORPORATED - SUB HEAD 28005

Question is proposed that the sum of \$45,412,470 for Agency Code 552 - Division Ministry of Housing and Water - Guyana Water Incorporated - Subhead 28005 - Coastal Water Supply - stands part of the Estimates.

The Chairman: The Honorable Member Mr. Williams.

Mr Mervyn Williams: Mr. Chairman, could the Hon Minister provide the most recent

estimated dates for completion of the two wells.

Hon Harry Narine Nawbatt: Mr. Chairman, it should be before World Cup 2007, but the latest estimated date for the Le Grange well is in January of next year (this is a month away) and sometime in February of next year for the Meten-Meer-Zorg well.

The Chairman: The Honourable Member Mr. Williams.

Mr. Mervyn Williams: Could the Hon Minister say whether or not he is satisfied with the current arrangements for the distribution of water to the respective communities?

Hon Harry Narine Nawbatt: Yes.

The Chairman: The Honourable Member Mr McAllister.

Mr. James K McAllister: Mr Chairman, with respect to the well at Le Grange, I am wondering whether the Hon Minister could say when construction on this well started.

Hon Harry Narine Nawbatt: I am informed that it was in February of this year.

Mr James K McAllister: Mr Chairman, could the Hon Minister say if it is normal for a well to take so long to be drilled. *[Interruption]*

The Chairman: I think that the Hon Minister is an accountant not an engineer.

Anyway I will allow the question. You may proceed.

Mr James K McAllister: Mr Chairman, I understand that the Hon Minister has a lot of technical advisers.

The Chairman: I conceive. You may ask the question.

Mr James K McAllister: Could the Hon Minister say if it is normal for a well to take so long and if not, what are the problems that are causing this well to take almost one year to be completed, therefore placing a lot of burden on the residents?

Hon Harry Narine Nawbatt: I am not absolutely certain if this well should have taken so long. I understand that it is a well of 920 feet. There were some difficulties with respect to the weather and materials acquisition and as a result of that there have been some delays, but if you want a complete comprehensive report, I can always furnish that to the House.

Mr. James K McAllister: Mr Chairman, with respect to the water distribution that is necessary as a result of the well being down. Could the Hon Minister say what systems are in place to ensure that in the distribution process there is equity so that all the areas

can be treated equally? I say this because we received complaints from some areas that they are not receiving water in the distribution process.

Hon Harry Narine Nawbatt: My information is that some areas were not receiving water because of the accessibility of those areas. The rains came and some of those dams and roads were flooded, but we have put arrangements in place for tankers to be here on a daily basis for the residents to get water.

Mr. James K McAllister: A point of follow-up, Mr. Chairman - could the Hon Minister say what is a total cost of the distribution programme in the Le Grange/ Nimes area?

Hon Harry Narine Nawbatt: No, no, I cannot say that now.

Mr. James K McAllister: Could the Hon Minister supply this information to the Honorable House?

Hon Harry Narine Nawbatt: Yes, I could endeavour to do that.

The Chairman: The Honourable Member Mr. Williams.

Mr. Mervyn Williams: Is the Hon Minister aware that the arrangements currently put in place, that he eluded to, are not in fact working effectively and that there is tremendous suffering especially with respect to the well at Meten-Meer-Zorg.

Hon Harry Narine Nawbatt: No. I am not aware of that, but if the Hon Member has information, he can always share it with me and we can work together to correct it.

The Chairman: The Honourable Member Mr. Vieira.

Mr. Anthony Vieira: Mr Chairman, out of curiosity - what would be the weather conditions that would militate against the digging of a well?

The Chairman: I did not get that.

Mr Anthony Vieira: The Minister said that it is being delayed because of the weather. I would like to know what weather conditions could militate against the digging of a well.

Hon Harry Narine Nawbatt: I said I could provide the information in a comprehensive way with respect ... the surrounding areas could be affected to such an extent that equipment cannot get there. I am sure that the Honourable Member knows that; he is shaking his head.

Agency Code 541 - Division Ministry of Housing and Water - Guyana Water

Incorporated - Subhead 28005 - Coastal Water Supply - \$45,412,470 - agreed to and ordered to stand part of the Estimates

The Chairman: Honourable Members, this completes consideration of all the items.

Question put and agreed to.

Motion carried

Assembly Resumed.

The Speaker: The Hon Minister of Finance.

Hon Dr Ashni K Singh: Mr Speaker, I beg to report that the Committee of Supply has approved of the proposals set out in Financial Paper No. 3/2006 and I now move that the Assembly doth agree with the Committee in the said Resolution.

Question put and agreed to.

Motion carried.

ITEM 2 - CONSIDERATION OF FINANCIAL PAPER NO. 4/2006

BE IT RESOLVED:

That this Assembly approve of the proposals set out in Financial Paper No 4/2006 - Supplementary Estimates (Current and Capital) totaling \$4,781,247,499 for the period ending 2006-12-31.

The Speaker: Honourable Members, we will return to Committee stage to consider Financial Paper No. 4/2006.

Assembly in Committee of Supply.

The Honorable Minister of Finance.

Hon Dr Ashni Kumar Singh: Mr Chairman, in accordance with Article 171(2) of the Constitution, I signify that the Cabinet has recommended for consideration by the Assembly the motion for the approval of the proposals set out in the Financial Paper No. 4/2006 - Supplementary Estimates (Current and Capital) totaling \$4,781,247,499 for the period ending 2006-12-31 and I now move to motion.

Question proposed.

The Chairman: Honourable Members, we will consider the paper as usual as we did the last one.

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SECTION 'A' - CURRENT ESTIMATES

ITEM 1 - AGENCY CODE 03/1 - MINISTRY OF FINANCE - MINISTRY ADMINISTRATION, Chart of Account 6321

Question is proposed that the sum of \$982,285,045 for Agency Code 03/1 - Ministry of Finance - Ministry Administration - Chart of Account 6321 - Subsidies and Contributions to Local Organisations - stands part of the Estimates.

Agency Code 03/1 - Ministry of Finance - Ministry Administration - Chart of Account 6321 - Subsidies and Contributions to Local Organisations - stands part of the Estimates.

The Chairman: Page 2

SECTION 'B' - CAPITAL ESTIMATES

ITEM 1 - AGENCY CODE 505 - DIVISION: CONSTITUTINAL AGENCIES - SUBHEAD 4401

Question is proposed that the sum of \$59,352,125 for Agency Code 505 - Division

Constitutional Agencies - Subhead 4401 - Institutional Strengthening - stands part of the Estimates.

The Honourable Member Mr. Trotman

Mr. Raphael GC Trotman: Mr Chairman, could the Honorable Minister say, what institutional strengthening did occur to the tune of \$59,352,000 dollars. Thank you

The Chairman: The Honourable Prime Minister.

Hon Samuel AA Hinds: Mr Chairman, this refers to a programme, for the institutional strengthening in the Auditor General's Office and this programme advanced through the years much further than was anticipated in the beginning of the year, so this entry here is to accommodate the additional foreign support flows to this programme.

Agency Code 505 - Division Constitutional Agencies - Subhead 4401 - Institutional Strengthening - \$59,352,125 - agreed to and ordered to stand part of the Estimates.

ITEM 2- AGENCY CODE 507 - DIVISION: MINISTRY OF HOME AFFAIRS - SUBHEAD 25001

Question is proposed that the sum of \$7,163,690 for Agency Code 507 - Division: Ministry of Home Affairs - Subhead 25001 - Equipment and Furniture - Police - stands part of the Estimates.

The Chairman: The Honourable Member Mrs Backer.

Mrs. Deborah J Backer: Mr Chairman, could the Honorable Minister indicate, when in view of the concerns raised by residents in the Sophia. If he can indicate to this Honorable House whether the police station has been furnished and if yes, when is it proposed to be fully functional? If these things have been bought, if the minister could say when it would be opened fully to the public.

Hon Clement J Rohee: Mr. Chairman, the materials have indeed been bought. There is a problem with Sophia in terms of the air-conditioning, which we hope to rectify. And hopefully by next week we should be commissioning the police station at Sophia as well as the ones at Grove/Diamond on the East Bank of Demerara. *[Applause]*

Agency Code 507 - Division: Ministry of Home Affairs - Subhead 25001 - \$7,163,690 - agreed to and ordered to stand part of the Estimates.

ITEM 2 - AGENCY CODE 507 - DIVISION: MINISTRY OF HOME AFFAIRS - SUBHEAD 26006

Question is proposed that the sum of \$3,000,000 for Agency Code 507 - Division: Ministry of Home Affairs - Subhead 26006 - Equipment - Home Affairs - stands part of the Estimates.

Agency Code 507 - Division: Ministry of Home Affairs - Subhead 26006 - Equipment - Home Affairs - \$3,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 3 - AGENCY 508 - DIVISION: MINISTRY OF AGRICULTURE - SUBHEAD 13006

Question is proposed that the sum of \$415,108,000 for Agency Code 508 - Division: Ministry of Agriculture - Subhead 13006 - Purchase of Equipment stands part of the Estimates

The Chairman: The Honourable Member Mr. McAllister.

Mr. James K McAllister: Mr. Chairman, I wonder if the Honorable Minister can say, what is the equipment being purchased? Whether this new provision is related to additional equipment to be acquired or if new ones have been identified to get the equipment.

Hon Robert M Persaud: Mr. Chairman, this relates to equipment purchased by the MMA under an Italian soft loan programme €3.3 million which amount to G\$793.2 million. These equipment are:

- bulldozers;
- excavators;

- motor graders;
- farm tractors;
- truck tippers;
- low bed trailers;
- disk harrows;
- motor cycles - quad 4x4 motorcycles with bodies;
- welding sets;
- generating sets; and
- mobile lighthouse.

These are equipment purchased for rehabilitation, maintenance and other necessary drainage and irrigation works within the MAA scheme and was purchased under an Italian soft loan of €3.3 million.

Agency 508 - Division: Ministry of Agriculture - Subhead 13006 - Purchase of Equipment - \$415,108,000 - agreed to and ordered to stand part of the Estimates.

ITEM 4 - AGENCY CODE 514 - DIVISION: MINISTRY OF LEGAL AFFAIRS - SUBHEAD 12002

Question is proposed that the sum of \$3,582,079 for Agency Code 514 - Division: Ministry of Legal Affairs - Subhead 12002 - Supreme/Magistrate Court - stands part of the Estimates

The Honorable Member Mrs. Backer

Mrs. Deborah J Backer: Mr. Chairman, could the Honorable Minister or someone standing in his place indicate to us, where is this ... First of all, let us deal with the car park, because it says for car park and bridge. Where is this car park to be located or done or has it already been done, because it is very vague; it just says Supreme Magistrate's Court.

Hon Dr Ashni K Singh: Mr Chairman, this is in relation to the Fort Wellington Magistrate's Court. The original design and contract did not cater for car parking and a bridge to access the compound and this amount is required to accommodate that variation.

Agency Code 514 - Division: Ministry of Legal Affairs Subhead 12002 - Supreme/Magistrate Court - \$3,582,079 - agreed to and ordered to stand part of the Estimates.

ITEM 5 - AGENCY CODE 516 - DIVISION: MINISTRY OF HEALTH - SUBHEAD 4404

Question is proposed that the sum of \$57,359,312 for Agency Code 516 - Division: Ministry of Health - Subhead 4404 - Health Sector Programme - stands part of the Estimates.

Agency Code 516 - Division: Ministry of Health - Subhead 4404 - Health Sector Programme - \$57,359,312 - agreed to and ordered to stand part of the Estimates.

ITEM 6 - AGENCY CODE 519 - DIVISION: MINISTRY OF PUBLIC WORKS - SEA DEFENCES - SUBHEAD 15001

Question is proposed that the sum of \$333,800,000 for Agency Code 519 - Division: Ministry of Public Works - Sea Defences - Subhead 15001 - Essequibo and West Demerara - stands part of the Estimates

The Chairman: The Honourable Member Mr. McAllister

Mr. James K McAllister: Mrs. Chairman, I wonder if the Hon Minister can say where these works are being executed.

Hon Brindley HR Benn: Mr. Chairman, the works are being executed at Leguan on the West Coast of Demerara and on the Essequibo Coast.

The Chairman: The Hon Member Mr. McAllister.

Mr. James K McAllister: Mr. Chairman, I noticed in the original provision, it was programmed for works to be done on the West Coast of Demerara. Could Hon Minister say why this has not been done?

Hon Brindley HR Benn: I did say that there was work being done on the West Coast of Demerara.

The Chairman: The Honourable Member Mr. Murray.

Mr. Winston S Murray: Mr Chairman could the Hon Minister say whether this provision of compensation relates to flooding. If no, could he tell us what it is in relation to?

Hon Brindley HR Benn: Mr. Chairman, I do not have an immediate answer. I will consult and provide an answer in writing later.

Mr Winston S Murray: Mr. Chairman, perchance it is in relation to flooding. Could the Minister provide information also as to whether this represents the total claims that are being compensated? Or is this the partial satisfaction of claims and if so what percentage of claims submitted are being compensated.

Hon Brindley HR Benn: In fact, there is some compensation with respect to crops for nine persons for lands which were acquired - 114 acres - for the construction of the sea defenses on the new alignment. So there a sum involved for the payment to the farmers for the crops which were taken over or damaged as a result of the new construction.

The Chairman: The Honourable Member Mr. McAllister

Mr James K McAllister: Mr. Chairman, could Honorable Minister say or provide the names of the contractors who are involved in executing the works in these areas?

Hon Brindley HR Benn: With respect to Essequibo and West Demerara, there is a joint venture between Empresa Gelfi of Italy and the BK International Inc. of Guyana.

Mr. James K McAllister: Mr. Chairman, with respect to Leguan, could the Hon Minister say who is the contractor?

Hon Brindley HR Benn: I cannot give an immediate answer with respect to Leguan, but I believe that BK International is involved with works in Leguan.

Agency Code 519 - Division: Ministry of Public Works- Sea Defenses - Subhead 15001 - Essequibo and West Demerara - \$333,800,000 - agreed to and ordered to stand part of the Estimates.

ITEM 6 - AGENCY CODE 519 - DIVISION: MINISTRY OF PUBLIC WORKS - SEA DEFENCES - SUBHEAD 15004.

Question is proposed that the sum of \$43,800,000 for Agency Code 519 - Division: Ministry of Public Works - Sea Defences - Subhead 15004 - West Coast Berbice - stands part of the Estimates.

Agency Code 519 - Division: Ministry of Public Works - Sea Defences - Subhead 15004 - West Coast Berbice - \$43,800,000 - agreed to and ordered to stand part of the Estimates.

ITEM 7 - AGENCY CODE 520 - DIVISION: MINISTRY OF PUBLIC WORKS - SUBHEAD 14010

Question is proposed the sum of \$75,000,000 for Agency Code 520 - Division: Ministry of Public Works - Subhead 14010 - Dredging Equipment - stands part of the Estimates.

The Chairman: The Honourable Member Mr. McAllister.

Mr. James K McAllister: Mr. Chairman, could Hon Minister say whether this \$75,000,000 is as a result of variations on the two vessels that were programmed or if we have brought in an additional vessel.

Hon Brindley HR Benn: Mr. Chairman, this is with respect to rehabilitation of the dredge Stephen to increase and improve its dredging incapacity.

Agency Code 520 - Division: Ministry of Public Works - Subhead 14010 - Dredging Equipment - \$75,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 7 - AGENCY CODE 520 - DIVISION: MINISTRY OF PUBLIC WORKS - SUBHEAD 27003.

Question is proposed that the sum of \$75,000,000 for Agency Code 520 - Division: Ministry of Public Works - Subhead 27003 - Reconditioning of Ferry Vessels - stands part of the Estimates.

Agency Code 520 - Division: Ministry of Public Works - Subhead 27003 - Reconditioning of Ferry Vessels - \$75,000,000 - agreed to and ordered to stand part of the Estimates.

**ITEM 8 - AGENCY CODE 526 - DIVISION: MINISTRY OF FINANCE -
SUBHEAD 19002.**

Question is proposed that the sum of \$75,000,000 for Agency Code 526 - Division: Ministry of Finance - Subhead 19002 - Basic Needs Trust Fund 5 - stands part of the Estimates.

The Chairman: The Honourable Member Mr. McAllister.

Mr. James K McAllister: Mr Chairman. With respect to the Basic Needs Trust Fund - Subhead 19002, could the Hon Minister say what criteria is used to determine the communities that will benefit from these programmes.

Hon Dr Ashni K Singh: Mr Chairman, in relation to the Subhead ... I assume we are on 19002 - the Basic Needs Trust Fund - there are well-established criteria that include project submissions from various communities and for the details, I believe, this issue has been discussed previously in this Honourable House. These details could certainly be provided subsequently.

Mr. James K McAllister: Mr. Chairman, I can vividly recall the issue being discussed in the House and I can recall a commitment being made to provide the information which was not done, and I wish to ask the Honorable Minister if he can provide information in terms of the criteria and also if he can throw in along with that, the communities that have presently benefited from this project.

Agency 526 - Division: Ministry of Finance - Subhead 19002 - Basic Needs Trust Fund 5 - \$75,000,000 - agreed to and Ordered to Stand part of the Estimates.

**ITEM 8 - AGENCY CODE 526 - DIVISION: MINISTRY OF FINANCE -
SUBHEAD 44015.**

Question is proposed that the sum of \$4,000,000 for Agency Code 526 - Division: Ministry of Finance - Subhead 44015 - FFMP - stands part of the Estimates.

Agency Code 526 - Division: Ministry of Finance - Subhead 44015 - FFMP -

\$4,000,000 - agreed to and ordered to stand part of the Estimates.

**ITEM 8 - AGENCY CODE 526 - DIVISION: MINISTRY OF FINANCE -
SUBHEAD 45009.**

Question is proposed that the sum of \$5,771,592 for Agency Code 526 - Division: Ministry of Finance - Subhead 45009 - Youth Initiative Programme - stands part of the Estimates.

The Chairman: The Honourable Member Mrs. Backer.

Mrs. Deborah J Backer: Mr. Chairman. Subhead 45009 - Youth Initiative Programme - I see a figure of \$5,771,592 -Provision for removal of houses and for equipment. Could the Hon Minister indicate where are houses being removed from, and what portion of the money is being used for removal of the houses. And what portion for the acquisition of equipment.

Hon Dr Ashni K Singh: Mr Chairman, the amount of \$5.7 million was used to relocate a number of houses from the Haslington play field to block 20 Haslington housing scheme and also to purchase a generator the for the Muritaro woodworking project.

Mr. Chairman, in relation to the removal of the houses I am advised that the honorable Member Mr. Elliot is aware of this project.

As it relates to the second part of the question as was coming to I am advised Mr. Chairman that equipment purchases was in fact the generators that I referred to earlier and this cost to \$2.9 million. The remainder of the funds was used for the removal of the houses, transportation and preparation for the grounds et cetera.

Mrs. Deborah J Backer: Did you say Sir, generator or generators?

Hon Dr Ashni K Singh: One generator for the Muritaro project - \$2.9 million.

Agency 526 - Division: Ministry of Finance - Project Code 45009 - Youth Initiative Programme - \$5,771,592 - agreed to and ordered to stand part of the Estimates.

**ITEM 9 - AGENCY CODE 527 - DIVISION: MINISTRY OF LOCAL
GOVERNMENT - SUBHEAD 19002.**

Question is proposed that the sums of \$250,000,000 and \$50,000,000 - Specific and

Local - for Agency Code 527 - Division: Ministry of Local Government - Subhead 19002 - Community Enhancement Service Programme - stands part of the Estimates.

Agency Code 527 - Division: Ministry of Local Government - Subhead 19002 - Community Enhancement Service Programme - \$250,000,000 and \$50,000,000 - Specific and Local - agreed to and ordered to stand part of the Estimates.

ITEM 9 - AGENCY CODE 527 - DIVISION: MINISTRY OF LOCAL GOVERNMENT - SUBHEAD 19003.

Question is proposed that the sum of \$97,000,000 for Agency Code 527 - Division: Ministry of Local Government - Subhead 19003 - Urban Development Programme - stands part of the Estimates.

Agency Code 527 - Division: Ministry of Local Government - Subhead 19003 - Urban Development Programme - \$97,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 10 - AGENCY CODE 541 - DIVISION: MINISTRY OF CULTURE YOUTH AND SPORT - SUBHEAD 19001.

Question is proposed that the sum of \$906,565,000 for Agency Code 541 - Division: Ministry of Culture Youth and Sport - Subhead 19001 - National Stadium - stands part of the Estimates.

