

# National Assembly Debates

**PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF  
THE FIRST SESSION (2001) OF THE EIGHTH PARLIAMENT OF GUY-  
ANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE REPUB-  
LIC OF GUYANA**

## Part I

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7TH SITTING

2.00 PM

Monday 25th, June, 2001

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### *MEMBERS OF THE NATIONAL ASSEMBLY (68 )*

#### *Speaker (1)*

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

#### *Members of the Government - People's Progressive Party/Civic (36)*

The Hon. Samuel A.A. Hinds, M.P. - *Prime Minister*

The Hon. Reepu Daman Persaud, O.R., J.P., M.P. - *Minister of Parliamentary Affairs*

The Hon. Clement J. Rohee, M.P. - *Minister of Foreign Trade and  
International Co-operation*

The Hon. Harripersaud Nokta, M.P. - *Minister of Local Government  
and Regional Development*

The Hon. Gail Teixeira, M.P. - *Minister of Culture Youth and Sport*

The Hon. Dr. Henry B. Jeffrey, M.P. - *Minister of Education*

The Hon. Saisnarine Kowlessar, M.P. - *Minister of Finance*

The Hon. Shaik K.Z. Baksh, M.P. - *Minister of Housing and Water*

The Hon. Navindranauth O. Chandarpal, M.P. - *Minister of Agriculture  
(Region No. 4 - Demerara/Mahaica)  
(Absent)*

The Hon. J. Ronald Gajraj, M.P. - *Minister of Home Affairs  
(Region No. 3 - Essequibo Islands/  
West Demerara)*

The Hon. Rev. Dr. Ramnauth D.A. Bisnauth, M.P. - *Minister of Labour, Human  
Services and Social Security*

The Hon. Clinton C. Collymore, M.P. - *Minister in the Ministry of Local  
Government and Regional Development*

The Hon. Satyadeow Sawh, M.P. - *Minister of Fisheries, Other  
Crops and Livestock*

*The Hon.S.Rudolph Insanally, O.R, C.C.H, M.P.	(Region No. 5 - Mahaica/Berbice) - Minister in the Office of the President with responsibility for Foreign Affairs
*The Hon. Doodnauth Singh, S.C., M.P.	- Attorney General and Minister of Legal Affairs
The Hon. Dr. Jennifer R.A. Westford, M.P.	- Minister of the Public Service
The Hon. C. Anthony Xavier, M.P.	- Minister of Transport and Hydraulics
The Hon. Bibi S. Shadick, M.P.	- Minister in the Ministry of Labour, Human Services and Social Security (Region No. 3 - Essequibo Islands/ West Demerara)
**The Hon. Manzoor Nadir, M.P.	- Minister of Tourism, Industry and Commerce
The Hon. Carolyn Rodrigues, M.P.	- Minister of Amerindian Affairs
The Hon. Dr Leslie S. Ramsammy, M.P.	- Minister of Health (Absent)
Mr S. Feroze Mohamed, M.P.	- Chief Whip
Mr Cyril C. Belgrave, C.C.H., J.P., M.P.	- (Region No. 4 - Demerara/Mahaica)
Mr. Donald R. Ramotar, M.P.	
Mr Husman Alli, M.P.	- (Region No. 7 - Cuyuni/Mazaruni)
Mr. Komal Chand, C.C.H., J.P., M.P.	
Mrs Indranie Chandarpal, M.P.	
Mr Bernard C. DeSantos, S.C., M.P.	- (Region No. 4 - Demerara/Mahaica)
Mrs Shirley V. Edwards, J.P. M.P.	
Mr Odinga N. Lumumba, M.P.	
Mr Heeralall Mohan, M.P.	
Mr Ramesh C. Rajkumar, M.P.	- (Region No. 6 - East Berbice/ Corentyne)
Mr Kumkaran Ramdas, M.P.	
Mr Khemraj Ramjattan, M.P.	- (Region No. 6 - East Berbice/ Corentyne)
Dr Bheri S. Ramsaran, M.D., M.P.	
Mrs Philomena Sahoye-Shury, C.C.H, J.P, M.P.	
Mrs Pauline R. Sukhai, M.P.	- (Region No. 1 - Barima/Waini)

### **Members of the Opposition (30)**

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

Mr. Hugh Desmond Hoyte, S.C., M.P.	- Leader of the Opposition
Mr. Robert H. O. Corbin, M. P.	
Mr. Winston S. Murray, C.C.H., M.P.	
Mrs Clarissa S. Riehl, M.P.	- Deputy Speaker of the National Assembly
Mr E. Lance Carberry, M.P.	

\* Non-Elected Minister

\*\* Elected Member from The United Force

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Mr Ivor Allen, M.P.	- (Region No. 2 - Pomeroon/ Supenaam) (Absent - on Leave)
Mrs. Deborah J. Backer, M.P.	
Mr. Deryck M. A. Bernard, M.P.	
Mr. C. Stanley Ming, M.P.	
Mr. Raphael G. C. Trotman, M.P.	
Mr Vincent L. Alexander, M.P.	- (Region No. 4 - Demerara/Mahaica)
Mr. Andy Goveia, M.P.	
Mrs. Volda A. Lawrence, M.P.	
Dr Dagleish Joseph, M.D., M.P.	
Miss Amna 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
Miss Lurlene A. Nestor, M.P.	- (Region No. 4 - Demerara/Mahaica)
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.	
Mrs Shirley J. Melville, M.P.	- (Upper Takutu/Upper Essequibo)

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

Mr Ravindra Dev, M.P.

**OFFICERS**

*Mr Frank A. Narain, C.C.H., Clerk of the National Assembly*  
*Mr Sherlock E. Isaacs, Deputy Clerk of the National Assembly*

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The Clerk read Prayers

## **ANNOUNCEMENTS BY THE SPEAKER**

### **Leave**

Hon. Members, leave has been granted to the Hon. Member Mr Ivor Allen up to 5<sup>th</sup> July, 2001.

## **PUBLIC BUSINESS**

### **MOTION**

## **APPROVAL OF ESTIMATES OF EXPENDITURE FOR 2001**

### **BUDGET DEBATE**

**Assembly resumed the Debate on the Motion moved by the Minister of Finance for the approval of the Estimates of Expenditure for the financial year 2001.**

### **Hours of Sitting**

**The Speaker:** I have been informed that for the Budget Debate and for the Consideration of the Estimates by the Committee of Supply, it has been agreed that in accordance with our usual practice, we would sit from 2.00 p.m. and have our break from 5.00 p.m. to 5.30 p.m. and sit again until about 8.30 p.m.

The first speaker today is the Hon. Member, Mr Winston Murray.

**Mr Winston S. Murray:** Thank you Mr Speaker. Mr Speaker, I would like to congratulate the Hon. Minister Kowlessar on the presentation of the 2001 Budget in his capacity as the substantive Minister of Finance.

He assumes this position, Sir, at a time when our economic situation,

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to put it mildly, is difficult and I do not envy him the task ahead, but, nevertheless, I wish him well.

Mr Speaker, the comments that we, of the People's National Congress/Reform will be making during this debate is intended to be by way of a genuine effort, to make a contribution to the shaping, adoption and execution of policies and programmes that will move Guyana forward towards economic growth and development and I hope, Sir, that they will be taken in that spirit. It is our considered view that in the present circumstances of our economy that the 2001 Budget should have had a sharper focus on the measures and policies that will get this economy again. The Minister made a very valiant effort, Sir, in presenting the Estimates to convince the Guyanese people that much progress is being made, and to do this, he utilised approximately forty-five per cent of his Budget Presentation to tell us about the achievements under the 2001 Public Sector Investment Programme and what it was that the Government proposed to do under the Public Sector Investment Programme in 2001.

That's, all well and good, Sir, and it may, indeed, serve the short term interests of political supporters, but that approach, with respect, marked very, very, deep and troubling problems. Let me demonstrate what I mean. In the 2000 revised Budget, the capital expenditure was approximately \$17 billion. How did the Government finance this? It financed it exclusively by relying on external grants of some \$4 billion, external loans of over \$12 billion and HIPC relief resources of over \$2 billion, a sum of some \$18 billion.

In 2001, we see much the same pattern, the projection for capital expenditure is some \$18.7 billion and external inflows amounting to some \$21 billion are expected to finance the PSRP. And more than that we rely upon these external resources to make good the current account deficit in the Budget, so that we are relying on external sources of finance to execute our capital programme and relying on external resources to finance our current deficit and that is why in the Minister's presentation, he says quite almost imploringly that:

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*– the international community must be prepared to support their efforts. For a start, they could do so fully funding the Highly Indebted Poor Countries (HIPC) initiative*

*– they should reform trade policies that discriminate against poor countries*

*– provide resources for mitigating the harmful effects of globalisation; and reverse the decline in official development aid.*

This is a plea for others to finance our programme here in Guyana and to finance it exclusively. It is also understandable in that context why it is that the President when he declared open the discussions on the PSRP - the Poverty Reduction Strategy Paper - was very vocal and strident almost in his castigation of the International Financial Institution for the way in which they were responding to the needs of Guyana.