Mr. James K McAllister: Mr. Chairman, I wonder if the Honorable Minister, can inform the Honorable House what is the total estimated cost for the Stadium as we are right now.

Hon Dr Frank CS Anthony: The Stadium cost is US \$25 million US which the contractor Sharpoorji Pallonji is executing.

The Chairman: The Honourable Member Mr. Williams.

Mr. Mervyn Williams: Could the Hon Minister say what is the value of expenditure to date on the stadium in US dollars to date?

Hon Dr Frank CS Anthony: The construction is 99 percent complete. I do not have the exact figure that we are withholding, but that can be provided to you.

Mr. Mervyn Williams: Could the Hon Minister provide the information with respect to the extent to the current debt in US dollars?

Hon Dr Frank CS Anthony: That information will be provided.

Mr. Winston S Murray: Mr. Chairman, a specific question - It is whether this specific sum of \$906,555 .000 dollars, represents the last outstanding drawdown against the \$25 million for the Stadium?

Hon Dr Frank CS Anthony: No.

Mr. Winston S Murray: Could the Minister say how much more there is to draw down of this \$25 million then we will get an idea?

Hon Dr Frank CS Anthony: As I said, I can provide that information.

Agency Code 541 - Division: Ministry of Culture Youth and Sport - Subhead 19001 - National Stadium - \$906,565,000 - agreed to and ordered to stand part of the Estimates.

ITEM 11 - AGENCY CODE 541 - DIVISION: MINISTRY OF LABOUR, HUMAN SERVICES AND SOCIAL SECURITY - SUBHEAD 19003

Question is proposed that the sum of \$248,602,769 for Agency Code 541 - Division: Ministry of Labour, Human Service and Social Security - Subhead 19003 - SIMAP - Phase III - stands part of the Estimates.

Agency Code 541 - Division: Ministry of Labour, Human Services and Social Security - Subhead 19003 - SIMAP- Phase III - \$248,602,769 - agreed to and ordered to stand part of the Estimates.

The Chairman: Page 3

ITEM 12 - AGENCY CODE 548 - DIVISION: MINISTRY OF PUBLIC WORKS - BRIDGES/ROADS - SUBHEAD 12001

Question is proposed that the sum of \$25,636,887 for Agency Code 548 - Division:

Ministry of Public Works - Bridges/Roads - Subhead 12001 - Bridges - stands part of the Estimates.

The Honourable Member Mr. McAllister

Mr. James K McAllister: Mr. Chairman, in relation to Subhead 12001, I would like to ask the Hon Minister, if this supplementary provision that is now being sought, is connected to the Berbice River Bridge?

Hon Brindley HR Benn: No, Mr Chairman.

Mr. James K McAllister: Well then, Mr. Chairman, could the Honorable Minister say specifically what is this money being requested for.

Hon Brindley HR Benn: Mr. Chairman, the supplementary provision being sought relates to routine road maintenance for maintenance system that we have in place with respect to maintenance of roads and bridges. After having made substantial investments in the roads, there is a requirement that we keep routine maintenance going. And it relates to roads and bridges, and this relates to a sum of \$25,656,000.

Mr. James K McAllister: Mr. Chairman, I know that we are treating with capital estimates. I also know that the Hon Minister is referring to maintenance of bridges and roads, but I wonder if the Hon Minister can say if this allocation is properly placed since we are treating with maintenance which is according to expenditure.

Hon Brindley HR Benn: This is capital maintenance being done with respect to the roads under a counterpart funding by the IDB.

Agency Code 548 - Division: Ministry of Public Works - Bridges/Roads - Subhead 12001 - Bridges - \$25,636,887 - agreed to and ordered to stand part of the Estimates.

ITEM 12 - AGENCY CODE 548 - DIVISION: MINISTRY OF PUBLIC WORKS - BRIDGES/ROADS - SUBHEAD 12004

Question is proposed that the sum of \$182,601,000 for Agency Code 548 - Division: Ministry of Public Works - Bridges/Roads - Subhead 12004 - Mahaica-Rosignol Road/Studies - stands part of the Estimates

Agency Code 548 - Division: Ministry of Public Works - Bridges/Roads - Subhead

12004 - Mahaica-Rosignol Road/Studies - \$182,601,000 - agreed to and ordered to stand part of the Estimates.

ITEM 12 - AGENCY CODE 548 - DIVISION: MINISTRY OF PUBLIC WORKS - BRIDGES/ROADS - SUBHEAD 12005

Question is proposed that the sum of \$250,000,000 for Agency Code 548 - Division: Ministry of Public Works - Bridges/Roads - Subhead 12005 - West Demerara/Four Lane Road - stands part of the Estimates.

Agency Code 548 - Division: Ministry of Public Works - Bridges/Roads - Subhead 12005 - West Demerara/Four Lane Road - \$250,000,000 - agreed to and ordered to stand part of the Estimates.

ITEM 12 - AGENCY CODE 548 - DIVISION: MINISTRY OF PUBLIC WORKS - BRIDGES/ROADS - SUBHEAD 12006

Question is proposed that the sum of \$393,414,000 for Agency Code 548 - Division: Ministry of Public Works - Bridges/Roads - Subhead 12006 - NA/Moleson Creek Road - stands part of the Estimates.

Agency Code 548 - Division: Ministry of Public Works - Bridges/Roads - Subhead 12006 - \$393,414,000 - agreed to and ordered to stand part of the Estimates.

ITEM 13 - AGENCY CODE 553 - DIVISION: MINISTRY OF EDUCATION - SUBHEAD 12001

Question is proposed that the sums of \$226,806,000 (Specific) and \$10,400,000 (Local) for Agency Code 553 - Division: Ministry of Education - Subhead 12001 - Basic Education Access and Management Support Programme - stands part of the Estimates.

Agency Code 553 - Ministry of Education - Division: Ministry of Education - Subhead 12001 - Basic Education Access and Management Support Programme -

\$226,806,000 (Specific) and \$10,400,000 (Local) - agreed to and ordered to stand part of the Estimates.

Question put and agreed to.

Motion carried

Mr Winston S Murray: Is it not Financial Paper No. 4/2006

The Chairman: Yes.

Assembly Resumed.

The Speaker: The Hon Minister of Finance

Hon Dr Ashni K Singh: Mr Speaker, I beg to report that the Committee of Supply has considered Financial Paper No. 4/2006 and passed it without amendment and I now move that the Assembly doth agree with the Committee in its Resolution.

Question put and agreed to.

Motion carried.

The Speaker: Honourable Members, this brings us to the time when we should suspend our Sitting for the usual half hour.

Honorable Members, before I leave the chair, I just want remind members that there is a meeting of the committee of Selection now.

16:02H - SUSPENSION OF SITTING

16:57H - RESUMPTION OF SITTING

Suspension of Standing Order

The Honourable Prime Minister:

Hon Samuel AA Hinds: I move that Standing Orders Nos. 13 and 54 be suspended to enable the Supplementary Appropriation (No.2) Bill 2006 - Bill No. 23/2006 to be introduced at this stage and to be further proceeded with at this Sitting.

Question put and agreed to.

Motion carried.

BILL

First, Second and Third Readings

ITEM 3 - SUPPLEMENTARY APPROPRIATION (NO. 2) BILL 2006 - Bill No. 23/2006 published on 2006-11-23

A Bill intituled, an Act to provide for the issue from the Consolidated Fund of the sums necessary to meet the expenditure (not otherwise lawfully charged on the Consolidated Fund) of Guyana for the fiscal year ending 31st December, 2006, estimates whereof have been approved by the National Assembly, and for the appropriation of those sums for the specified purposes, in conformity with the Constitution.

The Speaker: The Hon Minister of Finance.

Hon Dr Ashni K Singh: Mr Speaker, in accordance of Article 171 (2) of the Constitution, I signify that Cabinet has recommended the Supplementary Appropriation (No.2) Bill 2006 - Bill No. 23/2006 for consideration by the National Assembly and I now present the Bill to the Assembly and move that it be read the first time.

Question put and agreed to.

Motion carried.

Bill read the First time.

The Speaker: Thank you. The Hon Minister of Finance.

Hon Dr Ashni K Singh: Mr Speaker, I move that the Supplementary Appropriation Bill (No. 2) Bill 2006 - Bill No 23/2006 be read a Second time.

Question put and agreed to.

Motion Carried.

Bill read the Second time.

The Speaker: The Hon Minister of Finance

Hon Dr Ashni K Singh: Mr Speaker, I move that the Supplementary Appropriation Bill (No. 2) Bill 2006 - Bill 23/2006 be read the Third time and passed as printed

Question put and agreed to.

Motion carried.

Bill read the Third time and passed as printed.

The Speaker: Honourable Members, we will now move to the next item on the Order Paper.

MOTIONS

ITEM 4 - CONFIRMATION OF THE VALUE-ADDED TAX ORDER 2006 - NO. 23/2006

BE IT RESOLVED:

That this National Assembly, in accordance with Section 98 of the Value-added Tax Act 2005, confirm the Value-Added Tax Order 2006, under Section 98 of the Value-Added Tax Act 2005 and published in an Extraordinary Copy of the official Gazette dated 5th December 2006.

The Speaker: Hon Minister, you may proceed

Hon Dr Ashni K Singh: Mr Speaker, I move that in accordance of Section 98 of the Value- Added Tax Act 2005, confirm the Value-Added Tax Order 2006, under Section 98 of the Value-Added Tax Act 2005 and published in an Extraordinary Copy of the Official Gazette dated 5th December 2006.

Mr Speaker, in further regard to this I beg that the Order be read as amended and a single sheet of amendment has been circulated or was circulated at the start of the Sitting.

Mr Speaker, in my contribution a few weeks ago, to the debate on the Speech by his Excellency the President, at the opening of Parliament I indicated at that time, on the subject of the value-added tax, government's intention to continue to study closely and monitor carefully the impact that the implementation of this major tax initiative would have, on the consuming public, on businesses, on the cost of living and on the business environment and cost of doing business; all with a view to taking inappropriate actions to ensure smooth and effective implementation of VAT.

Mr. Speaker, I confess that in some regard this commitment was not a new commitment. Indeed, my predecessor the Hon Saisnarine Kowlessar, had indicated some time ago, in fact way back when the VAT and Excise Tax Bills and Regulations were being considered before the Special Select Committee. He had indicated at that time and intention to revisit particularly issues of concern that were raised at the time, and if my memory serves me correctly, this commitment was given in specific relation to the issue of basic food items. On subsequent occasions, between then and now similar commitments were made by a number of officials of government to the effect that government was going to (like I said in my presentation in Parliament) monitor feedback, carefully consider and analyze the impact that VAT would have and take appropriate actions.

Mr. Speaker, I believe it would be fair to say that perhaps for various reasons when the legislation was first brought to Parliament that persons whom we would called VAT experts or technical authorities, notwithstanding that those who were at the time better informed were staunch advocates of VAT; and notwithstanding that the organized private sector, being as well-informed as it is, was able to participate in the debate on VAT, and participate in a very informed fashion, I believe, it would be fair to say that the public imagination, the public consciousness on the VAT, how it would work, the implications that it would have on our everyday lives; I think, it would be fair to say that two years ago, when this legislation was brought Parliament, issues pertaining to VAT somehow did not quite generate the kind of debate that one might ordinarily have expected. With the passage of time, and with the implementation of VAT being eminent upon us and perhaps giving that human nature being what it is, I believe, it would be equally fair to say that over the course of the past two or three months at least - I would say over the

past few months may be as much as six - the public imagination has certainly been captured. VAT has certainly entered into public consciousness. I believe, it would be fair to say that all of us, and I can certainly speak for myself. In our everyday lives, at work, at home and as we socialize, VAT has become an issue that people clearly have been thinking about; and thinking about it in a manner that I believe I am encouraged by. Every day over the last few months, I had conversations with people, who clearly have thought about VAT in recent times. I speak with Chief Executive Officers of companies and they speak with nimbleness about issues like zero rated, exempted input credit and VAT refunds. That tells me that they clearly, over the past few months, have devoted energy, efforts and have given thought to howl VAT would affect their lives as we go forward. But not only Chief Executive Officers of companies, consumers, our friends, our colleagues at work, in their interactions with me and in my interactions, I would have to say, that I am extremely impressed with the way in which analysis is being done and thought is being given. And I would not say that on every occasion everybody has been completely informed, but the fact that they are thinking and the fact that they are asking acting, has been an extremely positive thing. This has had the effect, that over the past few weeks, I would say that we have received the benefit of extremely valuable feedback, comments and analyses. In some cases, it has come from organized consultations. It has come from meetings that we have had with stakeholder groups (like I said) perhaps organized private sector stakeholder groups or representatives of organized consumer groups and so on. But this feedback has also come in an unsolicited manner. The odd comment that one receives in a conversation, the letter in the newspaper and all of this feedback has been listened to and reflected upon very carefully in keeping with the commitment that has been given by my predecessor and others in government.

Mr Speaker, I would not want to repeat and I do not believe it is necessary for me to repeat the debate on whether VAT is good for Guyana. I feel sufficiently confident that there is unanimity on this issue now.

I might digress a little bit to speak of two advantages that VAT has been said to have, because of their particular relevance to the Order that this before us.

The purist view would argue that one of the strongest advantages of VAT, is that it is a non-distortionary tax, that is, that unlike other consumption taxes, certainly unlike the

consumption tax that we have in Guyana that now precedes the implementation of VAT, that such consumption tax, taxes different baskets of goods and services, different consumption baskets, differently. And so I recall advocates in the early 2000s, saying that the consumption tax that Guyana had was very distortionary, because it taxed goods heavily and it did not tax services at all. They argued it therefore that the consumer whose basket is weighed in favour of goods is more heavily taxed on the consumption baskets than the consumer whose basket has the heavier weight of services.

And so the purist argues that the ideal VAT taxes all goods and services at the same rate - at a single positive rate.

The purist would also argue, that VAT, by its very nature and definition, should tax production whether goods or services at absolutely every stage of production:

- at the point of import;
- at the first stage of production;
- at the second stage of production;
- at the wholesale stage of distribution; and then
- at the retail stage of distribution until the final consumer purchases of goods.

These are just two arguments that have been proffered in favour of VAT. They are very compelling arguments, they have been tried and tested. They are arguments that have been used in every other jurisdiction where VAT has been implemented. They are theoretically sound and we agree with them, but we also believe, particularly with the benefit of the feedback that we have received that we must be careful to implement in Guyana VAT that is tailored and customized to be suitable to, and responsive to our domestic circumstances. In this regard, Guyana is also no different from other countries. And so, in a number of other jurisdictions basic items, generally associated with the provision of social services and basic consumer goods, it has not been unknown in other jurisdictions for these items to be either zero rated, or exempted.

The Order that I bring before this House and that is currently before us for consideration, seeks to do justice. It seeks to zero rate certain basic food items; it seeks to zero rate certain basic social services and supplies, including health services and educational services; drugs including prescription drugs and over-the-counter drugs; educational

supplies and educational materials; basic sports year; the provision of water and electricity by authorized suppliers. It also seeks to zero rate certain specified agricultural inputs, including fertilizers, pesticides and animal feed.

Mr Speaker, the Order before us endeavors also to preserve the status of what is known as the duty-free entitlements - entitlements to import free of duty or free of taxes or free of specified taxes in accordance with a clearly articulated regime.

The Order seeks to preserve the status of these entitlements currently enjoyed by eligible persons, including public officers, officials and re-migrants.

In addition, the Value-added Tax Order 2006 seeks to preserve the status of what is described in the Order as *small parcels* and by way of clarification, this terminology has been used in relation to luggage accompanying incoming passengers and small parcels particularly barrels. There are certain criteria set out, that are already in application, including a value threshold.

Mr Speaker, in relation to government operations, the Order also seeks to preserve the status of goods and services purchased under foreign-funded projects and purchases made by government budget agencies.

In addition, in response to feedback received, particularly from the private sector, the Order seeks to extend relief come up to exporters, who by the very nature of VAT already have a very significant advantage of having their output subject to a zero rate of VAT, meaning immediately to their cost of operations will go down because they will be able to recover the input VAT that they would incur.

But the Order goes further and seeks to extend relief to them in relation to VAT that they would incur on their imported inputs thus alleviating a concern that was raised in relation to the cash flow implications on the operations of these entities.

In addition, VAT extends relief to holders of investment agreements, thus again preserving the entitlements of the holders of such agreements in order to ensure that their operations can continue to be as competitive as possible.

In other areas, the Order also zero rates locally produced building materials, consistent with our emphasis on expansion of the housing stock and in ensuring that the cost of construction is not affected by the introduction of VAT.

The Order also exempts kerosene oil, liquid propane gas, gasoline, and diesel. In the case

of gasoline and diesel a subsequent instrument seeks to adjust the excise tax rate on those items.

In addition, the Order exempts international air travel, and it re-institutes the travel voucher tax and the premium tax on insurance premium paid to overseas insurance companies.

Mr Speaker, I will not deal with every clause of the Order in an exhaustive debate, because I believe much of it is self-explanatory, but I would submit my conviction that the Order extends and offers a sincere and comprehensive response to the valuable feedback that government has received over the past few months. In this regard, it would be remiss of me not to acknowledge this to feedback and I would like to place on record in this House, my appreciation, and the government's appreciation of the feedback both solicited and unsolicited. I would like to assure those who extended these comments and offered these comments that their comments were indeed valuable in consideration of the issues before us.

Mr Speaker, I would also like to acknowledge the hard work being done by the staff of the Guyana Revenue Authority [*Applause*] and I would like to place this on record, not just for the purposes of the Hansard, but also for the public record, the media.

Mr. Speaker, change is always a difficult thing and change in this regard is not only difficult for the tax-paying public. VAT is a new thing and the GRA is staff by a number of bright hard-working people, including a number of young staff, who I can say to you have been working day and night for weeks and months, and it troubles me, when I see their efforts being disparaged. I know the work that these people are putting in; I know the efforts that they have made and I believe that I can speak with confidence that they have risen to the challenge; they have embraced the change that is no less difficult for them than it is for everybody else out there in Guyana, but they have embraced this challenge, they have risen to this challenge, they have exerted tremendous effort and I would say that they deserve our heartiest commendations. [*Applause*]

Finally Mr. Speaker, (like I say) I have reached a situation where perhaps I can go anywhere without VAT being the subject of the conversation including the corridors of this honourable and hallowed House. I would want to say that coming out of all of this feedback I have gotten the distinct impression that companies, businesses and

entrepreneurs out there have also been exerting great efforts in preparing for VAT. Just a few days ago, I attended and opening ceremony of a workshop hosted by the Guyana Revenue Authority for wholesalers and retailers. I was overwhelmed by the attendance and the participation. The room - and it was a big room - was packed and I saw large companies represented; I saw medium-sized companies represented and I saw small-business people who approached me and they said that they have small operations, but they have registered and they have questions that they would like to ask.

Mr. Speaker I would like to acknowledge also in this House, the efforts being exerting by the registrants and potential registrants come up and I would like to place our acknowledgment of their efforts on record.

Mr Speaker, with those brief words, it gives me pleasure to commend to this Honorable House the Value-Added Tax Order 2006. Thank you very much. *[Applause]*

The Speaker: Thank you Honorable Member.

The Honorable member Mr. Murray.

Mr. Winston S Murray: Mr. Speaker, I would like to begin by confirming to the Minister and through him to the Honourable House that the fact that the People's National Congress Reform-One Guyana supports the introduction of VAT. We believe that it is a more equitable tax. We believe that the burden of taxation will be through this measure brings into the net persons and organizations that are currently outside of it, and so from an equity point of view to support it and we said so at the time this Bill was introduced. So this is not a new-found approach to the introduction of VAT in Guyana.

I would like to draw to the Hon Minister's attention, maybe he was not in the House and the time, I do not recall, but I knew he was present at many of the debates that took place in this House; he was present then in the capacity of an official. And I would like to refresh his memory of the fact that very early on; this is not over the last few months. At that time, because it was prior to the elections of 2006, the People's National Congress/Reform drew attention to certain salient omissions in the Act and its Regulations which flowed from the Act. And I must, on behalf of the PNCR-IG claim the credit, since nobody apparently would like to give it to us, for the fact that in the

Special Select Committee, it was the People's National Congress/Reform that drew attention to the omission of certain basic food items from the exclusion to VAT. And in that Committee that looked at the Regulations flowing from the VAT, we extracted an undertaking, and in fact it is recorded in the Minutes of that Special Select Committee, a unanimous recommendation went forth suggesting that the government zero rate all those food items that were prior to the implementation of VAT not subject to consumption tax. Because unless they were zero rated, the cost of those basic food items would have automatically gone up by at least sixteen percent. From some time ago, we had been advocating for the zero rating of these basic food items linking it to those that were exempted from consumption taxes. And we held our hands for a long time before we went public to the fact that there appeared to have been equivocation. And I personally recalled trying to hold my party at bay, because they kept drawing to my attention that there was this commitment, but whenever questions were asked either officials of the GRA, who I would understand quite frankly could not take a public position when they had no policy direction. They of course walked between the raindrops. And even the Minister, when asked said that these matters were still under consideration. So that was the context in which we found it necessary to have come out with a clamor and a call joined by other interested groups including consumer groups, seeking to have the zero rating take place. And in this regard, I note the Minister's reference to his presence at a workshop on VAT sponsored by the GR A. I want to remind him that we were extremely saddened by this decline of an invitation from the People's National Congress Reform-One Guyana to a symposium that it hosted, trying to bring clarification and explanation to the interested groups - consumer groups, private sector organisations and other interested labour groups, industrial relations personnel and trade unions. I found it extremely sad that the Minister simply decline and did not offer us an explanation that he was otherwise committed and did not even venture to offer an official from the G. R. A. in his place to answer questions. Like him, I would like to think that we are all working towards the same end, which is to give maximum information to the public and try to bring on board through as much interaction as possible with members of the public a greater awareness and a better understanding of the implications of VAT.

I want to say upfront and I want to deal with a remark that the Minister made when he

talked about some disparage in the work of the Guyana Revenue Authority. I want to say and to place in record that we always and I have, in this House, paid tribute to the Commissioner General and his staff, because I know that they are very hard-working and that they are competent people and they try to give of their best in making policy decisions to work and bringing them into being. But that does not mean that we should turn a blind eye to any shortcomings that may exist in the preparatory work that needs to be done for VAT as perceived by us. And if for chance we are wrong, then we can be enlightened. In this regard, let me say that we also specifically invited to that symposium, the Commissioner General of the Guyana Revenue Authority, who did not show. In his case, we were not extended even the courtesy of a response and when we checked with his Secretary early in the afternoon, only thing she could tell us was that the invitation was on his desk and that he was away at Cabinet. So Sir, if we are to support and to support fully, I believe, it is a two-way street. If we invite officials to come to a forum that we have; it has no ulterior motive, to seek to be present and to explain technicalities which we as politicians may not be able to deal with. Then, common courtesy, I believe, would suggest that even in the Commissioner General could not come, I understand that there are experts within the Revenue Authority on this issue of VAT, and that someone of them could have been present. But let me repeat, we respect the hard work that the Guyana Revenue Authority has done and will continue to do in preparation for VAT, even as we have concerns about the state of our revenue. I want to place that on public record.

And Sir, I now come to the substance of the Order before us for confirmation. Let me say straightaway that as a political party that has advocated for many of the reliefs, if I may call them that, inherent in this Order, we cannot but give what is here, our full and wholehearted support. *[Applause]*

There are a few observations we will wish to make, not by way of criticism, but we hope they will be taking with the spirit in which they are intended. We support everything that is here except for these observations and suggestions in some cases that I am about to make.

First of all, we note that among the items that will be zero-rated food items, essential food items, are those items that are not subject now to consumption tax, but that while split

peas is zero-rated, black-eye peas is not. Sir, this is a matter on which we have received ... and that is why I feel obliged to raise it in this National Assembly and on which we have received numerous queries. People have asked about this in large numbers. And maybe the Minister in his response will offer us a reason. But I would like to say... I understand the Prime Minister to be saying 30 down to 16, but he is assuming that we are talking about things that are imported. Because those things are being grown and marketed in Bourda Market and so on, I do not think you are talking about them paying any thirty percent consumption tax, but they will now be certainly and could be caught in the net for sixteen percent. And so, while on the one hand there is one item that is going to be zero rated, there is another important to other sections of the community, that will now be subject to a sixteen percent of VAT. And I would like an explanation at the minimum in that regard. I like both black-eye and split peas, I am a *dougl*. [Laughter]

Mr. Speaker, I come to Items Z which has now been added to the list of items to be zero rated. It says, *importation of items under an investment agreement entered into on behalf of the government with taxable persons*. Sir, for what it is worth, I would like to suggest the Hon Minister that this thing called investment agreement, needs to be defined. If he is not careful, every investor of the smallest ilk will seek to get an investment agreement, because that is the salvation for achieving zero rated status for his commodity. So one has got to be very mindful that we are really giving this zero rating rated status, where it is truly deserving and so *investment agreement* ought to be defined. Because I can see many in the present circumstances and situations, who would normally have been going their merry ways, doing their things, eyes come alight with such a clause, and seek to fit every little thing that they are about to do within the context of an investment agreement.

And then in respect to AA, you introduced another term - *investment development agreement*. What is a distinction here? Because you talk about after coming into operation with the VAT, the first import of some specific capital type equipment are going to be at a rate of zero percent and that the importation is not subject to an investment development agreement. I believe the word *development* is accidentally placed here. And what was intended was consistency between this part and Z which precedes it. And I would like the Minister to make a comment or either to explain the

distinction or graciously acknowledged that perhaps we should delete the word development from the second mention of investment agreement.

And then there is a discretion that is introduced in AA, which I think either needs to be more precisely defined or removed altogether. Sir, what is said here, is that for first importations after the coming of VAT of certain capital-type equipment, they will be subject to a zero percent of VAT. And further provided that zero-rating of suspect imports of these items, that is bulldozers, tractors, et cetera are allowed under conditions and restrictions that may be prescribed by the Minister. Sir, if the prescription by the Minister is going to be of a general character, that is going to cover these items generally, whoever the importer, I can live with that. But if it is a discretion that will be defined, and our restriction, and that would apply at the discretion of the Minister on a case by case basis, then we cannot support it. So, I would invite the Minister respectively Sir, to proffer a comment on the observation and to explain what exactly is intended.

BB is another item which seeks to zero-rate some specific commodities. It talks about a supply of locally produced sand, stone, concrete blocks, lumber or similar materials of the type and quality used for construction. And then it goes on, but not including items containing imported raw materials. Now which concrete blocks, you are going to make Sir, without cement? Is cement a locally produced commodity? So are we not saying two things that are inherently contradictory? On one hand we will zero rate concrete blocks, but not including items containing imported raw materials, but concrete blocks contain imported raw materials. So if we are truly intent on zero rating concrete blocks, my respectful submission would be, but not including items containing imported raw materials except for concrete blocks. You will have to exempt it there or you will have a contradictory position on that particular item.

I note and welcome most wholeheartedly, because of this was a point we had raised and the Minister of Health was sympathetic towards it. Of course, his area is health and drugs and he would be interested in drugs reaching the consumer, I would think, at the cheapest possible price. Wouldn't you Minister? And so I am pleased, that it is not only prescription drugs that are going to be zero rated, but over-the-counter drugs and I understand the exceptions that will be made, because we should not force people, and that is the point we were making, people to get their prescription in order to get a zero rating

on the commodity. Whereas the same commodity maybe they could get it over-the-counter. But in the Act as it was or in the regulations as they were, those over-the-counter, because it was bought over the counter, it would have been subject of VAT. So I pleased Mr. Minister, that you have seen it fit, to include over-the-counter drugs for zero rating.

Mr. Speaker, I want to treat specifically with an item, which the Minister, I hope unintentionally glossed over. He did make mention of it, but I would say en passant. I would like to focus a little more on the amendment being proposed in this Order for the deletion of the words from schedule 5, travel voucher tax and provisions relating to premium tax. Sir, when the Minister of Finance brought the Value Added Tax to this House, he announced that VAT would replace eighth taxes. Listed among the taxes were travel voucher tax and provisions relating to premium tax. They were to be repealed. In fact, they are in the law now up for repeal come 1 January. Now what I need an explanation from the Minister about is this. Surely in arriving at the figure of about \$16.5 billion as the amount of revenue that we need to recoup, you would have included in that revenue loss, the revenue that you have garnered from the travel voucher tax and the premium tax. And I have looked at the estimates from what these taxes from in the past yielded. And they yielded something of the order of \$800 million roughly. Now if you look at the construction of VAT, for every percentage point of VAT, the yield is approximately \$1 billion give or take. Here you are proposing to pay back by a way of windfall these \$800 or so million dollars that you were prepared to forego, which led you to a rate of sixteen percent. So now that you are claiming back or clawing back something of the order of \$800 million and in your own impact study even using official GDP statistics, which we have a dispute about, you showed a positive revenue yield for the VAT of about half a billion or so. If you therefore add the \$ 800 million to this on your own figure, \$500 million or so, you get \$1.3 billion. Clearly Minister, the inference for me, is that we could sustain a VAT of fifteen percent - I am willing to say of at least fifteen percent if we take account only of the revenue that is being clawed back, by the non-repeal of the travel voucher tax and the premium tax. So Minister, could you please tell us why that is not a proper consideration at this time, that is, a consideration of the reduction in the rate of VAT, giving the claw-back in revenue that you proposed in the

Order that you have before us. And let me add by way of saying what our view is, is that the rate can go even lower, because the government insists on using the official GDP which your own impact assessment study says is grossly unrealistic and understated. And since you yourself admit as we recognize, VAT is going to be a more all-embracing tax in which fewer people are going to escape the net, then the logic is not to use the official GDP, because of those who are outside of the official GDP, under current arrangement for taxation, will now be brought into the fold. And therefore I wish the Minister to consider, not merely a reduction by one percent, but a reduction of something that is even greater than one percent.

So Mr. Speaker, let me end as I began. The People's National Congress Reform-One Guyana, supports this Order, but would like to see it amended to include black-eye peas for zero rating; would like to see investment agreement defined; would like the non-repeal of the two tax Acts to result in a lowering of the rate of VAT so that we can truly make this VAT acceptable to all the people of Guyana. Thank you very much
[Applause].

The Speaker: Thank you Honourable Member.

The Hon Minister of Finance

Hon Dr Ashni K Singh: Mr. Speaker, the Honourable Member Mr. Winston Murray is my good friend. We speak often and I believe on many matters we are like-minded. What I did not realise, was that getting credit mattered so much to him. For had I known that that input credit mattered so much to the Honourable Member, I most certainly would have extended it, because it is deserving. *[Applause]* Mr Speaker, I say that in all sincerity. It is not the first time that the Honourable Member has expressed his party's explicit, full and wholehearted support for Value-Added Tax. And I believe that support has not been insignificant in ensuring the national acceptance that we now enjoy.

It worries me though a little bit and perhaps with the benefit of experience I might understand this use of language in Parliament. It worries me though and I wonder if this is something I might want necessarily to emulate; it worries me though that something can be described as fully and wholeheartedly supported with several caveats following

swiftly behind. This perhaps is an art that I would do well not learning with the benefit of experience. Nevertheless, I have listened carefully to the comments made by the Honourable Member and would indeed like to address some of them.

The Honourable Member Mr. Winston Murray mentioned zero rating of certain basic food items and highlighted the fact that split peas is zero rated but black-eye peas is not. Mr. Speaker, in the interest of completeness of disclosure, it is a fact that split peas and an item is currently zero rated for consumption tax purposes. And its zero rating for VAT mainly preserves its current status. Black-eye pea is currently subject to thirty percent consumption tax and we must be careful to ensure that we do disclose the fact when we discuss these matters in the interest of a legitimate and well-informed discourse. We must be careful to ensure that we state all of the relevant facts. And those facts include that black-eye peas will now come down from a consumption tax rate of thirty percent to a VAT rate of sixteen percent. *[Applause]* And I go further to add that black-eye peas grown by small producers in Guyana will not be subject to VAT, because those producers will very likely fall below the threshold for compulsory registration.

Mr. Speaker, the Honourable Member also mentioned the issue of investment agreements and he mentioned in particular the fact that there is an inconsistency in the use of language, in particular between paragraphs Z and A A. In paragraph Z we used the terminology *investment agreement* and in paragraph A A we used the terminology *investment development agreements*. Mr. Speaker, I do not believe that *gracious* is an adjective that I am accustomed to being called, but the Honourable Member suggested that he would consider it gracious of me if I were to acknowledge that was not was unintended. I can conform to him, that it was not our intention to use inconsistent terminology and we will be happy if I would be advised on the appropriate procedure. We would be happy to remove the word *development* in the second paragraph.

I would go on to add that these Regulations were drafted by the legal drafts people at the Ministry of Legal Affairs - the Attorney General's Chambers. And at the time of drafting, they advised us on the terminology that were required to be defined and the words and terms that they advised necessitated definitions were defined. I would say that *investment agreement* was not one such phrase that we were advised required to be defined.

Mr. Speaker, the Honourable Member mentioned the issue of importation of capital equipment and highlighted the fact the subsequent imports of certain specified capital equipment that currently benefit from a zero rate consumption tax will be subject to conditions prescribed by the Minister. Mr. Speaker, I would say to the Honourable Member that it was very much the intention for guidelines to be developed under which the zero rating would be applied.

And furthermore, as is the case with all other government business these days, the manner in which this Order will be implemented will be subject to the customary close scrutiny and examination by the Auditor General and will be reported upon in this Honourable House.

Mr. Speaker, the Honourable Member Mr. Murray raises also the issue of a travel voucher tax and the premium tax. In fact if I may, before I address that issue, he highlighted the treatment of concrete blocks and rightfully reminded me that concrete blocks are yet to be made without cement. I acknowledged this and again on that matter as with the previous matter in relation to investment development agreement, would be happy to have an appropriate change to the language in order to incorporate the suggestion made so graciously by the Honourable Member Mr. Murray.

Mr Speaker, finally the Honourable Member mentioned the issue of the repeal of travel voucher tax or the un-repealing of the travel voucher tax and the premium tax. I would suggest once again, that in the interest ... and I say this out of an abundance of respect for my friend and learned colleague the Honourable Member Mr. Murray, and I do mean that sincerely ... I would say that in the interest of serious analysis of an issue such as this, one cannot isolate a part of the issue. One cannot simply say that the un-repealing of the travel voucher tax and the premium tax that the issue on its own will result in some reversal of the revenue loss, and used that as the basis to suggest that the Value-Added Tax rate can be lowered. Mr. Speaker, the fact of the matter is that this Order presents a menu of measures, a number of which will have fiscal cost. Mr. Speaker, a number of items that were previously going to be subject to VAT are now be zero rated and I do not believe that it is appropriate to speak of issues pertaining to revenue yield and issues pertaining to rate of VAT solely looking at one part of these measures that is consistent with the story we want to tell and ignoring the remainder of the full menu of measures.

And so, I would humbly submit that on this matter, a more meaningful analysis will examine the full menu of measures. And I would say in that regard that a number of the other measures are in fact resulting in a loss of revenue to government. Nevertheless, we are convinced that these measures are necessary and are appropriate. And we are greatly encouraged once again, because I know it means so much to my friend, we appreciate greatly ... if you will permit me to make the observation ... the feedback that we have received not least from the Honourable Member Mr. Winston Murray on this matter. Mr. Speaker, on in that note, and you would forgive me if I depart from the accepted procedure, because this is the first time that I am doing this, I move that the Value-Added Tax Order 2006 be confirmed subject to the written amendments that were circulated at the start of the Sitting and subject to the two additional amendments, that is to say in paragraph 3 AA by the deletion of the word *development* between the words *investment* and *agreement* and secondly by the addition at the end of paragraph BB the words *except for concrete blocks*. And Mr. Speaker I do so move. Thank you very much. [Applause]

The Speaker: Thank you Honourable Member.

Honourable Members, I will put the amendments first. The amendments included both the printed amendments which you have before you and the amendments moved orally by the Honourable Member.

By the *Minister of Finance*:

Amendment -

Clause 3(b) - (o) Insert after the words *Guyana Water Incorporated*
the words *and Kwakwani Utilities Incorporated*

Insert after paragraph (ii) the following paragraph -

- (jj) a supply of -
 - (i) Computers
 - (ii) Computer monitors (of a kind designed solely to be used with

- computers). Video monitors and television monitors are excluded
- (iii) Computer Printers (excluding multi-function printers)
 - (iv) Mouse
 - (v) Keyboards
 - (vi) All internal components of the Central Processing Unit including the cabinet, internal CD/DVD writers, mother boards, video cards, sounds cards, internal power supply, processors, memories, internal Input/Output cards
 - (vii) Routers, switches and hubs for networking computers
 - (viii) Toners, cartridges for computer printers
- (kk) a supply of prepared complete poultry feed, cattle feed, pig feed and other prepared complete animal feed
- (ll) a supply of outboard motors not exceeding 75HP

Amendment put and agreed to.

Amendment carried.

By *Mr Winston S Murray*:

Amendment -

Clause 3(bb) - Insert after the word *materials* the words *except concrete blocks*

Clause 3(aa) - After the word *investment* delete the word
Development

Amendment put and agreed to.

Amendment carried.

Question -

That the Motion be adopted and that the Value-Added Tax Order 2006 -
No. 23/2006 as amended be confirmed

Put and agreed to.

Motion carried

**ITEM 5 - CONFIRMATION OF THE VALUE-ADDED TAX (TRANSITIONAL)
REGULATIONS 2006 - NO. 12/2006**

BE IT RESOLVED:

That this National Assembly, in accordance with Section 95 of the Value-Added Tax Act 2005, confirm the Value-Added Tax (Transitional) Regulations 2006, under Section 95 of the Value-Added Tax Act 2005 and published in an Extraordinary Copy of the Official Gazette dated 5th December 2006.

The Speaker: The Hon Minister of Finance.

Hon Dr Ashni K Singh: Mr Speaker I rise to move that this National Assembly in accordance with Section 95 of the Value Added Tax Act 2005 confirm the Value-Added Tax (Transitional) Regulations 2006, under Section 95 of the Value-Added Tax Act 2005 and published in an Extraordinary Copy of the Official Gazette dated the 5th December 2006.

Mr. Speaker, these Regulations represent yet another one of the measures deemed necessary and appropriate, arising out of the consultations that we have engaged in and in response to the feedback that we have received.

The Regulations addressed in particular the issues that have been raised in relation to stock that would have been purchased or manufactured towards the end of 2006. And therefore subject to consumption tax, prior to the end of 2006, and such stocks still being on hand at the end of 2006 being sold in 2007 and being subject to VAT. And the issue that has been raised is that that would result potentially in such items being subject to consumption tax and the value-added tax on top of that. The explicit stated intention and by design, value-added tax seeks to avoid as far as possible what is called cascading, that is taxes upon taxes. The current consumption tax system that is in place, creates opportunities occasionally in the manufacturing process for consumption tax to be paid on an input that is used in manufacturing, for consumption tax to be paid on the process of manufacture and then if the items produced if an input into another further refined product, for consumption tax to be added yet again on top of that. VAT by the input credit system avoids and averts this by ensuring that at every stage, input credit is granted that is that VAT paid on all of the registered persons inputs in producing his outputs he is given credit for.

Mr. Speaker, we have listened to the arguments and are suitably impressed that it is necessary to grant relief for such items. And the Value-Added Tax (Transitional) Regulations seek to do precisely this. These Regulations seek to permit registered persons who would have incurred consumption tax in the acquisition or manufacture of goods during the last month of the year, that they still have on hand at the end of the year and they would not have sold at the end of the year.

It seeks to grant them relief on the consumption tax paid on these items so that they would benefit from a deemed input credit in the new year, when they would have sold those goods between the months of January and March of 2007. Mr. Speaker as I did with the previous Order, I am not going through the Regulations clause by clause, because once again I believe that the provisions are reasonably clear. But with those brief introductory remarks I move that the Regulations be confirmed. Thank you very much.

The Speaker: The Honourable Member Mr. Murray

Mr Winston S Murray: Mr. Speaker, I refrain from saying at the outset that we support the confirmation of these Regulations, because there are some butts. So I will leave the position of the PNCR-1G for the end of my presentation.

The other thing is, the Minister made a startling revelation to me and to the PNCR-1G this afternoon. And I therefore have to be careful how I make requests for either exemptions or as in this case even transitional arrangements that could minimize the impact of cascading taxes. Because he may tell me that he has to un-repeal some other tax in order to give these concessions. I never understood that to have been the context in which these zero rating and exemptions were taking place. I always understood that they were taking place in the context where in the Committee. We acknowledge that there was always that intention. In fact, I could tell you some persons who said to me after, but I you would go into that here. So I always thought that was part of the scheme of things and that the un-repealing of these two taxes had nothing to do with that. But that those exemptions and zero ratings were in fact built in to the rate of sixteen percent as was proposed to us. So I will be careful in how I make request for any additional zero rating or exemptions.