Sir, we want to make it clear, that we are not adverse, in fact we are supportive of efforts to seek international assistance to help us to execute things we would like to do here but what we believe is dangerous is the dependence - the total dependence - upon those sources to execute programmes here in Guyana and as a result of ignoring the needs to take measures and execute policies that would enable us in the shortest possible time to garner the resources from self-sustained growth in our economy to finance our needs as far as is possible. Because, Sir, there are at least two indications abroad that this is the reality we have to face very soon. The President has himself referred to what is known as donor fatigue. Every year, it becomes increasingly difficult to extract resources from the donor community as their constituencies in their own countries rail up against such transfers because they have immense pockets of needs themselves.

And secondly, Sir, under the new dispensation that faces us inevitably, the free trade area of the Americas, the World Trade Organisation and its application of rules of Trade, that means preferential arrangement will

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no longer be something of the future, which means that resources that would come from places like the European Union and other institutions are likely to dwindle and dwindle quickly. Initiatives, such as the Everything But Arms initiative are likely to encroach seriously if not, erode completely, the preferential access we have which gives us resources over and beyond what we could earn in the international marketplace.

And, Sir, this is a precarious position, the position is made worst by the strategy which seems to have followed upon the heels of HIPC. It was our understanding and still is our understanding that HIPC was designed to relieve the debt burden and to augment resources for the reduction of poverty. That we understand, that we accept, that we subscribe to. But in the wake of that initiative what has been known and what has been called officially the Poverty Reduction Strategy Paper and here, if we have not yet seen it, we on this side see a transformation in the approach of HIPC Initiative as initially intended to a point where the designation and adoption of a Poverty Reduction Strategy Paper is now going to take the place, at least in the short term and possibly in the medium term, in the eyes of the International Community, of any over-arching development strategy which any government ought to have for its guidance as it moves forward. And what I find extremely strange is that this government had in fact touted and proclaimed something called the National Development Strategy and I would have thought that in the context of poverty reduction strategy that there would have been an over-arching strategy that tells us about measures and policies that are going to accelerate development, accelerate economic growth. Not merely focus upon reduction of poverty as a strategy in itself that is going to promote economic growth. These two things are not mutually exclusive. I see reduction of strategy as but a sub-stratum of an over-arching strategy to promote economic development. And I want to say that while this government has tabled a lot about the National Development Strategy, I would have expected to find somewhere in this Budget, not merely reference to, the National Development Strategy but substantial words that give an indication about the status of this strategy in the scheme of things for taking Guyana forward.

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I want to take this opportunity to read what is the totality of the reference by the Hon. Minister of Finance to this thing called the National Development Strategy. It is to be found on page 23, Sir, of the Budget Speech and this is what it says:

*As highlighted in the National Development Strategy ...*

He acknowledges that it is merely a document, it's not yet anything that has been subject to any serious discussion or adoption so that it is officially part of a strategy.

*As highlighted in the National Development Strategy document, the priorities of macroeconomic policy will address issues in respect of the promotion and sustainability of growth, and ensuring that the benefits are distributed in an equitable manner.*

Fini, termini, nothing more on the National Development Strategy. Are we allowing ourselves to be sucked in to this Poverty Reduction Strategy as a substitute for something that you yourself proclaimed and led us to believe you were in serious pursuit of. I find it a sub-paragraph hidden away within a much larger paragraph, those words that I have just read. It tells us nothing about the status of this strategy at this time, it tells us nothing about proposals for advancing it, for discussions on it, for its adoption for its execution to accelerate economic growth and development. Poverty reduction strategy cannot be a substitute.