Sir my comments specifically on this measure are few. First of all, I like the Minister to explain and I have no doubt that he has very good basis for doing so, why it is that he requires a claimant to be registered no later than the 15 December 2006 to be a beneficiary. VAT comes into effect on 1January and I think that once the registers before the date in which it comes into effect, it is a question of bookkeeping, he should be eligible for the transitional credit. Maybe there is a reason, but I can understand him trying to create an incentive perhaps for people having to do it early. But I do not think in creating that incentive that you should discriminate against a guy who waits until the last minute, which is within the period within which he may register before the tax comes into effect to discriminate against him, though I can see a point about providing an incentive.

The other thing I wish to say Sir is I believe that the way in which the transitional credit

is going to be applied appears to be somewhat mean on the part of the government. I say that very guardedly. *[Interruption: 'Mean!']* Yes, I say that because first of all, the period of three months, I think unless the Minister could tell me otherwise, is an arbitrary period. Unless he had had consultations which I had not have to benefit of and three months seems acceptable. I do understand the need for a cut off point. I do understand that there are some experts in the private sector who will recycle stocks and tell you that they have just come in, and they have these things there are all the time, they will never go down, but they are moving out and bringing in. So I understand the need to put a limit on it and maybe you have a rational basis on which you determine three months. But I know there are many people in the business world who have spoken to me and have expressed the view that three months seems a bit short. I would not say anymore on that, because I do not have any solid information that could say on a more realistic basis four months, five month, or six months is a preferable period. I just thought I would make the point because it had been raised with me.

The part which I consider mean in this. Transitional credit will be restricted to the applicable VAT rate or the consumption tax actually paid whichever is lower. That is where the meanness comes in, because what you are saying to this guy is that irrespective of what the implications are for him, I am only going to give you the benefit of a transitional credit on the basis of the lower of the two that are applicable to him. I think we should apply a consistent principal here. That principle being to my mind very straightforward; as of 31 December 2006, you would have paid a certain level of consumption tax. It could be thirty percent; it could be ten percent; it could be some other rate of consumption tax. On 1 January what comes into effect is a VAT of sixteen percent. So it should not be a question of giving you a transitional credit of one or the other depending on what is lower. It is clear to me in so far that you legitimately have these goods in stock on 31 December, what we need to get a credit for is the consumption tax whether it be ten percent or thirty percent or some in between the rate, but that is what you need to get a credit for if you are to be fair. And the principle being that you are now eligible to be paying VAT and we shall apply VAT to you come 1 January. That to me is a clear cut principle and does not appear to be meaning that we want to hold back something, and we are not operating on the basis of a straightforward principle to my

mind. And to talk about giving us a transitional credit restricted to the applicable VAT rate ... well really you are giving a credit that is equal to the applicable tax rate, because you do not get a credit in advance of what is paid or payable. So it is an equivalent thing, because you are saying that, that is the maximum you are prepared to give by way of transitional credit. So I will urge the Minister in determining the extent of the transitional credit, to go for a straight principle which allows for the credit to be the consumption tax and to allow for the imposition of the VAT come 1 January. That would be a very straightforward principle and would make it very easy and easier for us to understand and support. Thank you very much, Mr. Speaker.

The Speaker: The Hon Minister of Finance

Hon Dr Ashni K Singh: Mr. Speaker, let me start my remarks perhaps by saying that it was not my intention in the former remarks to have the result of the Honourable Member withholding his unqualified support so easily. Let me start on the onset by saying that. It was certainly not my intention. I value his wholehearted support and I will urge that it be expressed and extended more frequently.

Mr. Speaker, in response to the comments made, let me say that when I spoke during the debate of the previous Order, I spoke of the need to look at this issue holistically, I did not make the comment that the rationale for un-repealing these taxes was that other items had to be zero rated. On the contrary, I believe, I simply made the observation that it would be misleading to look at one aspect of this issue in isolation from the others, but I do not wish to belabour that point.

In relation to the question asked regarding the deadline for registration ... as the Honourable Member can well imagine, administrative arrangements are required to be put in place, not only by the taxpayer, but also by the Guyana Revenue Authority in order to ensure that systems are up and running for recording items imported or manufactured that would be subject to this relief. And like I said, these are systems and records that will be required both of the taxpayer and at the Guyana Revenue Authority. And so there must of necessity have been some deadline. In fact, in an ideal world perhaps I might have liked that the deadline be somewhat earlier, but we are where we are. And so I

would suggest that the deadline stipulated does allow sufficient time to ensure that the requisite administrative arrangements are put in place. The Honourable Member does of course make the astute observation that this does also create an incentive for registration. I am sure we all acknowledge and agree (I say universal, I really do not mean universal), but that maximum registration, that full registration, registration by all entities require to register and eligible to register is a desirable thing in the interest of ensuring that VAT works in the way it is supposed to work, and in the interest of ensuring that the benefits of the tax in terms of its non-cascading, its non- distortionary nature, et cetera nature, that those benefits are to be realized.

Mr. Speaker, on the issue of the three-month timeline for relief, once again I suspect that the Honourable Member and I are on the same page in this regard. He quite rightly and astutely answered his own question. I do not recall if an explicit question was asked, but I believe that in the Honourable Member's remarks, he quite rightly observed that a deadline is necessary and that the absence of a deadline or the presence of an overly extended deadline would bring with a perils of its own. It was thought with the benefit of discussions and analysis with the administrators of the tax that a three-month deadline would be appropriate, implementable and manageable.

Mr. Speaker, the final point made by the Honourable Member Mr. Winston Murray was in relation to the rate at which relief would be granted. He made the observation that one could have taken the approach of a clean cut at the end of December - I think that was the expression he used - and give an import tax credit all of the consumption tax paid during the preceding period.

Mr. Speaker, I would urge that we do not lose sight of where we started in all of this. We started from a situation where we would have had a clean cut and in this regard, we would not have been unlike other countries. We started before these Regulations in a situation where we would have had a clean cut. And that clean cut would have said, consumption tax by law is chargeable up to 31December and VAT is then charged - you have your clean cut and you charge consumption tax in accordance with the law- and that is what the law that was passed by this Honourable House two years ago said. In January, the clean cut having been executed; and in January VAT is implemented in accordance with its commencement date of 1 January.

Mr. Speaker, that is where we started. I would humbly submit that what this Regulation seeks to do is to move away from what some might deem a harsh clean cut and to institute a measure that will achieve the desired result of an item not being taxed twice in the sense at a rate that would then be sixteen percent or more and then have VAT additionally added on to it. What is happening here is that if an item would be subject to VAT, the input credit would be at the corresponding VAT rate of sixteen. And I would suggest that that does represent a very significant relief to businesses that would be affected.

I therefore move that the Value-Added Tax (Transitional) Regulations 2006 be confirmed by this Honourable. House. Thank you very much.

The Speaker: Thank you very much Honourable Member.

Question put and agreed to.

Motion carried.

**ITEM 6 - CONFIRMATION OF THE VALUE-ADDED TAX (AMENDMENT)
REGULATION 2006 - NO. 13/2006**

BE IT RESOLVED:

That this National Assembly, in accordance with Section 95 of the Value-Added Tax Act 2005, confirm the Value-Added Tax (Amendment) Regulations 2006, under Section 95 of the Value-Added Tax Act 2005 and published in an Extraordinary Copy of the Official Gazette dated 5th December 2006.

The Speaker: The Hon Minister of Finance.

Hon Dr Ashni K Singh: Mr. Speaker, I rise to move that this National Assembly in

accordance with Section 95 of the Value-Added Tax of 2005 confirm the Value-Added Tax (Amendment) Regulations of 2006 under Section 95 of the Value-Added Tax Act 2005 and published in an Extraordinary Copy of the Official Gazette dated 5 December 2006.

Mr. Speaker, my introductory remarks in relation to these Regulations will be very brief. These Regulations seek essentially to do two things. I will deal with the second first. Regulation 3 seeks to amend the Principal Regulations by the substitution of words that would enshrine in those Regulations the zero rating of medical services, which were previously under the Principal Regulations exempted. And so as a result of the Value-Added Tax Order which was the first Order that was confirmed this evening, which now the zero rates instead of exempted medical services and drugs certain amendments to the Value-Added Tax Regulations were made necessary. And so Regulation 3 which amends Regulation 12 of the Principal Regulations seeks simply to do this. Regulation 2 of the Regulations currently before us seeks to amend Regulation 10 by the deletion of paragraphs A, B, C and E and these relate to certain requirements pertaining to the printing and controlling of VAT invoices. Mr. Speaker, once again this is an area where we were subject to submissions by the private sector to the effect that there was a significant and strong school of thought that the requirements of centralized control over printing of value added tax receipts or invoices; the somewhat onerous requirements that were in the Principal Regulations, which I am sure we would recall required centralized control over printing and numbering.

Mr. Speaker, the submissions that we were in receipt of suggested very strongly that such centralized controls would be inappropriate in a contemporary environment such as the one in which we operate. Particularly because a number of businesses use computerized systems that would not lend themselves easily to centralized control printing. And so the Principal Regulations as they were written would have required the Commissioner General to authorize particular printers to print value added-tax invoices and to authorize VAT registrants use only those invoices. One can well imagine that businesses that are computerized that have machine generated invoices would clearly have had a difficulty adapting their systems to use these externally printed and externally imposed invoices. And as a result, these Regulations are amended in response to those very compelling and

persuasive arguments that we were in receipt of.

Mr. Speaker, I hasten to add on this matter that we recognize the paramount importance of record-keeping in a VAT system that would work. And we recognize the importance of invoices being issued, numbered invoices, invoices with pertinent details. We recognize the importance of those and indeed I think we have the appropriately reminded on repeated occasions of the importance of record-keeping and of invoices and so on.

Mr. Speaker, I want to make the point that the requirements of VAT invoices being issued is not being dispensed with. The requirements that VAT invoices be numbered and that they have certain pertinent information, et cetera, is enshrined in the Act and is not being dispensed with. What we are merely doing here is removing the irritant and alleviating VAT registrants of the onerous burden of having to subscribe to a centralized control system for printing of VAT invoices.

Mr. Speaker, in that context I commend these Regulations to this Honourable House.

The Speaker: The Honourable Member Mr. Murray

Mr. Winston S Murray: Mr. Speaker, I rise to say upfront that the People's National Congress Reform-One Guyana, fully supports this Regulation before the House, but I want to say to you sir they are no buts. *[Laughter]* Thank you very much.

Question put and agreed to.

Motion carried.

**ITEM 7 - CONFIRMATION OF THE EXCISE TAX (AMENDMENT)
REGULATIONS 2006 - N0.14/2006**

BE IT RESOLVED:

That this National Assembly, in accordance with Section 15 of the Excise Tax Act 2005, confirm the Excise Tax (Amendment) Regulations 2006, under Section 15 of the Excise Tax Act 2005 and published in an Extraordinary Copy of the Official Gazette dated 5th

December 2006.

The Speaker: Hon Minister of Finance will you now move the next confirmation?

Hon Dr Ashni K Singh: Mr. Speaker, I beg to move that this National Assembly, in accordance with Section 15 of the Excise Tax Act of 2005 confirm the Excise Tax (Amendment) Regulations 2006 under Section 15 of the Excise Tax Act 2005, and published in an Extraordinary Copy of the Official Gazette dated 5 December 2006. Mr. Speaker, briefly again these Regulations seek to make certain amendments to the Principal Regulations, some of which are in response to the amendments that were made to the Schedules to the VAT Act, particularly the zero rating of vehicles for example, and also in response to other changes such as the preservations of the entitlement of duty-free importation of vehicles by public officials, Judges, Magistrates, et cetera. And so Mr. Speaker, in response to those changes and in response to the commitment expressed that the excise tax rates that would be applicable to vehicles would be the same as was applicable before, these Regulations seek to insert the necessary changes.

As before, I would not go through the various changes. I would say that the Regulations make an amendment to the tables in relation to vehicles and institute rates that are currently applicable under the consumption tax regime. These Regulations also institute or reinstitute or perhaps preserve the right to import vehicles free of certain taxes by judges, magistrates, diplomats and others. And also seeks to preserve the rights enjoyed by beneficiaries of investment agreements.

Mr. Speaker, with that introduction, I move that these Regulations be confirmed.

The Speaker: The Honourable Member Mr. Murray.

Mr. Winston S Murray: Mr. Speaker, I rise to say that many of these amendments proposed in these Regulations are common sense amendments. They are better definitions than were contained in the previous Regulations. So they are to be welcomed. They bring greater precision to descriptions. And I am glad to hear the Minister say that the formulae used here in determining these rates will not result in any increase of taxes beyond those which currently applied. That is an important point, because it has been

represented to me, but I do not have the capacity to confirm or deny it, but I feel obliged to mention it that in some cases, the application of these formulae will in fact result in increased taxes. I signaled that merely as something that has been indicated to me, but I am heartened by my understanding of the Minister's commitment that that is not the case. And I would like when he speaks in concluding this matter that we can get an assurance that were it to improve the case that the taxes contained in any of these formulae result in a higher level of taxation than currently applies, that the necessary measures and actions will be taken to bring those levels down to the current levels. Subject only to that Mr. Speaker, I do not know if I can say I fully support it, but I will say sir, subject only that we support the Regulations. Thank you.

The Speaker: Thank you Honourable Member.

The Hon Minister of Finance.

Hon Dr Ashni K Singh: Mr. Speaker, in keeping with the spirit in which this debate has been conducted, I will confess that like the Honourable Member I do not myself have the capacity, but I would say that I am advised by my staff that the rates contained in these Regulations will not result in additional taxation. I will also say that we will certainly be prepared to discuss further the matter if it were found as suggested by the Honourable Member. We would certainly be prepared to have further discussions if it were to be found that that is not the case. I can certainly give that undertaking Mr .Speaker. With those words, I move that these Regulations the confirmed.

The Speaker: Thank you Honourable Member.

Allow me to conclude the formalities.

Question put and agreed to.

Motion carried.

Honourable Members, thank you very much.

ITEM 8 - NOMINATION OF MEMBERS OF THE COMMITTEE OF

SELECTION

Honourable Members, the Assembly will now as is required by Standing Order No. 81 continue its nominations of members to comprise the Committee of Selection.

I will now invite the Prime Minister to nominate the one outstanding member of this committee.

Hon Samuel AA Hinds: Mr. Speaker, with your leave I wish to nominate Dr. Leslie Ramsammy to serve on the Committee of Selection of this Assembly.

The Speaker: Is there a seconder?

Hon Clement J Rohee: I wish to second that Mr. Speaker.

The Speaker: Are there any other nominations? *[Pause]* I declare the Dr. Ramsammy to be confirmed as member of Committee of Selection.

Honourable Members, before we proceed with the next Item which is the Freedom of Information Bill No. 26 of 2006, I wish to point out that the procedure to be followed is a new insertion in our Standing Orders which has been brought about by our recent revisions. The procedure is, that an Honourable Member seeking leave to introduce a bill is permitted to make a brief explanatory statement. When he or she concludes, any member opposing the bill is also permitted to make a brief statement. There will be no debate on or amendment to this motion. The question will be put at the end of the opposing member's statement, if there is any. The motion is carried, the Clerk will read aloud the title of the bill, and this will be recorded in the minutes of the proceedings that this has been read a first-time and ordered to be published without question. If the motion is negated, there will be no further action taken on a bill.

(ii) PRIVATE MEMBERS' BUSINESS

INTRODUCTION OF BILLS

Presentation and First Reading

1. FREEDOM OF INFORMATION BILL 2006 - Bill No. 26/2006

A Bill intituled, an Act to give access to information to members of the public

The Honourable Member Mr. Trotman

Mr. Raphael GC Trotman: Mr. Speaker. If it pleases you, I wish to draw on this spirit of goodwill and cordiality which I see permeating the Chamber, since the commencement of the Ninth Parliament and perhaps due to the Christmas season. Having regard to advice on some information on which I require and some responses. I crave your indulgence for a deferral of my motion to leave to it to introduce this bill this evening. Thank you.

The Speaker: The Motion for leave is deferred. Is that agreed, Honourable Members?
[Members replied in the affirmative]

[Bill Deferred]

Honourable Members, we can now move to the next Item on the Order Paper.

PUBLIC BUSINESS MOTION

ITEM 9 - THE NATIONAL DEVELOPMENT STRATEGY

WHEREAS over 150 members of Guyanese civil society of various

walks of life and from fields of endeavour have put forward a National Development Strategy that details a series of bold economic initiatives and exciting programmes geared towards the transformation and diversification of the economy;

AND WHEREAS among the stated objectives of the National Development Strategy are attainment of the highest possible rate of economic growth, the alleviation of poverty, the equitable geographic distribution of economic activities and benefits and the diversification of economy;

AND WHEREAS the National Assembly of the Eighth Parliament unanimously passes a Resolution on 15th December 2005 for an update of the National Development Strategy at the earliest practicable date;

BE IT RESOLVED:

That this National Assembly accepts the National Development Strategy and the measures and policies therein as an overarching strategy for pursuing the economic and social transformation of Guyana;

BE IT FURTHER RESOLVED:

That this National Assembly directs that the National Development Strategy be placed before a Special Select Parliamentary Committee to commence consultations immediately with the private sector, wider civil society and other stakeholders to establish a Representative Cross Sectional Group, supported by a suitably resourced secretariat with access to research expertise to update the National Development Strategy at the earliest practicable date;

BE IT FURTHER RESOLVED:

That this National Assembly directs that the Representative

Cross Sectional Group reports periodically to the Special Select Parliamentary Committee and that the finally updated National Development Strategy be submitted to the Special Select Parliamentary Committee to make recommendations to the National Assembly for the consideration and adoption of the said updated National Development Strategy;

BE IT FURTHER RESOLVED:

That subsequent to the adoption of the updated National Development Strategy this National Assembly authorizes its Sectoral Committee on Economic Services to monitor the policies and the implementation of the National Development Strategy by the Executive.

The Honourable Member Mr. Murray

Mr Robert HO Corbin: Mr Speaker, may I move that this day be designated Winston and Ashni day?

The Speaker: *[Laughter]* That is because the Honourable Member Mr Corbin knows that Dr Ashni Singh will be speaking next.

Mr. Winston S Murray: Mr. Speaker, I rise to move in the Motion standing in my name, under the title *the National Development Strategy*. I would like to begin Sir, by recalling that on the 15 December 2005, this identical motion, except for one whereas clause, which is added to the Motion before the House this evening to the effect that the National Assembly had unanimously passed a Resolution on the 15 December 2005 for an update of the NDS. With that exception, this Motion before this House is identical to that which was unanimously passed here on the 15 December 2005.

However, what happened was that between 15 of December 2005 and the dissolution of the Eighth Parliament in May 2006, nothing happened in respect of giving life to that Motion which was unanimously passed. It has been suggested to me that that was due to the fact that elections were upon us and there was no time to attend to this Motion. But I

would respond to that by pointing out that there were several other matters, including a comprehensive revision of the Standing Order of this National Assembly, which were handled with great alacrity and dispatch. So sir for us of the People's National Congress Reform-One Guyana, it seems clear that this matter of the updating of the National Development Strategy was not a priority during the Eighth Parliament of Guyana after the 15 December 2005, the date on which it was passed.

It could have been rescued, were there even serious interests in the sense that work could have commenced by the formation of the Special Select Committee and the consultations could have begun. And by activating that work, we could have had a bringing over to the new Parliament the continuation of the work that was commenced. But by doing nothing about the motion and giving it no life, it died a natural death with the end of the Eighth Parliament. We therefore assume that there was recognition in that Resolution that was passed, that there was need to update the National Development Strategy and that there was a certain context which had been agreed with the government to undertake the update. So when we brought this motion here to this National Assembly in its identical form, but for the one whereas clause I alluded to, we felt certain that we were going to have fertile grounds with in the National Assembly for a unanimous passage of this Resolution. Unfortunately Sir, on the submission of this Resolution and on the day, one week ago, when it was due to be debated in this National Assembly. We were presented with a series of amendments to the Resolution. Sir, these amendments that were proposed or tabled last week would have made a significant if not fundamental alternation to the course that was agreed on for the update of the National Development Strategy in December 2005. And we were forced in those circumstances to ask ourselves what was the reason for these proposed amendments? Is it that the government is not committed any longer to the approach that it had agreed on during the Eighth Parliament? And further is that the reason why although it was agreed by consensus that the government did nothing in the four and half months it had before the dissolution of the Eighth Parliament. I would not like to think that way Sir, except to make the very factual observation that the government did nothing. And I would leave it to others to draw their own inference.