Sir, what I sense here, and forgive me if it sounds somewhat crude, is that we are struck by inertia and ambivalence and we seem incapable of trying to devise a way forward for ourselves and we are drifting as it were from pillar to post and the question that really we have to ask ourselves is whether the government possesses the requisite qualities that can truly accelerate economic progress. And I have to ask that question, Sir, because as I look at the state of our economy, I think all of us ought to be extremely troubled. Let us see what it shows. Usually we rely on the international economic situation as a guide to what happens to us because it is very often that we are able to refer rightly and



appropriately to ex-ogenous shocks that adversely affect our terms of trade, the level of our exports, et cetera. But it so happened that in the year 2000, global output expanded by 4.7 per cent and in that growth among developing countries as a group in 2000, expanded by 5.7 per cent which meant that the growth in developed countries was less than the average growth of 4.7 per cent. So developing countries as a group grew by 5.7 per cent and there was a rebound in Latin America from last year's slow-down.

The Minister on page 5 of his Budget, in fact says that:

*the economic expansion at the world level continued to have a positive effect on performance in most of the CARICOM countries. Growth in output ranged from 7.9 per cent in Trinidad and Tobago to a small increase in Jamaica.*

And these countries sustained these rates of growth notwithstanding visitor arrival decline and banana production decline, major industries decline in Barbados and in the OECS countries. Yet, they were able to return creditable growth performances. What did we achieve, Sir?

In the context of a global prosperity, a regional prosperity, we achieve a contraction in our economy of just under 1 per cent and I think, Sir, that we have to look seriously as to why it is in a context of economic growth globally, regionally, we stand out like a sore thumb spiraling downwards. You know, Sir, I have to refer, forgive me, to words we uttered shortly after this government - the current government - took office way back in 1992. They prattled quite a lot and understandably, they were gleeful about the level of growth in the economy in the years immediately ensuing. We said to them then that that growth was largely on the basis of policies put in place and executed under the Hoyte's administration. I do not wish to make much of that except to say that I remember very vividly the Hon. Member Mr Ramotar when I gave a warning that if we were not careful, and if we did not maintain an open-door policy towards investment, and, in particular, overseas foreign private investment that the growth was going to peter out. He accused

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me then of being arrogant but, Sir, today, I say with no pride and no glee but the chickens have come home to roost. *[Applause]*

Let us look at the nine-year period between 1992 and the year 2000 and divide it into three discreet three-year trances and see what happens to our economic growth, and it will tell the story. Between 1992 and 1994, in those three years, growth averaged 8.2 per cent annually; between 1995 and 1997 growth averaged 6.4 per cent annually; the signs were there, the growth rate was falling. Between 1998 and 2000, growth averaged 0.1 per cent annually, Sir, but we are led by the Hon. Minister of Finance to believe notwithstanding that in the year 2001, we are likely to see growth at a level of 2.8 per cent. This projection in our view must be taken with the proverbial pinch of salt.

For, Sir, in an economic environment internationally of 4.7 per cent growth, we managed a contraction of 0.8 per cent. The forecast for international economic growth is 3 per cent in 2001. Why should we expect a growth of 2.8 per cent against that background? The correlation just does not fit. It is one thing, Mr Speaker, to be optimistic but I suggest, we should always be realistic. When the Minister came to account for the down-turn in some of the sectors in 2000, I wouldn't go through them all, I want to pick rice and this is what he had to say on page 7 and you can read it there when he said *rice production fell by 20.1 per cent*. This is the explanation written in the Budget Speech:

*Once again, heavy rains led to flooding at sowing time for the first crop. This had an effect on the second crop.*

*Rain also affected harvesting of the second crop.*

That may have been true to some degree, but the most fundamental problem, Mr Speaker, that affected the rice industries' level of production in 2000 was the bankruptcy of many of the farmers in that industry where inability to service their loans and therefore their inability to continue to plant the land. Why are we trying to paint a picture that is unreal? I say let us be realistic, we need to address different issues not weather issues.

There are more fundamental issues and we should not simply write something like this in the Budget in the hope of getting away with it because we shall not let you so do.

And, Mr Speaker, the further reason for not accepting this level of 2.8 per cent projection is that this Budget was presented on the 15<sup>th</sup> June, I am sure the Hon. Minister has information as to the performance of the economy in the first quarter and I bet that had he got favourable statistics he would have been dangling them before us during his Budget Speech. And I have evidence where he has found the figures favourable because in speaking about the projected rate of inflation for 2001, he noted that the Budget projected 6 per cent and he said in his Budget Speech, this rate is consistent with the very low rate return for the very first five months of the year but it is not an unavailability of statistics but rather a reluctance to reveal them in certain areas. So, Sir, we are skeptical of this forecast of 2.8 per cent rate of growth. It brings us to the point, Sir, of asking in such difficult economic circumstances what it is, truly, that the government proposes to do to get Guyana out of these difficulties, and I have looked for solutions in the Budget. I looked for solutions first in the President's Inaugural Address to the Eight Parliament and I found encouraging generality and I was told that perhaps when we came to the Budget, I will get a great deal more of specificity and I looked, and I looked, and I will tell you what I found. I found on page 24 of this Budget, Sir, six pages out of a total presentation consisting of forty-three pages, I find a total of six pages under a heading captioned Re-engineering the Economy, and Sir, anyone who reads this would understand that we are in the realm of generalities once again. Hardly giving us any specific insight as to how we will get out of the difficulties. As the generalities in this Budget are no different from those of 1997 through to 2000, I implore you, Sir, to bear with me to refer specifically to some of these, to at least a couple of them, because at least in the case of 1997, I think it was all encumbering, all embracing, it saddled a wide area. So I will read from between pages 20 and 23 selectively what is termed the road ahead and this is what it said, Sir, back in 1997:

*a major focus of the government has been the creation of*

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*the condition of the private sector to expand and flourish.*

You will come back in 2001 and you will be saying the same thing.

*We will be providing a special incentive package for tourism.*

In 2001, we will be saying the same thing.

*We are convinced that the manufacturing sector can and should be encouraged to play a greater role in the expansion of the economy.*

In 2001, the activities plummeted.

*We will continue to work closely with the local and international banks to provide long term pre and post shipment financing, venture capital and other related financial and business services that will be crucial to the development of the sector.*

Alas! they are yet to be seen. We come to 2000 and what do we find under improving transparency of the economy at page 24. Let me read that quickly, Sir:

The government would not be able to finance all the projects and programmes by itself. It therefore would have to see the active involvement of the private sector for the infusion of massive investment through the introduction of far-reaching structural and regulatory reforms in 2001.

On page 24 we read, in talking about making the traditional industries more efficient. This is what is written:

*Each of these industries will have to undergo some form of restructuring.*

We are now told of some form of restructuring, we are not told what it is that is going to happen to them, to enhance viability, their ability to compete effectively in the international marketplace and their net contribution to the economy.

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In sugar we are told about a grand scheme to expand to 500,000 tonnes. Sir, we would not wish to pronounce definitively at this time. I say this publicly on this particular project that we find the rationale given in the Budget hardly to be a convincing one for doing so. And that is, that we hope through expanding to that level to bring our cost of production down to the current world market price. Sir, the world market price for sugar is the most volatile thing there is in the international commodity market, for those who know it. And to think that today you could plan on the basis of an industry to produce 500,000 tonnes, five or so years down the road on the basis of what the world market price is now, I suggest, is certainly not the most intelligent way to proceed. I would have liked to see in this Budget more convincing arguments that say we are talking about a refinery, about downstream activities, about something that is going to utilise this production, that is going to add value. But alas, we are told nothing. How is the country to be moved to support this. We are not saying it may not be, inherently a good thing but certainly if you know it you are doing a good job of holding it back from the public.

Sir, in our view, now is time to stop talking and start acting:

**Act No. 1** - Define the ground rules and criteria clearly for incentives and let there be automaticity in the granting of such incentives. Do not set up a regime that resides in the discretion of a Minister. It is possible to make the rules clear enough and certain enough so that every player knows what he is getting in to. To leave it to the best judgement of a Minister, good though he may be without any impugning, to leave it to the best judgement of a Minister will never satisfy an investor that he is getting a fair deal, but if the rules are clear and he knows that there is a legal basis and a legal basis only on which it is given to him and therefore a legal basis only on which it could be taken away, he will feel much more confident about making his investment.

Recently, Sir, we have read in the newspapers of a cellular phone company complaining in the letter columns of a daily newspaper that he was discriminated against in the award of a tax holiday, that another

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company is in the same business. I am assuming all things being equal here. I wasn't a party to these, I only go by what I read. Now if there were clear ground rules, maybe there was a basis on clear ground rules to have rejected his and that would have been obvious to the onlooker but once it resides in the discretion of a Minister, it raises all sorts of problems and I give you that as a recent example of why it is that you need to forego this discretionary approach and adopt one that is much more meaningful and that would be seen as much more serious.