When the government brought these proposed amendments to the National Assembly Sir,

we sought a deferral of the debate on the Motion, because it was our understanding that we were all working towards a new dispensation in which there was going to be an effort of compromise; an effort of taking each other's views into account. I am trying to remember bits of the Presidential Address at the opening of this Ninth Parliament. In keeping with that spirit Sir, we engaged in discussions with the government to see if there was a way in which we could have arrived at a common position. I have to report to this Honourable House today that that was not possible and I would crave the indulgence of the House, to highlight what I perceive to be the differences between ourselves and the government on this question of the update or rewrite of the National Development Strategy.

Sir let me, however, say this before I move on, even though we were unable to reach agreement on a common approach to the updates of this strategy, it is important that we place on record that we deemed the consultations to have been very useful, because we believe that consultations in themselves are good things. They clarify misperceptions, they help at better understanding of different points of view and communication does wonders for easing tensions between and among persons and institutions. So we welcomed very much the opportunity we have had to discuss with the government the amendments that they were proposing.

Sir, I refer to the process of consultations itself and to the President's Speech in one regard a moment ago. But I want to refer to some parts of that Speech, in another regard at this point. As I understand it, the President sought in his Address to the opening of the Ninth Parliament, to define a framework within which the National Assembly and the broader society would pursue national objectives, the derivation of national policies and ultimately the garnering of results for betterment of the people of our country. And I want to begin by quoting what he says at Page 9 of that presentation, Sir. He said:

My government's policy agenda over the next five years is rooted in the primacy of our people.

It seems to me Sir, that His Excellency has excellently expressed a view that none of us could have a quarrel with. And I am minded to refer to this, because in our approach to the rewrite of the National Development Strategy, the primacy of people and the views of our people are put at the heart of the process of the rewrite or the update.

He also said Sir at Page 7 as follows:

We will have to build trust at the political level, and create political space for all.

It seems to me Sir that His Excellency the President was suggesting that as we evolve and aim to develop policy that there would be a large political space within which we would be able to make our contributions to the evolution of policy.

And at Page 6, he says very unequivocally:

Central to our vision is the fashioning of an inclusive democracy where all stakeholders feel involved, valued and respected.

It would be my inference sir, that if stakeholders are to feel truly involved in the fashioning of an inclusive democracy then that involvement should not come by process of a top-down approach to developing policy or strategy and not as a reactive consultative process, but as a proactive one in which they are invited upfront to express their views as frankly and as fully as they wish to and at the end of the day for the government who has the responsibility ultimately to govern, to decide what elements of those proposals they may embrace as the ones who are responsible, to take forward for the building of Guyana.

And on Page 25 Sir which is the last quote I want to make from the President's Speech. He said as follows:

I have already signaled my intentions to join forces with the political opposition and find innovative ways to work together to solve our problems and greater scope for the participation of civil society in the decision making process.

These are very telling and very strong words of commitment and in the Motion that we have brought before this National Assembly, we are seeking to give life to this grand expression by His Excellency the President. And it seems that we are going to be denied the possibility of giving life to these very noble intentions, because what do we have as our point of difference as we seek to update this National Development Strategy. I believe we owe it to the nation to tell them what these differences are, so they can see our different perspectives and form their own opinions as to how close we are to giving life to these objectives outlined by His Excellency the President.

In the Motion before this House, suggest that the responsibility for updating the National Development Strategy should put in the hands of a Special Select Committee of the National Assembly. That is what we agreed in December of 2005. The government now says, it no longer wishes to put that responsibility in the hands of a Special Select Committee of the National Assembly. Sir, a Special Select Committee of this House comprises members of the government side and members of the combined opposition. What better demonstration it is to give life of joining forces with the political opposition and finding innovative ways of working together than through an institution such as that? What does the government say as their alternative? The government says, it (the government) must rewrite the strategy. So rather than cooperation, we seem to have isolation. And Mr Speaker, I crave the indulgence of my colleagues on the other side to try to see as we go through this evening, whether it would be possible for them to change their approach to this matter if only in recognition of the need to try to give realism to some of the President's utterances and lofty ideals.

Mr. Speaker, if as we suggest, the special select committee oversees the process, we go on to say that a cross-sectional group - there are specific categories here - comprising private sector, wider civil society and other stakeholders that they get together and do the update of this draft. That is the primacy of our people. That is what I understand it to mean, not to the government doing a redraft and then giving it to the people and say, give me your comments. That is top-down planning and you and I know that when the government puts out a position, given the nature of our society, people are very cautious about expressing their honest views. I do not want to say that they sometimes feel coerced, but they feel that they have severe limitations upon their abilities to be frank and honest. So why do we not follow the process of a bottom-up approach? Why do we not let the people whom we say are our primary concern - the primacy of the people? At the end of the day, Sir, what the process we have defined in this Motion calls for is that what ever proposals they put up as their rewrite of the National Development Strategy, has to go through the sift of the Special Select Committee. And Sir, how is a Special Select Committee comprised? It has six members of the government and four members of the combined opposition. So if there is any proposal that emanates from this cross-sectional group that the government finds for whatever reason it cannot concur in or go along with,

it can use in the special select committee its majority as it has done repeatedly over time to expel those parts of the proposals that they find unacceptable and insert other proposals which in their view are the ones that as a government they feel that they can embrace and adopt to take Guyana forward.

And Sir, further, the process does not end there. Our Motion says that the Special Select Committee makes recommendations to the National Assembly for the consideration and adoption of the updated National Development Strategy. So here is the government having a second opportunity in this National Assembly where it has an absolute majority. Per chance, if there is any recognition, those of us in the Special Select Committee, may be able to influence a few government members to vote for something. Unlikely, but perhaps we can be hopeful. Then there is an opportunity in this National Assembly, where there is an absolute majority for the government to again leave out those parts that are unacceptable and put in additional policies, which they find acceptable. Sir, I respectfully submit that this is the soundest way to perceive if we are truly committed to an involvement of the people. For what do we get out of that process? At the minimum, we get to know what the people really think upfront, not us devising the policy - the government that is - and then trying to consult with them as a reactive measure, we get their candied, open and full honest views as to what they think should be the components of a National Development Strategy. And I would like to suggest, we should invite that approach. And that approach is wholly consistent with the messages and signals that emulated from the President's Speech at the opening of the Ninth Parliament of Guyana. Sir, I do not wish to speak for much longer. And in fact I will end this presentation by repeating what I said at the time we had a unanimous passage of the Motion on 15 December 2005.

But before I say that there is one additional point I should make. And it is this Sir. On that occasion, I drew attention to the new and refreshing approach that was being adopted by progressive economists internationally, advocating that it is home-grown policies and home-grown strategies, which should form the basis for assistance from international financial institutions. And home-grown strategies mean in their definition, maximum participation and input by the people of Guyana in this case. So I urge that we will create a stronger basis for us to put before the international community, policies that are truly

home-grown, command their respect for those policies, because they are people-based and people-motivated and insist that they form the basis and not the dictates of those institutions, which do not necessarily accord with the will and desires of the people. And I think that is a worthwhile objective to come out of the process we advocate.

And this is what I want to say in closing, Sir. If we are truly to take Guyana forward, and I believe that each one of us here has a serious intent and wish so to do. So I am not questioning our motivation. I think each of us honestly and sincerely wants to move Guyana forward. And this is the issue. I think we have to be a little bolder and we have to cease being afraid to let go of some power and authority. And we have to cease distrusting the people and we have to put confidence in our professionals, our economists, sociologists and engineers, who can offer valuable inputs and their views into devising a strategy. I want to encourage the government not to be so timid; to let us give scope to the people of Guyana through their institutions and through their representatives, including their representatives here in this National Assembly, because nothing stops us in our individual capacities whether we are economists or lawyers or doctors or farmers from participating in that process, except that we participate, not as representatives of the government, but we participate as citizens of Guyana making our contributions to the formulation of a strategy. So each of us in that consultative process, can get down to the grass-root and be part of the consultative process and make our views known and then bring them upwards. I believe sir, if we show a little boldness and trust the people a bit more to come up with their policies, we will be able to get a document here that we can take in an international context, feeling confident that it has the support of the people of Guyana in a very fundamental way. And we can stand up to the IFIs with friends, who believe that that is the basis on which development assistance must come. And we can say to them that the people of Guyana have prepared this document and deserve to have this strategy financed by you and not have us dictated to by currently in-the-box policies. We have to think outside of the box and get the people involved. On that basis sir, I submit this Motion, standing in my name, for the approval of the National Assembly. Thank you very much. *[Applause]*

The Speaker: Thank you Honorable Member.

Honourable Members, before I call on the other speaker, it is now 7.00 p.m and time for us to take the suspension. With the number of speakers listed it is clear that we will not be able to finish by 10:00 p.m. so I will urge members on both sides, those who have the responsibility to decide what is the course we will go ... We will adjourn at 10.00 p.m. If it is the wish of members, I can suspend only for half-hour so that we can have an extra half an hour.

19:02H - SUSPENSION OF SITTING

19:37H - RESUMPTION OF SITTING

The Hon Minister of Finance.

Hon Dr Ashni K Singh: Mr. Speaker, I rise in response to the Motion moved by the Honorable Member Mr. Winston Murray on the subject of the National Development Strategy. And in doing so, I acknowledge that it is widely known that the Motion in essentially identical language was debated and passed previously in this Honorable House during the Eighth Parliament.

Mr. Speaker at that time, I had followed the debate that ensued on this motion and more recently the Motion having been brought before this Parliament, I refreshed my memory on the contents of that debate through a perusal of the Hansard. And I reflected initially upon the fact that this Motion was passed as it was, and the implications that this might have for the discussions and debate that we would have in the current Parliament. And I concluded that perhaps the coming to an end of the Eighth Parliament, the holding of the 2006 General Elections, the constituting of this new Ninth Parliament, the presence of a number of new members of Parliament in this Assembly, and more generally with the passage of time I concluded that it might not be inappropriate for us to revisit and repeat where appropriate the discussion and reconsider, indeed, some of the arguments that were made.

Mr. Speaker, the preamble to the motion acknowledges the participation of a wide cross section of Guyanese society in the finalization of the current strategy. It acknowledges the bold initiatives articulated in the Strategy. It repeats objectives of this Strategy and

they are objectives I believe that any right thinking Guyanese person would scarcely disagree with. And the Motion reiterates the fact that the Eighth Parliament unanimously passed the Resolutions that it did. With that preamble, the Motion proposes that this Assembly accepts the National Development Strategy and the measures and policies therein as an overarching strategy for pursuing the economic and social transformation of Guyana.

The Motion continues to seek to resolve that this Assembly should direct that the Strategy be placed before this special select committee to commence consultations immediately with the private sector, et cetera. That various stakeholders be brought together to establish a representative cross-sectional group, that they be supported by a suitably resourced secretariat to update the Strategy.

And it continues that the Assembly should direct that this cross-sectional group should report periodically to the special parliamentary committee and that the finally updated Strategy be submitted to this special select committee and in turn to the National Assembly.

And finally, that upon the adoption of this Strategy that this Assembly authorizes its Sectoral Committee on Economic Services to monitor these policies and the implementation of the said Strategy. In essence therefore, the principal issues before us as proposed by the Motion in its current form are as I see them:

- Firstly, the issue of acceptance of the National Development Strategy as an overarching strategy - the first resolve clause - the acceptance of the strategy as an overarching strategy for pursuing transformation in Guyana.
- Secondly, whether the Strategy is in need of updating and if so preferred modalities for updating strategy and mechanisms for monitoring implementation.

Mr. Speaker, on the first issue of acceptance of the National Development Strategy as an overarching strategy, I would venture to suggest that government would have little if any difficulty with accepting the objectives articulated in this strategy as appropriate in terms of an overarching strategy. And I say this for various reasons, not least the fact that the preparations of the original strategy was done at the initiative of the Government. And its subsequent evolution was done with the benefit of significant guidance and input from

governmental authorities, not least the then Minister of Finance. That apart, like I said earlier, I do not believe that anyone of us would seriously disagree with objectives such as attainment of high rates of economic growth, the highest rates of economic growths that are possible, elimination of poverty in Guyana, achievement of geographical unity, attainment of an equitable geographical distribution of economic activities and diversification of the economy. I would venture to suggest that I scarcely believe that anybody, any right thinking Guyanese person would disagree with the objectives. And indeed, a number of derivatives (I would use the word *derivative* for the time being) policy documents and policy pronouncements issued by government since the finalization of the NDS, of articulated objectives that are broadly reflective of and consistent with the very same objectives spelt out in the National Development Strategy. Not least among these is of course the Poverty Reduction Strategy, which was developed in a context that is widely known and in fact, I think, which was alluded to by the last speaker and which was developed out of a process that was highly consultative; developed out of a process that involves consultations in every region of Guyana and which virtually every group of interested stakeholders. And so I would say in all fairness and objectivity that I could scarcely disagree with the suggestion that the National Development Strategy would constitute an acceptable and agreeable overarching strategy for pursuing economic and social transformation of Guyana, which brings us to the second issue - the issue of updating - whether updating is required. Mr. Speaker, I believe this issue speaks for itself. First of all, of course, the National Development Strategy was written in world that was considerably different and I say *world* deliberately, because I do not refer only to the domestic environment. I would want to believe that we would all agree that the National Development Strategy, the process having been initiated perhaps I think about ten years ago and the document having the finalized perhaps six years ago, I would want to suggest that we would all agree that an update is necessary. Not only because of the fact that it was written in a different world, at a time when the international environment was considerably different, but also because since its original writing and its eventual finalization from that time to now, coming out of various specific sectoral strategies that have been developed and the NDS does clearly refer to the need for specific sectoral strategies to be developed and policies and programmes to be implemented to achieve the

objectives captured in this overarching strategy, arising out of the development and implementation of sectoral strategies that serve the same objectives. We could, I believe spend a long time tonight speaking about specific actions that have been taken in virtually every sector, that would have contributed to the situation described in this strategy having been advanced significantly and therefore, to the priorities having been evolved appropriately and the next steps being changed also as appropriate. And so Mr. Speaker, on the issue of updating, I would say that I agree wholeheartedly that the National Development Strategy is in need of an update, which brings us essentially to the third and fourth issues as I see them. These are:

- (i) the modalities for updating the national development strategy; and
- (ii) mechanisms for monitoring implementation

On the issue of modalities for updating the Strategy, the Motion suggests that the strategy should be placed before a special select parliamentary committee, which would then commence consultations immediately with the private sector.- this is the parliamentary committee - commencing consultations immediately with the private sector, et cetera. to establish a representative cross-sectional group supported by a secretariat, (this is essentially a civil society group, I suppose - a stakeholder group) to update the strategy at the earliest practicable date.

Mr. Speaker, it is at this point in the Motion that I depart somewhat from the arguments offered by the Honorable Member Mr. Winston Murray. Mr. Speaker, I say this again maybe a little bit guardedly, given that I know that this Motion was considered before, but like I said I do believe it is important that with the benefit of time, if we are rational people, and if we are to be bold, then we must not be reluctant to revisit these issues, we must not be reluctant to reconsider them, and we must not be reluctant to bring new perspective to them, if we are genuinely to be bold.

Mr. Speaker, on this issue, I have to say that I differ somewhat with the mechanism proposed in the Motion for the following reason:

It is my fervent belief that if government is to be held accountable for the development of strategies and the development of policies, programmes and projects that are aimed to achieve specified objectives; if government is to be held accountable for the development of these policies, for the appropriateness of these policies and for the outcomes that

would arise from the implementation of these policies - I would humbly submit that government must of necessity be given the responsibility and appropriate and relevant authorities to do this.

Mr. Speaker, it is a cardinal principle of accountability that one could scarcely be held accountable, if one is not also given relevant latitude and authority and if one is not assigned specific responsibility. And I would suggest that removing from government is the primary responsibility to develop the national development strategy for the country, it is essentially saying to government that we can no longer hold you responsible and accountable for the strategy that is so developed and for the implementation of this strategy. That is not to say that there must not be consultations. That is not to say that there must not be participation. I would be the first to say that there must be consultation and there must be participation. But if government is to be held accountable by this Parliament, if the executive is to be held accountable by this legislature for the appropriateness of its policy, then it must be given some latitude to lead the process that will result in the articulation of those policies. This is my humble submission and this is precisely what worries me about the Motion in its current form. Instead, I would suggest that government be given the principal responsibility for leading the process that will result in the articulation of a strategy that would form the basis for consultations and I do not believe that anybody could say that this government is not committed to consultation; I believe the track record speaks for itself ... *[Interruption: 'Yes, it does.']* ... and I believe it does in a positive way. I would suggest that government be given the principal primary responsibility for updating this strategy and for initiating the consultation process that would see stakeholder groups providing inputs at the appropriate stages, bringing to bear their unique perspective, and influencing ultimately the shape of the document that government would then bring this House and subject to the scrutiny of this House, and indeed then have implementation be monitored by the mechanisms that have already been established by the 2001 amendments to the Constitution, that is the Economic Services Committee, which has an important role to play in this. And so my argument would be that it would be difficult if not impossible to hold the government accountable if government is not given this responsibility and indeed given the appropriate authority to lead this process. And so when we speak about

being bold, I believe that this is being bold. This government is saying that we will lead the process, we will draft a strategy or update a strategy and I believe that there is a good basis; there is a good document to start from. It articulates objectives that are embraced and it includes initiatives that are already being implemented.

My suggestion would be that government is being bold, by saying we will lead the process of updating the National Development Strategy, of engaging in consultations and like I said, ultimately bringing this strategy to the Parliament for scrutiny, for debate and indeed for monitoring in terms of implementation.

Mr. Speaker, on this basis, I regret to say that I am unable to support the Motion in its current language. I thank you very much. *[Applause]*

The Speaker: Thank you Honorable Member.

The Honorable Member Mr. Raphael Trotman

Mr. Raphael GC Trotman: Mr. Speaker, I rise to speak on this Motion; in a sense rising to speak on this Motion gives me a surreal feeling. There is almost a sense of *deja vu*, when one considers that on 15 December 2005, almost one year ago, save for one day, we in this House debated the merits, the demerits, the advantages and the disadvantages of implementing the National Development Strategy. All of the arguments and more and better arguments as posed by the Hon Minister, Dr Ashni Kumar Singh, were put and overruled by the collective will of this House exactly one year ago.

Tonight, almost to the hour, because the Hansard reflects that the debate commenced on or about eight o'clock on the night of 15 December. We carried through to finality a debate which ended just after ten and we overwhelmingly approved despite those arguments that this report be sent to a select committee as per the Resolution clauses which repeat themselves this year.

What takes place tonight leaves me personally saddened. When I spoke a few minutes ago on a different matter, I had reason to say that there seems to be a spirit of cordiality and goodwill, which has become pervasive since the commencement of the Ninth Parliament and wonder whether it was a spillover from the President's glowing and wonderful speech and whether it had something to do with the Christmas spirit. Alas, I

am disappointed. I am even more disappointed that those on the other side have chosen a newcomer, so to speak, to defend the indefensible. What we have tonight, being displayed is an act quite frankly of bad faith. What we have tonight, being displayed is an act of insincerity. And if I may, with your leave perhaps quote from the Hansard of the Thursday, 15 December 2005, some words, which may be recalled by those at least who were fortunate enough to return. And I quote:

This government ...

And that I presume was the PPP/C government

... wants a national development strategy declaring broad overarching objectives that would be known to everyone and to which everyone could subscribe. This strategy would provide the framework within which annual national budgets would be cast and understood. It is the belief of government that we here, in this House, as the chosen and political leaders of our people should and could work towards a broad set of objectives to which we all here in this House and this nation could subscribe.

We expect that there would be differences at the level of policy, strategy and even more so in tactics to achieve the desired overarching objectives. These differences in policy, strategy and tactics should and would be the subject of political debate and contest. There will be policies, strategies and tactics that we in the PPP/C would advocate and follow. There would be other policies that the PNC/R and other parties may advocate and follow. That is the crux of politics. So we do not see a problem in that. Once we have something overarching that we are all committed to and constrained the intensity or to the ends we go in our natural political rivalry and contest.

Mr. Speaker, those were the words of the Honourable Prime Minister as he went on to support the very Motion which is before the House tonight.