**Act. No. 2-** Bring greater efficiency and relevance to the institutions that directly impinge on the success of economic transformation. What for example, Sir, tell me, in the year 2001, does this country stand to benefit from a seminar on the Caribbean Basin Initiative sponsored by GO-INVEST. Don't you know what we are dealing with? CBI is dead for practical purposes. We are talking about the Free Trade Areas of the Americas. Where is the foresight? Is this relevant? This is what we are going to spend money to sponsor, Sir. I don't know if it is for historical purposes to demonstrate how it is that we have not utilised the CBI.

Sir, and with respect to GO-INVEST, we are told about all the good things that GO-INVEST will become. Sir, back in 1996/1997 the then Minister of Finance and our current President told us glowing things, it is in the Budget Speech about the refashioning of GO-INVEST. GO-INVEST was assimilating Export Promotion Council, New Guyana Marketing export function and was going to be a dynamic institution. Since then what has happened? We are now into our fifth CEO for GO-INVEST. When they came into office in 1992, we had Mr Clem Duncan. They shifted him aside for political purposes. Then they brought Miss Baptiste, who hardly lasted a while. She went. Then they brought Mr Ivor Mitchell, he also hardly lasted a while and then they brought Mr Deonarine, he hardly lasted a while, and then they brought, Sir, Mr Da Silva. All I can say is that such a revolving door policy with respect to the employment of CEOs for such an important institution will not engender confidence in anybody who has to come to that institution to seek to do business with it. And, least of all would it engender any confidence in the CEO himself (or herself) because he doesn't know

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when his day cometh to walk through the revolving door.

And, Sir, let me say most emphatically, we of the People's National Congress/Reform do not support the Board of GO-INVEST being chaired by the President of our Republic. Let us say that quite emphatically and it is a very simple reason, Sir. You have appointed a Minister of Finance, who in the laws of Guyana is the Minister responsible for the grant and award of concession. Is it the aim to embarrass him, to bypass him? What is the purpose? Surely, Sir, it ought to vest in the Minister of Finance.

And for a second reason, Sir, I think our President, and Mr Minister, please, I know that you would want to get up and vehemently say something about why you decline or something like that. I don't know. *[Laughter]* But there is a second and probably a more important reason why it should not be the President of our Republic. In our President resides the final appeal on any matter in the government and there may be circumstances in which, you may require something more than what is there existing now in order to get a particular investment because it is so important to our country. You should not be playing that as your first shot and exposing your President in the first instance. You have your Minister of Finance who explores to the nth degree the possibility of winning the investment on the basis of what exists but, per chance, we were to think it important enough, there is a final recourse to the President and we think that is how it should be used if we are to get the best out of the Board of GO-INVEST.

And, Sir, I want to say also that as we talk about GO-INVEST, we must ensure that we construct institutions that are positively responsive to the investment needs of Guyana. We have two experiences I want to refer to. They are recent and it is good they had come up at this time because they will bring home to the Government hopefully that something is wrong with how they are approaching things. There is the recent case of a cable TV Company which the Prime Minister has threatened with closure and an Internet Service Provider which have also been threatened with closure. I hold no brief for these people, Sir, but I want to say this,

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our ultimate aim, as I understand it, is to have competition in every sector of our economy, competition so that we get the best quality of service to our consumers and we get it at the best price. In respect of the Internet Service Provider, there is a letter, it is not something that I have manufactured, there is a letter written in the Press that says this:

*Transmitting information rapidly from and to our Head Office. In business, timeliness of information is critical and we would say with confidence that this service has enabled us to run our business more efficiently.*

Stabroek News of 23<sup>rd</sup> June, 2001, in the letter column and this is what that user went on to say, Sir:

*We should be proud of these entrepreneurs who have kept abreast of technology and are capable of creating a niche market for the benefit of businesses and other international organisations in Guyana.*

They should not be frustrated by red tape or pressures from big business. I don't know what are behind these, but I just ask you. I am not querying your decision, Mr Prime Minister, I am saying to you we need to have a very positive approach. It maybe they have not fulfilled some particular letter of the law, but, Sir, as a facilitator, we must see how we can enable them so to do, not be prompted to say no in the first instance, not be prompted to refuse but be prompted to see how it is that we can make things happen especially in the case of this Internet provider who seems to be capturing a niche market, a need in this society.