It is, as I said, a sad event for me to witness what I see tonight. Last week, when the adjournment was taken on the deferral of this Motion, I listened to the Honourable Member Mr Rohee speak glowingly of his counterpart Mr. Murray. It seems at one time

that he was prepared to reach out and touch, and hug the honorable member. Such appeared to be the camaraderie which had developed, almost like a love affair. He spoke of arriving at consensus and in the best interest of doing what is best for the people and in the spirit of goodwill. And Mr. Murray echoed similar sentiments. For some reason, those sentiments and those emotive feelings seem to end at this second to last row. There was no mention of those other parties last week Thursday. Tonight on the other hand, I heard Mr. Murray speaking about the combined opposition being involved. All of a sudden, we are all involved and are all likely to be consumed. Mr. Speaker, as I said, it makes no sense to me to debate the merits and demerits of the national development strategy. One year ago, we agreed, all of us that it was an excellent document. We all agreed that it should go to committee. And as Mr. Murray has pointed out, sending it to a select committee in which the government already has a majority, both within the committee and in plenary the larger Assembly, does not to in any way an injustice to this document or to the strategy. When one considers that the government desires - to use the honorable member's words *the principal responsibility for implementation*. One only has flip through the various pages of this document, to see that despite all the boasting about implementation, I would safely say without fear of contradiction that some eighty percent of these recommendations remain unimplemented. And having its sent to a select committee, which committee would then confer with civil society partners, would in our opinion be best, but apparently those on the other side have seen a different route. And one has to wonder, what is it that took place between 15 December 2005 and 14 December 2006, and the one intervening event has to be the general elections of 2006, and one has to question whether in December of 2005, the words as uttered by honorable member on that side, were sincere. One has to question, whether the expression of commitment expressed from that side were genuine. One has to wonder, whether all that we have heard said by Excellencies and plenipotentiaries are going to be implemented; whether or not we ought to extend one hand in friendship, and have one hand behind our backs in self-defense. I hope that this does not signal the manner in which we will conduct our business in the future. And one would have thought that a more compelling argument would have been advanced than that which my poor and distressed brother was asked to advance tonight, because, as I said, it was an argument which was advanced and

which was shut down last year ... And to have him as a newcomer advance that argument is in a sense (as my colleagues tell me) In the vernacular of Guyanese, there is a word which best sums up what has happened here tonight. I will refrain from using that word, but some will remember that Moses carried a certain rod, and he used it convincingly. There is no word that better describes what happened here ... It has been used with great effect ... I feel a sense of disappointment and pity for the Honorable Member Mr Murray, who I know spent great time going through this motion as he did last year with colleagues on that side, crafting something that we can all be proud of. And I know that it must be disappointing to him. And I know that even within the ranks of members of the government, there must be personal disappointment. And I say for those who voted in favor of this Motion last year, that you will dishonor and not only yourselves, but this House if you break that which you did last year, and do something completely different. Mr. Speaker, as if foretelling what would happen the framers of this document themselves set out at Page 347 the manner in which they felt their strategy should have been implemented and perhaps we should have listened to them, because we have been tinkering with this strategy since 1993. Thirteen years have gone and all we have is rhetoric. And we have lost golden time and golden opportunity. On page 347, and I quote under of rubric of *Monitoring* the words as set out by the drafters and crafters of this strategy:

A National Development Commission will be established. This Commission will comprise a small number of Commissioners wholly drawn from civil society, who will be supported by a number of consultants and a secretariat.

The main task of the Commission will be to continuously update the National Development Strategy and to monitor its implementation.

Mr. Speaker, they knew then that we tonight would be doing just what we are doing now. That is, ignoring their recommendations, renegeing on what is promised and pretending that we never did so. For those reasons, they recommended that they be given the sole responsibility of implementing their strategies, because it appears that we politicians, despite all of our talk are unable to get anything done and to get it done properly.

Mr Speaker, with those words, I wish to say that for what it is worth, we will support the

motion, but we do so with a great sense of sadness and disappointment. I thank you.

[Applause]

The Honorable Member Mr. Robert Persaud

Hon Robert M Persaud: Mr. Speaker, I rise to speak on the Motion in the name of the Honorable Member Mr. Winston Murray capturing the National Development Strategy. First of all, I wish to recall that this Strategy, as all of us know, was framed over a decade ago and took a number of years, at least four years to be refined and was then launched by over late father of our nation Dr. Cheddi Jagan on 6 January 1997. It also involved a process that saw hundreds of committed and dedicated Guyanese in an effort that was coordinated by the then Minister of Finance and now our Head of State.

It is recognized by all of us too that the NDS sets out priorities for economic and social development policies for the past, but was intended for the coming decade. And much has been said about what took place a year ago, suggesting that nothing has happened; suggesting that the world did not move on; suggesting that really Guyana stood still.

Even some of the Honorable Members, one in particular who spoke, he has moved on and has moved out and moved into another party, and created the same party within that timeframe. So the world has moved on; the realities have changed.

And certainly we need to recognize that whilst a year ago, one would have recognized that there were elements in the content of the Strategy that needed a bit more honing and careful attention and consideration, a year after, we can say that much of the strategy has been implemented. And I will illustrate that point in a few minutes. *[Interruption: 'You want a crayon to illustrate.']* Probably some of us have difficulty learning so we have to draw.

Mr. Speaker, I think we need to appreciate the work that was put in by the group that conceptualized and worked with this document that we are talking about today. But I think we will also be doing them an injustice, if over a decade later we are using that document as the basis to craft a strategy and is referring it to select committee, when in fact as they participated then and they would like now some who are around than others would like to be involved in a process that is bottom-up, that involves people's participation and certainly to commit the document as it is to the select committee, and to

use that as a means to create or develop a new strategy, I think, does injustice to their effort and certainly will not be of great impact if we are truly committed and want to have a strategy that is effective. Mr. Speaker, I want to illustrate the issue of implementation of the strategy, because one of the members who spoke before indirectly made reference and the other talked about more than eighty percent has not been implemented. And I think that is a gross misrepresentation of the truth. Perhaps the Member through his subsequent admission can say that he was unaware of what was done, but certainly if he would have checked with different chapters and with different sectors, would have realized that certainly eighty percent would be totally off mark. Let me narrow it down to the agriculture sector and let me look at the chapters. There were five chapters or subsections that dealt with issues of concerns to the agriculture sector.

The first area I want to allude to is what is referred to as the policy framework for agriculture. In the NDS, one of the objectives said that he should changed mind set of our people to recognize that the private sector is an engine of growth and certainly agriculture has a critical role to play in that. And if we look at the range of subsequent interventions by government in which we have been supporting various programmes, various schemes and various credit initiatives, we will see that that has promoted that idea that was reflected in the NDS.

Also, we have had the Agriculture Support Services Project and this too is intended to tackle people's consciousness and developing that mindset and giving them that opportunity within that framework.

Also the NDS spoke about the development of the other crops sector in terms of looking at diversification and that we have done tremendous work in, which I would want to come back and address shortly with some more details.

Certainly, it talks about having rationalizing the role of the private sector in the Agri-Sector. Again, if we notice, a lot of policy interventions works were done and to give the private sector a greater role and participation in the Agri-Sector.

Also there is a recommendation of giving the beneficiaries and also producers in this sector greater control of resources and reference was made in an earlier discussion to Water Users Association. The creation of that too was intended to realize that objective

and certainly there are other similar initiatives such as this.

Also the NDS spoke about the reduced restrictions in the operations of the market and that it should be free market in the promotion of free market within the agricultural sector. I need not amplify on that.

The improved access to credit - we know that no longer the government operator involved in the commercial banking sector, but yet through initiatives supporting IPED, supporting the different schemes such as the PRCSSP tackling rural poverty particularly in Regions 2 and 3. In 2007, we are looking to expand that into all farming areas and very soon, through the European Union, we will be having a special credit facility targeting rice farmers. So we have seen work done in that area.

It also talks about design and implement systems for generation of information in terms of research and market intelligence. The work of the New GMC in that area speaks for itself and certainly the improved and enhanced efforts of NARI over the past ten years or so, I think, is there all to see.

The NDS spoke also about target investments in terms of infrastructure. And we can look at the tremendous amount of resources. Earlier today, we spoke and clarification was sought on some of those investments made over the past year, but certainly if we go back we can see the increase and certainly the commitment in terms of local and international resources in developing the infrastructure so necessary for agriculture and certainly for the economy as a whole.

So those are some of the broad policy frameworks that were referred to in the NDS that have been giving life and that have been implemented.

Let me know referred to another chapter and this chapter is considered Rice Development. It spoke to the need for the GRDB to enhance its role. For instance, it spoke about the GRDB developing a programme to grade and certify rice and paddy in Guyana. Well, I am happy to report that this has been done and is being done as we speak. It talked about training persons to license and who are qualified to grade. Every year more than 200 persons are trained in this area and there is an active programme.

There is also talk in terms in the area of grading to reach international standards. As we speak, the GRDB is preparing its head office in terms to become ISO certified.

Let us move to marketing in the area of rice. The NDS under export guidelines

recommended that the Board develop guidelines for rice exporters and these guidelines should cover aspects such as appropriate rice prices and quality. As we speak now, all rice contracts submitted to the GRDB must be done so before exports. They are checked to ensure compliance with contracts and other guidelines set out.

In terms of penetrating the CARICOM Market, the NDS spoke about making CARICOM Guyana's base market for rice. Again at COTED, Guyana has been successful in advocating a Regional standard for rice trading, monitoring mechanisms, and these were adopted about two years ago and we have been able in terms of getting greater market share in the CARICOM rice market and certain there in scope and we this will be pursuing that aggressively.

In terms of exporting cost the NDS has highlighted in that the cost of exporting are high due to insufficient wharf and export facilities such as bulk and bond facilities. But because of the trade that we have within CARICOM and now that most of our rice are exported through containerize, there is therefore no need for the larger vessels, so that issue has been taken care of the new mode and format that we use in terms of exporting our rice.

The Strategy spoke about developing a parboiled rice sector. Today, we have five new parboiled rice mills and these have been established as a result of an investment in excess of US \$100 million.

Let us talk a little about research and extension in terms of support rice. The NDS talked about research activities should be removed from NARI. Yes, to the research activities were removed from NARI and there is now a separate rice research facility at Burma to support specifically the rice industry.

And then I can go on to the transfer technology in the industry to farmers and other players. We have three major programmes which are currently being implemented under the ASSP to benefit about 6,000 rice farmers. We also have similar interventions been made with our own resources and then also under the Rice Competitive Project, which we have been able to put in place since the crafting of this document. We will see the development of seed industry, transfer technology to all our farmers.

Another area too that we need to look at is to issue of land and there is also a separate chapter that talks about agricultural land policy. And that will be developed in a much

more significant way.

Drainage and Irrigation - I referred to that earlier. We spent close to US \$4 million or about G \$800 million in terms of maintaining, improving expanding our drainage and irrigation system, significant amount of which is based within the rice-growing belt. We have the ASSP project which is spending US \$16 million specifically on drainage and irrigation infrastructure work and under the Rice Competitive Project we are spending close to another €3.7 million too. That is in addition to our local resources.

On the issue of **agro-chemicals** in terms of the rice industry ... In the NDS the framers recognized that the current situation then of increasing production was occurring within a general void of environmental legislation. We have established a Pesticide and Toxic Chemical Board to insist in the regulation of importation, the sale and use of Agro-chemicals to ensure that farmers are complying with our international obligation and certainly with our own locally develop environmental legislation.

GRDB - In terms of strengthening, we have done much work currently. Very soon, I will be bringing to this House two amendments to the GRDB Act. And subsequently we will be looking at the Factories (Amendment) Act all with the bid of strengthening the role of GRDB to better support the Rice industry in our country.

Diversification - even within the rice sector the Strategy says that rice has to be viewed as a raw material and we should look at other areas in terms of diversification. And certainly, we can talk about the several mills which have developed packaging and are looking at other areas using rice as a raw material. We have also started with help from the FAO - a Rice/Fish Culture Programme - whereby people can cultivate rice and also have fish develop in those communities. We have had some successful experiment in that regard, and also using rice husk as a source of energy.

Mr. Speaker, those illustrate a little of what is taking place in the rice sector.

Let me now touch briefly on the other section in the NDS that look at agricultural land policy and just highlight to you ... In response to the other members, I think, full appreciation of the work done in terms of implementing the NDS. For instance, there was a suggestion that there should be a land selection committee and that NDC's and the local body should be involved. That is being done as we speak.

There is also talk about the need to develop better operational procedures and timelines in

curtailing that. That has been done.

The Strategy in terms of land policy also said that there was an existing backlog of surveys and also in terms of processing. By 2003, we were able to eliminate all the backlog. Also they talked about the need to develop a standard agricultural lease, which did not extend then. We saw that we have already made progress in that regard, whereby we have a standard agricultural lease of sometimes 20 to 50 years in that area. It recommended that look at a free-hold conversion programme. That was the recommendation. That has been done.

They talked about separating the functions of the Land Registry and the Registrar in terms of deeds. That has been done in that regard.

In terms of surveying and demarcation, we know the progress made in demarcating Amerindian lands and the other areas.

The National Development Strategy also recommended that the Land and Surveys Department being made semi autonomous and also allow for better coordination among different agencies. Those things were done.

The development of a computerized database, those we have in existence.

There is also a *national land use plan*. Work has finished in several regions in which we were able to put together a national land use plan. We have completed several regions, that is the Guyana Lands and Surveys Commission in that area.

Let us now look briefly at the issue of the *Forest Management* - The same track record that was obtained in the land policy and the same record in terms of implementation. As we know, then, there was the recommendation, in terms of making the GFC semi-autonomous. That has been done in that area.

Also looking at *chainsaw operations* and having them regularized, the GFC has been able to deal with that. In terms of taking advantage of new market areas as was recommended, we have been able to open new markets and expand existing markets.

The improvement of outmoded harvesting practices - In 2001, GFC launched a code of practice, in terms to have modern harvesting operations as set out at a consistent with international and certainly local objectives.

Increasing efficiency in terms of recovery - Then we had in the vicinity of thirty percent now we have many of the mills, especially the small portable mills operating in the range

of sixty-seven percent.

Skills for the forestry sector - Today we have a Forestry Training Centre to develop the necessary skills in this area.

Developing of non-timber products - I can refer to the examples of the efforts that are made to Liana's timber and also looking at other products in that area.

Developing land use plan in the context of forestry - That is being coordinated with the GFC and the Guyana Lands and Surveys Commission, which the GFC will use.

Forestry management issues - In the past, when the strategy was framed, there was no requirement for forestry management plan. Today, that is required in that area. There are several other documents which must be done in that way.

Mr. Speaker, I can go on and talk about the certification of exports. We have a system in place to ensure that our exports are issued with forest certification at two levels. So there is a complete system that has been developed, flowing from the recommendation of the National Development Strategy.

We can also look at the management plan in terms of harvesting. This is now a requirement and so forth. Then auditing of concessions - those were not required. Now all concessions are audited, twice yearly. Environmental monitoring too is done. And it was also recommended that in the National Development Strategy, we develop a national standard for certification that we have in place. So on the forestry front, the result is the same in terms of the high rate of implementation. The other crops too and we are also investigating all of that because of increased exports.

The issue of the other crops - Production has gone up by 400 percent similarly too in terms of export. We have seen the efforts in terms of putting great emphasis on marketing with that restructured new GMC development marketing information base and that information is available. Certainly in our impending national diversification strategy, you will see greater focus in terms of the other crop sectors.

Sugar - We have said much and in my early presentation, I spoke to some of the strategic interventions that we have made. We have been consistent with nearly all of the recommendations in terms of cutting cost; in terms of investing and in terms of modernizing. Even some of the issues that affect sugar that were not envisaged in the NDS, we have simply been able to develop strategies, develop plans in terms of

countering it and putting our industry in good stead. There is one recommendation which we have not accepted and certainly would not accept that was in the document, that is the privatization of an industry and certainly that is one that we will not implement in that regard. But we have been consistent on all the others and certainly have exceeded those in the sugar industry.

Fisheries - The same can be said for fisheries. We have coming out of that very soon, members would have privy to the draft Fisheries Management Plan, which we completed just two weeks ago. Those matters which were not addressed - the recommendations in the NDS - the plan caters for dealing with this, in making the Fisheries Department at semi-autonomous agency.

We have put in place many of the things that were recommended in terms of the turtle excluded devices.

We have put in place the seasonal closures.

As recommended, we have a plan in terms of the development aquaculture and over the past two years, we have had in excess of US \$2 million for private investments. It talks about government creating a demonstration farm. We have set that up at Mon Repos, in terms of aquaculture.

Developing our polegic resources - We have a plan in terms of how do we approached the development of our polegic resources.

So in a nutshell that demonstrates and illustrates the point that we have paid serious attention to the NDS, that we have implemented a considerable amount ... If we put the sectors together, probably we can come up with some sort of number, of percentage, but we have done it. We have demonstrated that ... the relevance of NDS too, we have taken those. But certainly time has passed, the world has changed; market conditions have changed; the global economic structure has changed; our local economic structure has changed and certainly the time is right for a new national development strategy.

Mr. Speaker, in not supporting the Motion, I wish to make it clear, that we are committed in terms of a bottom-up approach in the development of a new strategy. We have demonstrated that in the development of our Poverty Reduction Strategy. We have demonstrated that in the development of our National Competitiveness Strategy. We have demonstrated that bottom-up approach in terms of our ICT Strategy. And on

Saturday, we once more demonstrated that in the development of our Diversification Strategy, that is, the bottom-up approach involving people. And certainly there is a role for the National Assembly; there is a role for the sectoral committee in that regard. The government has the responsibility to lead and to offer leadership in that regard and certainly we will not be failing in that regard.

So Mr. Speaker, I want to, again, recognize the work that was done, that was put into this strategy; that has informed our approaches; has informed our budgetary plans over the years. Certainly all Guyanese will be given opportunities ... once we have embarked on that programme of crafting a new strategy ... they will have a role to play, they will also have the opportunity to own this document; and certainly Members of the National Assembly, too, will not be omitted from that process. Thank you very much, Mr. Speaker.

The Speaker: Thank you Honorable Member.

The Honorable Minister of Health.

Hon Dr. Leslie S Ramsammy: Mr. Speaker, at the very out set, I want to reiterate the intention of the Government to have the NDS revised perhaps updated is the more appropriate word.

Indeed, Mr. Speaker, it was just a year ago, that we debated a motion on the NDS and in preparation so the 2006 election in the preparation of the PPP/C Manifesto, it was clear that the NDS was in need of updating. Cabinet and the President have both pronounced on this issue. We are determined to update the National Development Strategy. There is a clear intention here. The Government utilized a process for the formulation of the existing National Development Strategy and it is a process that has been lauded and has been praised by all stakeholders.

In preparing to update the National Development Strategy, we have committed to using similar mechanisms as we have used in the preparation of the 2001/2010 Development Strategy.

We have no intention of abandoning, ignoring the modality that was used in the first instance. Indeed, whether we are preparing the National Development Strategy or any

other sector strategy, the primacy of people is a notion that is retained, that is embraced, and our stakeholders will feel valued and fully involved in whatever we do. In that respect, unlike my colleague on the other side, the Honorable Member Mr. Trotman, we are not that far apart. Indeed, we find common ground with the objectives of the Motion before us.

The Motion before us actually gives us the opportunity to make clear our intention to update the NDS. The Motion demonstrates that there is consensus, there is agreement, that the National Development Strategy is in need of updating. It is also true to say that we have consensus on the idea that Economic Services Sector Committee, should be tasked with monitoring the implementation of the National Development Strategy. We are not opposed to that idea.

Mr. Speaker, the Sector Committee does not even need instructions from the National Assembly. It could, and because its establishment is imminent, it could as a matter of routine action assume this role now. It is for these and other reasons that I believe that it is unfortunate that we could not have crafted a common position and have a Motion before us that we all could have supported and this is because we disagree on the mechanism, on the modality through which we accomplish the update of the NDS. The Government has stated that we would be utilizing similar mechanisms, mechanisms that found universal favor previously to complete the updating exercise.