**Act No. 3** - Our institutions to facilitate economic activities must be adequately funded and staffed by the best possible professionals and must use the resources voted for the purposes intended. I want to give two small examples, Sir, coming out of the Auditor General's Report, the most recent one referring to 1999. On page 149 of that Report, it tells us about the Intermediate Savannahs Agricultural Project. We have said from time to time, that the developing of the intermediate savannahs



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is a priority and this is what the Auditor General's Report said:

The amount of \$33.5 million was provided for promotion of agricultural and Agri-industrial development in the intermediate savannahs.

All well and good.

Supplementary provision of \$14.7 million was approved giving revised allocation of \$48.2 million. Amounts totaling \$43.072 million were shown as having been expended. However checks carried out at the Intermediate Savannahs' Office, at the Office of the OAS which I think may have been the International Organisation financing, certainly in parts, the projects revealed that \$28.372 million was expended giving an unexplained difference of \$14.7 million. Where did this \$14.7 million go to - intended to be part of the intermediate Savannahs Agricultural project?

Then I come to what this \$28 million was spent on, consultancy fees. The intermediate savannahs have been well studied, the studies are well documented. We need to move from more consultancy fees arrangement to study again, what should be done there, how it could be done and focus more on getting things down. We need to study about the crops that can be grown there, the cost of growing them. Where the market lies? Building strategic alliances, Training for our professionals to get these things done and not so much on professional consultancy fees, Sir.

Purchase of vehicles and equipment, \$5 million, Administrative costs \$7.99 million - \$8 million - out of \$28 million, for a project that is intended to promote agricultural development in the intermediate savannahs.

I wouldn't go on with the next one which has to do with NARI, which shows money voted for NARI being spent on seed crops, being spent for revetment here and laying pipelines there. Nothing at all related to a project intended to improve and increase agricultural development, totally removed. I find it shocking, the revelations have been shocking.

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It is no wonder, Sir, that we are getting nowhere at all in terms of seeing the development in these important areas come to fruition. *[Interruption]*

**The Speaker:** Time, Hon. Member.

**Mrs Clarissa S. Riehl:** Mr Speaker, may I request fifteen minutes for the Hon. Member to conclude his presentation .

Question put and agreed to.

**Mr Winston S. Murray:** Thank you, Mr Speaker.

**Act No. 4** - That I urge on the government to ensure that transparency and accountability are built into all our mechanisms and institutions. There was a time, Sir, when the government said with great pride, with their chests stuck out how committed they were to transparency and accountability in government. What I can say, Sir, is that in this Budget Speech of 2001, there is not a single reference whatever to these twin principles of transparency and accountability. What is worst, Sir, is that there is an area that has been highlighted going back to 1997 by the then Minister of Finance at page 16 which I want to read. This is what was said then, Sir, way back in 1997, with respect to tendering and procurement,

*the Secretariat of the CTB was established in April, 1996, a workshop on improving the tendering process was conducted in March. A report on reforming the tendering and procurement system was commissioned and recommendations presented to Cabinet in the fourth quarter of last year, that is 1996. We expect to implement some of these recommendations in early 1997.*

To date there has been precious little done in respect of reforming the Central Tender Board System.

Sir, at what is worst, whereas up to 2000, the Minister made very conspicuous and prominent reference to the reformation of the Central

Tender Board System, there is not even a mention of that here, in this 2001 Budget.

I remember that a law a procurement law was to come to this Assembly in 2000. *[Interruption]*

A procurement Commission, Sir, a Procurement Commission, Mr Reepu Daman Persaud is a different thing, I would expect this to draw your attention. They are two different things we are talking about.

Under the Procurement Commission, Mr Speaker, with respect, the Commission is an oversight body. One of the major institutions that this body has to oversee is the Central Tender Board which is the major institution for procurement in government and under that arrangement, the Central Tender Board laws were to be reformed and the procurement law as distinct from a constitutional provision for a Procurement Commission has to be passed. And Sir, let me tell you, while the government gives us no indication as to what is the status of the reform of the Central Tender Board, let me tell you what in fact has been written about it. The World Bank did a study on the country's procurement assessment. Report on Guyana and on page 1, this is what it says, 1999 not 1989:

*The organisational structure for procurement at the central level that is, the Central Tender Board is weak and inefficient. The composition of the Central Tender Board reflects mainly governmental control of this body and do not represent the private and professional communities. The functions and responsibilities of the Central Tender Board are not properly defined and the way it is structured does not allow the Central Tender Board to efficiently managed the day to day operational work. The CTB is used with suspicion by the civil society in general and by the contracting community in particular for its lack of transparency, efficiency and accountability. It lacks of transparency, efficiency and accountability,*

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and we come to the 2001 Budget hoping to find at least a reference that is going to talk about this reformation and we find not a word, we find conspicuous silence.