My colleague, the Honorable Member Mr Raphael Trotman did refer to the NDS and on Page 347 and on how we monitor the implementation of the NDS. But earlier in that same chapter on Page 345, it talks about another modality. It talks about government in all this will require ministries to demonstrate how they intend to contribute to the attainment of the objectives of the National Development Strategy, and if necessary, request them to revise existing programs so that we might form a line with those of the National Development Strategy. And if there are compelling circumstances, the government will of course amend the NDS proposals. So the Strategy itself gives us some guides on how we move on. Mr. Speaker, I unequivocally reject any temptations to conclude that the whole process of formulating a developmental agenda under the rubric of a National Development Strategy was window dressing. The fact is that the government has seriously pursued the implementation of the policies and measures

identified in the NDS. And the examination of the government's records since the publication of the NDS will show indeed that many of the strategies and measures identified in the National Development Strategy have already been implemented or are being implemented. And I remind everyone, that this National Development Strategy is a 2001/2010 strategy. So it is true that there are some strategies and measures that have not yet been implemented. It is also true, as my colleague the Minister of Agriculture stated, there are some strategies and measures that we have no intention of implementing. And he mentioned one of them, the privatization of GUYSUOCO. But we are also not supportive for example of cost recovery for basic healthcare services. We are not supportive of the idea of a modest basic fee for books and materials and school security. So there are obviously some things and they are several of them that we do not support and I suspect that most of us in this House do not support.

The fact is that we do have since 2000 an NDS that has been used as a guide for policy development by the PPP/C and by the PPP/C government. In fact, when the NDS was published in 2000 and the government laid it in the National Assembly, I think, in July 2000, it was subsequently used by the PPP/C as a guide to put together its Manifesto - *Let Progress Continue* - and because I want to save some time, I am not going to read that section. But on Page 5, the PPP/C's Manifesto actually talked about the National Development Strategy and the Poverty Reduction Strategy and how it has used these documents to put together its Manifesto.

As the Minister of Finance, the Honorable Member Dr Ashni Singh, and the Honorable Member Mr Winston Murray also made references to the Poverty Reduction Strategy. In fact, the Poverty Reduction Strategy paper was put together utilizing the NDS as one of its pillar. I am not going to read all this, but it talks about the PRSP process resulting from two separate processes. And one of them was utilizing the National Development Strategy. And so what we see is the fact that far from the ignoring the NDS, the fact is the government has utilized the NDS as a guiding document to put together its policies. And in fact the Poverty Reduction Strategy addressed two of the major objectives of the NDS, which were to achieve high and sustainable growth rates and reduce poverty by ensuring basic needs such as health, education, water and housing are met. And indeed the Strategy's policies measures identified in the NDS were used to formulate many

sector programmes. The strategies for rice, for sugar, for water, for health, for education, for housing, for transport, the Guyana Police Force, the National Drug Strategy, were all informed by the ideas contained in the NDS. And we see an example in the National Health Plan 2003/2007, which took into consideration the very ideas in the National Development Strategy. And similarly we see the Guyana National HIV/AIDS Strategy, which took into consideration policies, measures and initiatives that were identified in the National Development Strategy. But Mr. Speaker, I have talked about how we utilized the NDS as a guide in formulating policies whether they are the Poverty Reduction overarching programmes or whether they are the sector specific programmes. However, the fact, is that we have also been implementing these policies; we have been implementing the measures and initiatives identified. And I want to join my colleague, the Minister of Agriculture in saying to the Honorable Member Mr Raphael Trotman that he needs to re-examine what is in the NDS, because in examining it - and objective examination - he would see that much that have been identified in terms of policies, in terms of measures, have been and are being implemented.

I want just give a few examples in the health sector - my sector. Let me say this about the health sector, virtually everything that has been identified in the National Development Strategy for health has been or is being implemented at this time. Indeed, there is only one measure that is in the National Development Strategy for health that is not been implemented, that is not been pursued at this time and that is cost recovery. That is the only one that we are not at this time implementing. Indeed, not only do we have objections to cost recovery. I suspect that we have support for that, but in a report that was commissioned by CARICOM - in a report in the Caribbean Commission on Health and Development - they strongly argued against cost recovery. But there are things in the National Development Strategy for the health sector, such as restructuring the Ministry of Health, modifying the decentralized system, the introduction of regional health authorities, the development of quality assurance and so on. There are many things that we have done:

- The introduction of the Ministry of Health Bill, which is now an Act;
- The passage of the Regional Health Authority Bill;
- The passage of the Pharmacy Practitioners Bill;

- The drafting of bills that will be coming to this House within the first half of next year such as:
 - The Health Protection and Promotion Bill;
 - The Health Professionals Bill;
 - The Code of Conduct for Health Professionals;
 - The Health Facilities Licensing Bill;
 - The definition of the basic package of healthcare services;
 - The essential drug list;
 - The establishment of a Material Management Unit;
 - The establishment of a Quality Council;
 - The establishment of clinical guidelines for diabetes, for malaria, for TB, for HIV.

These are all things that have been done or are being done right now:

- The proposal in the NDS for establishing a Cancer Centre.
- The proposal for pursuing dialysis and so on, are things that we have accomplished.
- The proposal to conduct a survey of the physical infrastructure and for the rehabilitation and restructuring of the infrastructure is being done right now at this very moment.
- Nine hospitals are under construction.
- The Linden hospital is being done.
- The training programmes have been expanded such as increased nursing training that is going on right now; and
- A number of these things are going on.

I want to avoid the temptation of going through each one so that we can save some time.

There are programmes such as an adolescent programme that has been established. There is a programme identified in the NDS on the reduction of smoking. This House approved acceding to the FCTC - the Framework Convention and Tobacco Control. So a number of these things, in fact all of them other than the one that I have identified have been done when it comes to health.

I am not sure whether my colleague on education will be speaking; he will give the same

story of how much have been done on the chapter on education. And my colleague sitting next to me, the Hon Minister of Amerindian Affairs, if she was speaking would show that about ninety percent of the measures identified in the National Development Strategy have actually been implemented. Let me just give you one example. They talk about the post secondary education and training which must be seen as a long-term initiative, we have already accomplished that. We do not see it as long-term, we see it as now.

We can see a number of these things in the area of governance. The Honourable Member Mr. Murray talked about the alacrity and the dispatch in which we completed some of the Parliamentary reforms and made the suggestions for other reforms in terms of accountability and in terms of expanding our democratic institutions and enhancing them. Indeed, we did all of us worked together to see these things being done and many of these things were identified. The fact that maybe in a week's time, we would name the sector committees - four Standing Committees that are functioning here and were identified in the NDS as things to be done. We have accomplished them. There is a number of these things that we can ... the policy was up to 2010. I can understand that my colleagues having brought it here and giving us the opportunity to say what we have done cannot now bear listening to it. And the fact of the matter is ... *[Interruption: 'We want to hear of the Linden Hospital.']* I will speak on those things when I am ready to speak. And I am talking and please listen. We talked about the Human Rights Commissions and so on. We have made provisions for those things to happen. The Ethnic Relations Commission is functioning, but we now have an opportunity to make more of them happening. We had an opportunity for the Women and Gender Equality Commission to be established. We did not get full cooperation from everybody sitting in this House. And I hope that when the Appointive Committee is established again that we will go back and that my colleagues will support us in quite rapidly establishing that Commission.

What about the Rights of the Child Commission? What about the Indigenous People's Commission? We have an opportunity to make those things happen and we have an opportunity to make those things happen now. And for some of these things happen, it is not just the government. It is for all of us. And so in the spirit of seeing that this thing is done, it is not just a motion. And I hope that you will join us in making these things

happen. Mr. Speaker, I can go on to name all of these things. And indeed my colleague should have mentioned one of the things under public administration. The Ministries of Agriculture, Fisheries, Other Crops and Livestock will be merged under Minister Persaud. We have now a merged ministry. And I can go on and on and name all of these things, but we all want to go home before ten o'clock. Do not tempt us.

So Mr. Speaker, it is quite obvious that since formulating the NDS that this government has had a track record of actually utilizing it to guide its policies, to guide what it does. We look at our annual budgets and so on and you see that we have been following the NDS. We have been utilizing it as a true guide, but in looking at our accomplishments since 2000 and the programmes we have in place. That the government is also implementing what is in here.

And so Mr. Speaker, we have to continue this process and in updating it, we hope that it will again be a process and a document that all Guyana can feel proud of. Mr. Corbin, the Honorable Leader of the Opposition and Mr. Murray were both outside when I said we are actually not far apart. We only disagree in one part of this Motion and that is how to get it updated and how to involve all the stakeholders and make them feel valued and make them feel involved. There is more than one way and I dispute, and I object to the notion being presented by the Honorable Member Mr Murray and others; that the only way to make stakeholders feel involved and the only way to involve the broader community is through the National Assembly. We are not the only people that can do this. And so Mr. Speaker, I cannot support the Motion as presented. And I want Mr. Murray and others to know, that as Christmas comes and we will all have a good Christmas and when we come next year, my heart will be quite healthy to present and pursue the government's policy, and to reject any notion that we are not serious about the National Development Strategy. We will continue to work with this and we will revise this and we will ensure that all of you and all of Guyana participate in the final revision of this document. Thank you very much. *[Applause]*

The Speaker: Thank you Honorable Member.
The Honorable Member Mr. James McAllister.

Mr. James K McAllister: Mr. Speaker, I rise to lend support to the Motion on the National Development Strategy that is standing in the name of the Honourable Member Mr. Winston Murray.

Mr. Speaker, as was mentioned by Mr. Murray, we have been this way before. Like he said, on the 15 December 2005, we debated a motion on the National Development Strategy in this National Assembly. On that occasion like on this occasion, the Motion was brought by the People's National Congress Reform. We brought this Motion, because we believed that the National Development Strategy is a comprehensive strategy for the promotion of economic growth, for generating wealth, reducing poverty and vulnerability in our society.

We did this, because the government, despite its commitment to civil society failed to bring the National Development Strategy to the National Assembly five years after its completion. We brought it then like we bring it now, because we value the work done by the scores of professionals, who worked on a compilation of this excellent document. Mr Speaker, during the debate on 15 December 2005, members of the government's side rushed to lay claim and take ownership of the National Development Strategy and that was their right, but you made claim.

And I want to go to some of what was said. The Honorable Member Mr. Raphael Trotman, quoted the Honorable Prime Minister and I would like to do the same. The Honorable Prime Minister in his presentation spoke to us about the involvement of His Excellency President Mr. Bharat Jagdeo and the late President Dr. Cheddi Jagan in the formulation of the National Development Strategy. He stated and I quote:

This PPP/C Government sought and began the preparation of the national development strategy. That this PPP/C Government invited and enabled the private sector and civil society to review, rewrite and revise, the first government prepared NDS.

And then to have the document laid untouched before this House and the nation for examination and consideration. And he went on to say this is happening, it has been laid in Parliament.

Mr. Speaker, this was an admission by the Prime Minister that the government had already made this contribution to the formulation of a national development strategy. He

told us that the NDS is a revision and a rewrite of the Government's prepared NDS. Mr. Speaker, like all the speakers before me, I admit that NDS is a bit outdated and needs updating. But I will submit here, that NDS contains a broad framework that is still relevant today. And therefore, updating the NDS within this framework is a mere repeat of the rewriting and revision that the Prime Minister spoke about that was done by the private sector and civil society. And so therefore, I have a problem understanding the points being made by the Honorable Minister of Finance Dr. Ashni Singh and the others who followed him, because we seem not to have a problem. It is the same document, it has a broad framework and we are talking about going to that document and updating it to deal with issues that might have been overtaken by time.

Mr. Speaker, the Honorable Prime Minister went on to say, and I think the Honorable Member Mr. Trotman did quote this section, that the Government wants a development strategy, declaring broad overarching objectives, but the important part is where he said that it would be known to everyone as a strategy to which everyone can subscribe. I believe this is an expression of desire for national ownership of the NDS. And this ownership, I believe, can be achieved through the involvement of civil society and civil society organizations. The methodology used was able to achieve that national ownership. No one attributes partisan political objectives to any of the programmes in this present National Development Strategy, because of the methodology that was used to formulate it. But it is now seen that the Honorable Prime Minister and the members on the government's side no longer want the national ownership of the NDS. It would appear that the government now wants to erode the gains made by hijacking the process and throwing it in the cloak of political partisanship. And I believe that is very, very sad. Mr. Speaker, we will recall that the Motion of December 2005 was approved after some amendments. And on that day, I believe that the National Assembly sent a powerful message to the Guyanese people - a message of cooperation and collaboration - a message that there are things national that all Guyanese can take ownership of. Unfortunately, nothing was done. The Honorable Member Mr. Murray commented on this. And he did not venture to attribute reasons why nothing was done and like him I would leave it like that - nothing was done unfortunately.

But on this occasion, I believe that we have an opportunity in the context of the spirit

created after the 2006 election, to send that same powerful message to the Guyanese people -a message of cooperation and collaboration. This is an opportunity for us to create the conditions necessary for economic transformation. This is an opportunity for us to ensure that the people have a sense that in Parliament the parties are working together.

And Mr. Speaker, I want to take this opportunity to refer to the IMF joint staff advisory notes on our Poverty Strategy Paper - the second annual progress report. There is something here that is quite relevant to what I am talking about and I wish to quote:

Emphasize that in order to enhance prospects for durable growth Guyana needs to boldly address some of the fundamental structural weaknesses, namely:

- *a poor investment climate;*
- *weak governance; infrastructure bottleneck;*
- *persistent security concerns; and*
- *political tension.*

This is just a few months ago, the IMF writing on Guyana and the Guyanese economy. And therefore, we will have to understand that all the things we heard, from the Honorable Member Dr. Ashni Singh, the Honorable Member Mr. Robert Persaud cannot fit into this context. We do have problems and if we have an opportunity to ensure that we can correct some of these issues, to send the message to the people about cooperation and collaboration; about addressing some of the very issues that the IMF is saying is affecting durable growth. I do not know about anyone who would come here to give us a list of things done, but the bottom-line will always be, what are the outcomes? What are the results?

Mr Speaker, Members on the Government's side would have us believe that we are on track. They would have us believe that the NDS is being implemented, but if one is to accept that the NDS is intended to promote growth. Then something is definitely wrong when you look at the numbers over the last few years between 2000 and 2004, there was negative growth, ranging from negative 1.2 to negative 1.8. And so what is the implementation we are hearing about? Is this NDS that I have a front of me intended to

achieve negative growth Mr. Speaker? I do not think so. And so therefore something is wrong. And I therefore wish to comment on the points made by the Honorable Members Mr. Robert Persaud and Dr. Leslie Ramsammy, because they gave us a list of things the government did. Every government will be doing things every day. And in any country you go, a government will come and tell you about the various reports that they have and the various things they did. But both Dr. Ramsammy and Mr. Persaud will have to understand that a development strategy - a strategy - is a coordination and synchronization of the various elements of the economy and actions taken to ensure optimum outcomes. It is not sufficient to come here to list the things that government is doing. Tell us how these things have been synchronized. Tell us how these things have been coordinated, to ensure that we get the kind of outcome that we can come in this Parliament and not list various individual things, but come and tell us that we have achieved by five percent or ten percent growth, because that is what we are interested in and that is what the Guyanese people will be interested in - Outcomes. How the economy responds to things that the government claims to be doing? I am telling you right now that the economy must be in a comatose state, because it is definitely not responding at all to all these things that they claim to be doing.

Therefore, I want to think that as part of his health plan to Honorable Member Dr. Leslie Ramsammy might want to include the economy for consideration.

Mr. Speaker, I therefore reject any arguments that the NDS has been implemented as a mere smokescreen by persons who are not interested in cooperation and collaboration.

Mr. Speaker, when we look around us and we look at the other countries in the Caribbean, and we compare ourselves in terms of (if we used GDP as a measurement) we will see ... [*Interruption: 'Progress!'*] Well you call that progress. Well, let me tell you what progress we are talking about:

- Bahamas with a per capita GDP of US \$16,000;
- Barbados with US \$9,000; and
- Antigua with US \$11,000.

And the last time we spoke on this Motion, the Honorable Member Mr. Saisnarine Kowlessar told us that Guyana's per capita GDP was \$940. Now Mr. Speaker, if the honorable member, Mr. Neendkumar would want to call that progress. Well then I would

want to allow him to go with it and move forward with his version of progress. But we on this side will not accept that as any kind of progress.

Mr. Speaker, I hear the Honorable Prime Minister speak about progress since 1992. And I just want to deviate a little bit with your permission, to just bring him up-to-date and let him understand that this thing since 1992 is not a reflection of reality. Mr. Speaker, if you go to a number of researches on the paper written, it would be found that in 1992, there was a momentum in this economy that was lost. And if you go to the IMF, you go to the World Bank will see everyone referring to the fact that we had a momentum that was lost. If I am the quote from the World Bank's document - a memorandum by the President, et cetera, where it is stated:

An overview of the last decade showed, significant gains and economic performance. Up until 1997, the economy continued on the path of strong growth that followed stabilization and structural adjustment measures undertaken in the late 1980s and early 1990s.

But then it went on to say:

However, by the late night '90s the initial gains of the economic stabilization and the first generation of structural reforms had been exhausted.

Therefore, I wish to advise the Hon Prime Minister that he should not speak of 1992 as if something better started to happen. You had a momentum and you lost it and you have been unable to pick it up so far.

Mr. Speaker, as we look at this situation, I would like to say that we would send the right kind of message here tonight if we would approve this Motion and to send a message to the Guyanese people, that we are prepared to work together on this project so that they can benefit in a fundamental way.

Mr. Speaker, it is not my intention to delve into details of the NDS like my colleagues on the other side did. However, I just want to mention one issue, because of statements made recently by his Excellency the President about the Georgetown / Lethem Road. Mr. Speaker, we on this side believe that infrastructure and infrastructural development would be the cornerstone of our economic transformation. And we believe that road is going to be an important aspect of it especially since it is part of the IIRSA Project that is intended

to link Guyana with the rest of South America. And so therefore we will have a problem understanding how on one hand the government can claim to be committed to NDS and then on the other hand, we are hearing all sorts of statements about the project that it is better to put your money in the bank rather than to proceed with the Brazil road. That is very, very worrying and we are wondering where it is this vision of national development, if we cannot understand that there is going to be significant benefits from a project of that nature.

And so Mr. Speaker, I want to say that there is a lot of things that we can do with this National Assembly to take this process forward. We have an opportunity here tonight to take one small step; to agree here that we as a National Assembly can accept this Motion; to accept that we can work together to coordinate the update of the National Development Strategy. We can work together so as to send a message to the Guyanese people that here in this Honourable House, there is cooperation and there is collaboration and that we can create the right kind of environment to have a proper investment climate.

Mr. Speaker, I therefore urged the Members of the other side to support the Motion that stands in the name of the Honorable Member Mr. Winston Murray. *[Applause]*

The Speaker: Thank you Honorable Member.

The Honorable Member Mr. Everall Franklin.

Mr. Everall Franklin: Mr. Speaker, the NDS has provided a framework for Guyana to move towards prosperity. It has taken the appropriate position of putting Guyana first. It has offered a national approach to providing solutions to many of the challenges which face our nation. Support must be lent to the Motion put forward by the Honourable Member Mr. Murray, not because Mr. Murray is a pleasant gentlemen, but because this document drafted by some of the brightest citizens of this land, filled with a burning desire to lift Guyana out of its perpetual beg and borrow syndrome and poverty and placed it on a level where the creation of wealth, improving the standards of living and achieving true development must have been made motivation of these Patriots.

If we agree that the NDS is a necessary step towards developing this country, then it is required of us to move forward in a framework identified for its implementation.

However, we ought not to implement a strategy presented in the NDS in a piecemeal and ad hoc manner.

The importance of us agreeing on a structured approach in tackling the challenges of development should not be lost in a bit to outdo one another to gain political points. And I think in the spirit of the National Development Strategy, it would be foolhardy to set the exam sit the exam and mark it yourself. And I think this is the more underlying philosophical debate which we need to examine.

We must admit the Government has implemented many of the recommendations laid down in the National Development Strategy. However, it has not how many roads, schools and other things that we do. We have to be able to examine if we have gotten value for the money spent on those. So calling millions, 16, 20, and 50, it does not matter. Are we getting value? And this is where I think the Government should examine itself and prevent a sort of incestuous relationship, because our people deserve better.

We are aware that some of these things must be revisited and the government would do well to inform if it so happens. A Special Select Committee of its intention to implement other aspects of the NDS during the time of any proposed updating, if it comes to that.

We have gone through ... I do not think we need to debate whether or not the document needs updating. We have lost preferential markets; the oil prices have shot up. We must perhaps even examine if we need to accelerate a national energy policy, because we may not see much of any silver lining in the next couple of years. What part of the economy do we need to accelerate to prevent a total disaster? And therefore I think for this reason it is important that the Strategy needs to be updated and updated in manner as I mentioned before that would prevent us from being incestuous. We need to be able to give, the spirit of the National Development Strategy was to give the people who drafted it an opportunity to help us and I say *us* to monitor the implementation of that Strategy.

Speaking last always puts you under some pressure. We are all tired, but I think we need to ask ourselves the following questions when dealing with the issue of national development. One of the questions should be:

- Is this in the best interest of Guyana? That should be easy to answer.
- Can I do it alone?
- Can it be done more efficiently?

- Who in Guyana can help?

If these questions are answered honestly, we arrive at a point where the discussion on governance cannot be avoided. Further, one of the underlying principles or tenets of the national development strategy was the issue of governance with:

- Participation;
- Transparency;
- Accountability;
- Effectiveness;
- Equity; and

the rule of law being unavoidable stoplights if social and economic development in this country is to be achieved.

In working toward realizing some of the objectives expressed in the NDS. The dissolution of power from the centre comes immediately to mind. Therefore, as part of governance issues lagging terribly behind is naturally the holding of local government elections. How can we honestly speak of development when the people for whom we are supposed to be working for are denied the opportunity to craft and to manage development in their villages, cities, towns and in their own communities? To me, it is a contradiction in no uncertain terms and all efforts if we are really serious about development and alleviating poverty and all the other catch words, if we do not take heed to that particular issue. I think that seems to be the problem, but I think it needs to be once again repeated. On the same Page 347, I will quote it again:

A National Development Commission will be established. This Commission will comprise a small number of commissioners wholly drawn from civil society who will be supported by a number of consultants and a secretariat. The main task of the Commission will be to continuously update the NDS and to monitor its implementation.

I once again would like to ask the government to seriously examine whether or not they can be the people who set the exam, write the exam and mark it themselves. I think you will be doing this country and indeed your own government a disservice, if you go down that road. And I am also a little sad that the government ... Yes it is sad, because the nation is sad. I think we need to look at this on a much broader view to involve everyone

at various points of this whole debate on crafting a way forward for this nation.

Honorable Members, we still have time to get this particular matter through. I stand and I support the Motion as set out by Mr. Murray and we hope to have on the other side a change of heart very quickly in order that we can get on with the business of national development. Thank you. *[Applause]*

The Speaker: Thank you Honorable Member

The Hon Minister of Home Affairs

Hon Clement J Rohee: Mr. Speaker, the debate has been an extremely useful one. I am not closing the debate; I will leave that for my colleague who is the mover of the Motion. A number of questions have been asked thus far and I suppose that even after this debate concludes, there will continue to be on the other side of the House more questions than answers.

Now the Honorable Member Mr. Murray, in initiating the debate on this Motion, questioned the basis for the government not accepting the Motion as put by the Honorable Member. And he further questioned the basis for making amendments on that Motion. Well I think it is quite normal, it does not necessarily follow ipso facto that when a motion is put that it will be accepted with the unanimous approval of the House. He also posed the question, which I assume was rather rhetorical about the government adopting the do-nothing approach and the Honorable Member Mr McAllister in equal fashion followed suit by not only rhetorically claiming that the government adopted the do-nothing approach, but going further that from practical observations on this side that the government did nothing and went on to an excursion into the political economy of the country, and concluded like it is always being done, nothing unusual, that the economy is in a tailspin and the usual clichés that go along with describing how the economy is not moving in any significant way forward.

Mr. Speaker, Mr. Murray asked why it was not possible for some compromise to be reached with respect to the updates or the rewrite of the NDS. I think that is the question. Herein lies the crux of the matter. Why was it not possible for a compromise to be reached? Forget all the skirmishing; put aside all the political skirmishing. The crux of the matter is or to say the akee of the matter is why was no compromise struck? And I

would explain that in my view why this did not happen. But what I think was a common thread that ran through the contributions from the Honorable Members on the opposition benches was when they all sang from the same hymn sheet by claiming that the government abandoned its commitments as reflected in the Speech by His Excellency the President in the opening of the Ninth Parliament. I do not think that that was a fair conclusion or statement to say that the government was not consistent or is not consistent with the President's Speech, where he drew or presented certain lofty objectives for this Ninth Parliament.

The question was also raised about people being the prime motive and the prime mover and that this should be at the heart of the rewrite of the NDS; the question of a bottom-up approach and a proactive approach and so forth.

Mr. Speaker, we have absolutely no quarrel with the methodology in respect of a bottom-up approach in respect of the people being at the centre of a rewrite or an update of the National Development Strategy. *[Interruption: 'What is the problem?']* The problem has to do with why this side of the House and the opposition benches could not reach a compromise in the modalities for arriving at a consensus.

Mr. Murray in a very generous way sought to convince the Honorable House that he adopted the President's Speech, asked hook, line and sinker and that all that he was seeking to do was to assist the government in implementing what it said it would do in the National Development Strategy on the basis of His Excellency the President's contribution.

Mr. Speaker, if I may ... I do not believe that this will be un-parliamentary language, because I myself drew the attention of the Honorable House to such an example that was just manifested. But if you want to understand the mastery of guile where one is seeking to aid the government in implementing positions that it adopted vis-à-vis his Excellency the President's Speech, by using terms like *unless the people are at the centre of the formulation of a National Development Strategy, then it would not be a national development strategy.*

Mr. Speaker, I have difficulty with that kind of argument. He said, we must cease distrusting people. Well, Mr .Speaker, if I may humbly submit, I think it is the other way around, because if the people did not trust the PPP/C Administration, they certainly

would not have elected it to govern this country once again. *[Applause]* So where is the mistrust? I think we have to be careful when we are drawing these conclusions and when we are making the general remarks about distrusting and not trusting people, because this thing could spin in different directions.

Mr. Speaker, we were also told that we are being dictated to and that we must begin thinking outside of the box. I am coming to Mr. Trotman just now, I notice he is leaving. But it is precisely because we want to think outside of the box, that if you listen to what the Honorable, Minister of Finance, Dr. Singh said in arguing a case for an alternative to what he had suggested. We will surely recognize that the PPP/C Administration is not to be found at all times thinking within the box.

We are accused of somersaulting. We were told that the spirit which prevailed in this Honorable House a few sittings ago, had since evaporated. And the Honorable Member Mr. Trotman said that he was very disappointed and that he considers the move on the part of the government as an act of insincerity and an act of bad faith. Now how do we respond to that?

Mr. Speaker, history said that there were two Raphael's, but I would wish to add that there is a third one.

One Raphael was said to be one of the seven archangels, who was said to have healed the earth when it was defiled by the sins of fallen angels. That was one of the Raphael's.

The other Raphael was the famous Italian painter, who had a very elegant style and who emulated Michael Angelo and Leonardo da Vinci, a very colorful painter.

In contrast, the Raphael that spoke here this evening, painted a very gloomy picture, a picture of total negativism and a picture of pessimism. That is the picture that was painted by the other Raphael - the third Raphael.

And Mr. Speaker, clearly the reality shows a totally different picture. What are the areas that we agreed on?

- We agreed that there should be an update. I think there is no quarrel on that. We have unity in that respect that should have an update or rewrite of the National Development Strategy;
- We also agreed on the need to involve other stakeholders;
- We agreed on the need to engage in a consultative process;

- We also agreed when the Honorable Member brought the Motion and we had some difference;
- We agreed that we would postpone the debate for one week to try to reach some *modus vivendi* to take the process forward; and
- We agreed that we should all display a sense of reasonableness and compromise.

Mr. Speaker, this was manifested in our attempt with the one-week postponement to try to reach some kind of solution.

Mr. Speaker, clearly in terms of the process, we had agreement in a number of areas. And so, it is not actually and precisely correct to say that there was total rejection. In terms of process to bring us where we are today, there were agreements in a number of areas. In terms of content, there were agreements in a number of areas as well. I consider those areas of agreement as a basis, as a building block for moving this process forward.

Mr. Speaker, our fundamental area of disagreement is the modality for updating the NDS. And I think my colleague, the Hon Minister of Finance clearly spelt out in contradiction to what is being proposed, what is the alternative pathway for arriving at an updated version of the National Development Strategy. And I fully support that.

Mr. Speaker, questions were asked about implementation of the National Development Strategy. I wish to simply submit that the National Development Strategy is basically a broad-based strategic outlook and incidentally it is a civil society document. Now the PRSP is one of the goals of the National Development Strategy and incidentally within the PRSP, we have incorporated the Millennium Development Goals which was not around at the time when the National Development Strategy was formulated. And the PRSP is aimed at precisely poverty reduction. I think it is important for us to maintain focus on that particular aspect of the PRSP *vis-à-vis*, what the government is pursuing in terms of its policies since the time when the NDS was launched. And it is important to recognize that there are also sectoral plans. I think reference was made to this, but somehow or the other our colleagues on the other side of the House seem to be ignoring this that there are sectoral plans within the National Development Strategy that have been set with a given timeframes.

Finally, Mr. Speaker, there is the annual budget. At every budget debate, we hear this

from the opposition benches. What is the vision of the government? In what context has this budget been presented? But these are arguments of convenience, because the annual budget is what is called the costed-plan of the government for implementing the National Development Strategy, the PRSP and other sectoral objectives within the PRSP. And I think it is in that sense that we have understand the logic of this process and how it is unfolding. Mr. Speaker, when we asked the question, what has the government been doing since the NDS was promulgated? Why has the government been sitting on its hunches doing nothing according to those Honourable Members on the other side of the House? It is not correct, because at every annual budget, there is a plan in the context of the PRSP and the National Development Strategy.

Mr. Speaker, this administration for the benefit of my colleagues on the other side of the House is working to build a foundation or in fact is laying the foundation for this country to move rapidly forward. Mr. Speaker, the question was asked about what have we advanced in terms of the economy. I would only wish to point at one single factor, which is again for the sake of convenience ignored on the opposition benches. Mr. Speaker, when the National Development Strategy was promulgated in 2000, the foreign debt of this country stood at \$1.2 billion. In 1992 it was \$2.1 billion, which accounted for ninety-four percent of our foreign earnings. We have brought the servicing of our foreign debt from ninety-four percent in 1992 to twelve percent in 2006. *[Applause]* So if you want to talk about what we have done in terms of the economy of this country and being able to release resources that were being used to service the foreign debt, to now being used to expand public health, to help diversified economy; let us look at those realities. Mr. Speaker, I want to submit, that if we work harder, as the President of this country is and as the administration of this country is seeking to do, we can bring down even further the servicing of the foreign debt from twelve percent to four percent, the lowest in the region. We can do that and we are working towards that. And that is a significant economic achievement which we must recognize this as Guyanese, because when we go out there in the external world and people look at these statistics. And they see that Guyana ... that is what they talk about ... was able to make such remarkable progress in terms of debt relief, they recognize the efforts that were made and the sacrifices that were made to be able to do so.

Mr. Speaker, as I said, on the National Development Strategy, we have agreed that it needs to be updated and we have agreed in a number of areas in terms of process. In the Parliamentary debate, there will always be differences of opinion. We agree to disagree on this one and that is quite acceptable and understandable in any Parliamentary debate. So let us not to use this argument that because there is a disagreement on the modalities for updating the National Development Strategy that the future of goodwill and cooperation in this House has been shattered. *[Interruption: 'Who said so?]* That is what has been implied. So we are all for inclusiveness. Our track record shows this. I agree with my Honourable colleague Minister Ramsammy that it does not necessarily follow to update the National Development Strategy, it must be done within the realm of the Parliamentary process. The Parliamentary process is only one aspect of good governance and a very serious one. We recognize that. But if we are talking about governance, we have to have also multi-stakeholder forums in the wider society to involve them, to have them play a role as well.

In conclusion, I believe, the way that has been pointed to the modalities for updating the National Development Strategy is one for which the Government must take ownership and must take leadership, because for this document, while it is important and while it provides certain guidelines to the Government, it is certainly not a Government document. It is still a civil society document. We would wish to have a Government ... and we make no bones about that. We are bold enough to say that we would wish on this occasion to have a Government document to which we are committed and for which someone said, we could be held accountable at every stage of the process. For this, we cannot be held accountable, because it is not our document; it simply a guide for the Government. There are certain aspects in this document which the Government does not find favor with. And the danger, if I may be bold enough to say so in going down the road with another civil society document, the danger is twofold:

- (i) That you will have another document for which you cannot hold the Government accountable; and
- (ii) You may very well find elements in this document which Government does not have a comfort level with and would not wish to pursue.

So Mr. Speaker, I think, the best way to go, for the benefit for the people of this country

and all those who hold the future of this country at heart is to agree that the Government take possession of the process, lead the process, formulated document together with other stakeholders within a consultative process and present a document at the end of the day that brings acceptability across the nation. Thank you very much. *[Applause]*

The Speaker: Honorable Member, before you take your seat, an amendment was circulated during last week by the Honorable Prime Minister. I have heard no mention of that amendment and I am unaware as to whether it is being pursued. That was the first point.

Second point is, it is now 22:00h the time for us, according to the rules by which we go to stop our business. So would you be naming a date for us to return or you have some other proposal?

Hon Clement J Rohee: Mr Speaker, are you addressing me?

The Speaker: Well, I was addressing you. The Prime Minister may choose to answer of he wishes.

Hon Clement J Rohee: The Prime Minister will answer as the Leader of the House.

SUSPENSION OF STANDING ORDER NO. 10 (1)

Hon Samuel AA Hinds: Mr. Speaker, I propose that we suspend Standing Order of 10 (1) ... *[Interruption]*

The Speaker: No, you have to ask my leave. I have to agree.

Hon Samuel AA Hinds: Yes.

The Speaker: On this one, I have to agree. If I do not agree, there is no suspension.

Hon Samuel AA Hinds: I seek your leave, Sir, to propose that Standing Order 10 (1) be suspended so that the Assembly may conclude this debate.

The Speaker: Yes, leave granted; Standing Order 10 (1) is suspended.

I need to know about the amendment, I have heard no mention of it.

Hon Samuel AA Hinds: Sir, that amendment was withdrawn.

The Speaker: Thank you.

The Honorable Member Mr. Murray.

Mr. Winston S Murray: Mr. Speaker, I wish to assure the House I shall not be long. Mr. Speaker, first of all I want to thank those Members on the opposition benches who are not part of the PNCR-1G, who have supported this Motion before this House. I wish to have them for their support.

I also wish to say that there are a couple of things that require very brief responses. I do not think at any time, for I do not recall, either I or any Member of any other part of the opposition suggesting that there were not sectoral plans, or indeed did anyone suggested as far as I could recall, that there were not things that may have happened that were either part of the development strategy or even though not part of the development strategy advanced Guyana forward. I do not think anybody ever sought to do that.

We have listened very attentively to the Hon Minister of Health and the Hon Minister of Agriculture regaling us with the details of what their respective ministries have done in terms of executing aspects of the National Development Strategy. But I want to remind them that notwithstanding all their claims and notwithstanding in fact agreeing with the Honourable Member Clement Rohee, that the Government did something or perhaps was doing many things. I simply want to draw your attention to the fact that this document said that if all our strategies were followed, it is forecast that the average annual growth of the country's Gross Domestic Product between 2001 and 2010 would be nine percent. We are convinced that even if the strategies are not followed optimally at the very worst barring a series of cataclysms, the average GDP would be of the order of six percent. So notwithstanding all that they have told us, we can state here as a historical fact that over the last five years, the economy barely grew. It grew at an average of no more than 0.5percent. So we are a long, long shot from getting even the six percent per annum growth rate. So it must mean that there have been a series of cataclysms. I leave that for two you to tell us what they were.

Mr. Speaker, the other thing about the ministers having regaled to us about what they have been doing in their respective sectors, is that they are only strengthening the proposition that we are making that the National Development Strategy needs to be updated. Because what in fact that they are saying is that they have done some of things

in here or there are new developments on the international scene and here in Guyana. So to tell us all those things while we listen to them and are interested, they are not in themselves ... and I hope that is not what they intended to represent, arguments against the revision of the National Development Strategy.

Now this issue about trusting the people which I raised, I want to say very much that that is the crux of the matter. There is nothing in our proposition that denies the government, the right to lead the process. What we say, is that you lead the process through the special select committee, where you will have a majority. And you give leadership there. You will lead the process when you come to the National Assembly, where you have an absolute majority and you have the opportunity to convert that civil society document, if you are so minded into a Government document by bringing it here to the national assembly for debate, amendments and adoption. It was you who chose not to have so done. So it was you who left it as a civil society document unfortunately. And what you are seeking to do here now, is to enforce control and domination over the process. We are talking about having a participatory process. You want to dominate and control it. Produce something that you believe is what you want to have done and then bring it to the National Assembly using your overall majority to ensure that that is what is done. At the end of the day too, I want to say through you, Sir, to the Honorable Member Mr. Rohee that I noted he said that the people trusted the PPP/C and that is why they put them back in the office. I will not arguing that, but in there is no extension of logic that it means that the PPP/C trust people. And that is my point. I do not think that he sees that there is no logical connection between the two statements. And in fact, one of these days, you are going to find out that the people will come to do realization that you do not trust them, because you are denying them a participation in the evolution of the policy, not by dictating the document that you put out to them. That is the wrong way to approach the people. So I want to put that straight.

Mr Speaker, I want to close by simply saying this. I want to refer to this very document, which makes a very telling point on Page 7. And this is what it says:

CONSTRAINTS TO GUYANA'S DEVELOPMENT

And I wanted to take this on board please.

It is evident, however, that if Guyana is to attain even a modicum of development in the next ten years or so, it is essential that a number of decisions that are based on intelligent objective discussions and consultations between the two parties be made. Unfortunately there is very little that a National Development Strategy can do about such matters except to make specific recommendations for more inclusivity in Government, for greater participation in the decision-making processes, for increased observance of the principles and tenets which would prevail in a society which cherishes law and order and for more openness in government.

I say to government, Sir ... Let us together embrace these thoughts in this National Development Strategy and let us work in the special select committee, where you will dominate, and we will be a junior partner, but where we can work together, and then let us come to the National Assembly for an adoption of the document that the people would have prepared and presented to us, and let us debate it, and let us at the end decide what we embrace, what we exclude or what we add. And then at the end of the day we can all, including the people of this country buy in to this document and truly present it as a National Development Strategy in every sense of that word. Thank you very much.
[Applause]

The Speaker: Thank you Honorable Member.

Question put.

Mr Winston S Murray: Division!

The Speaker: The Clerk will take the Division, please.

FOR

Mr Franklin

AGAINST

Mr Whittaker

Mr Seeraj

Mr Patterson
Ms Smith
Mrs Holder
Mr Ramjattan

Mr Fernandes
Ms Wade
Dr Austin
Ms Selman
Mr Williams
Mrs David-Blair
Mr Elliot
Mr Danny
Mr McAllister
Miss Ally
Mr Scott
Mr Williams
Mr Vieira
Mrs Backer
Mr Murray
Mr Corbin

Mr P Persaud
Mr Neendkumar
Mr Nandlall
Mr Nagamootoo
Mr Lumumba
Mr Khan
Ms Edwards
Mr Chand
Mr Atkinson
Mr Ali
Ms Shadick
Mrs Chandarpal
Mr Nokta
Ms Teixeira
Mr Ramotar
Mr Prashad
Ms Webster
Dr Ramsaran
Dr Fox
Ms Manickchand
Mr Nadir
Mr Benn
Dr Anthony
Mr Lall
Dr Westford
Mr Nawbatt
Mrs Rodrigues-Birkett
Dr Ramsammy
Mr Baksh
Mr Rohee
Mr Hinds

I wish to report that 33 Members were against the Motion and 21 supported the Motion.

The Motion is therefore *negatived*

The Speaker: Honorable Members, that brings as the end of our business for today.

Appointment of Chairpersons to Parliamentary Committees.

Before I finally conclude, I just have one house-keeping matter ...

First of all, I want to report to Members that the Committees were elected at a meeting of the Committee of Selection during the tea interval. There are twelve Committees.

The question now is to elect the chairpersons of these communities. That in the past has been a very lengthy process, which interrupts the business of Honorable Members severely, because you have to attend a special meeting here at Parliament Building and have a separate meeting for each Committee merely to elect the Chairperson. I propose that we cut short that process very significantly in terms of time. I understand we are going to meet again on Thursday. If you agree, at the suspension on Thursday, we can all remain just for two minutes in the Chamber. All the members of all the Committees will be present, those who attend the sitting, and we will elect the Chairs in two minutes. If that meets with your approval, I can then ask Clerk to make the necessary arrangements and we can conclude that. Would that be okay?

[Members replied in the affirmative]

Thank you very much.

The Honorable Prime Minister.

Hon Samuel AA Hinds: Mr Speaker, I move that this House stands adjourned until next Thursday, 21 December 2006.

The Speaker: The House is so adjourned. Thank you very much Honorable Members.

Adjourned Accordingly at 22:17 H