Sir, if I have been somewhat harsh on the government or some of my friends on that side may think so, it was my intention to issue hopefully a wake-up call because time is not on our side and indeed many of the things that are required to be done do not require Herculean efforts, but what they require are large doses of common sense and a "C" change in attitude. Our inclination should always be to be positive and it should be the exception rather than the rule then we are forced to say no, if we want to move this country forward.

The Government, Sir, needs to restore confidence to the private sector and to private initiative and to assure them that they are truly the bedrock for our future economic development. We need to convince the international investor that he is truly welcomed, not by what we say but by what we do and by our attitudes.

We need, Sir, to give our young people hope that there is a bright economic future for them here in Guyana. Too many are leaving even now or contemplating leaving for greener pastures. Sir, the hour is late, there is much to put right and the question is whether the government can provide the imagination, vision, leadership, hope and industriousness to rescue this nation. Only time will tell. Thank you very much. *[Applause]*

**The Speaker:** Thank you Hon. Member, The Hon. Prime Minister.

**Hon Samuel A .A. Hinds:** Mr Speaker, Hon Members, this Budget, in that it is much the same as our previous ones, is not a controversial one nor a contentious one. Guyana does not now need, may not be able to stand the test, of a controversial, contentious Budget. There is already enough controversy in our society at large.

There is a premium on staying with what has been tried and proven. We must also contemplate change, large and rapid changes but we are not ready yet. We must be ready soon for such changes. What we

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Guyanese need today, is a period of quietness in which we could find the largest area of common experiences, common understanding, common expectations. We need to reach agreements, accommodations, however limited, so that we can work smoothly together without surprising or jarring each other. Our common success is and achievements should provide a base on which trust and faith will grow to a point, when we will together be ready to try bold, risky moves and break new ground in moving our Guyana forward together.

Mr Speaker, Hon. Members, it is my pleasure to congratulate my colleague on his presentation of our nation's Budget for this year. Half of 2001 has already gone by. We all know why this Budget presentation is so late and its lateness would be one practical restraint on introducing significant new measures this year.

Mr Speaker, Hon. Members, we on this side of the House, and I dare say, all of us will not deny our regret or sense of loss in the contraction of our economy last year by 0.8 per cent instead of the 3 per cent increase projected in the Budget of last year.

Over the last years since we have been in government, we have achieved commendable growth in the economy and let me recall the figures. It turned out, that I have much similar thoughts or similar questions as the Hon. Member, Mr Murray, but it turned out, maybe not surprisingly, that my interpretation of the figures are quite different from his interpretation. And let us look at the figures which I think the Hon. Member also referred to:

At the growth rates that we have achieved since 1993 - 8.3 per cent in 1993; 8.5 per cent in 1994; 5.1 per cent in 1995; 7.9 per cent in 1996; 6.2 per cent in 1997; but then in 1998 a negative 1.8 per cent; a plus 3 per cent in 1999 and again a negative .8 per cent in 2000.

A second contraction in a period of heightened political tensions which have been plaguing our nation and creating untold anxieties since the middle of 1997.

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Mr Murray asked or he pointed to another interpretation, but I would say to the people in the nation, that we should think of our experiences since 1997. All the proclamations that Guyana would be made ungovernable, all the calls in the streets for slow fire and more fire and all the preoccupations that we have had for months over these years since the middle of 1997, with the elections of 1997, all that we have endured to the running up of the 1997 elections, all that we have endured after the 1997 elections, and we were continuously in discussion on the Herdmanston Accord and so on and so on, even unto maybe a week ago.

I would think, Sir, that if the Opposition has any influence at all in the country and with all those proclamations from them, it is significant, it is important that we have not experienced greater losses, that we have been able to contain the loss or the contraction in 1997 to 1998, to just minus 1.8 per cent, that we were able in 1999 to return some growth and in 2000 limit the contraction again to minus 0.8 per cent.

I noted, too, the description in the Budget Speech about the growth that took place, globally and also both in the developed and developing countries and I was struck with a sense of loss that instead of reporting here minus 0.8 per cent, we would have been reporting 5, 6 and 7 per cent. That is the cost, Sir, of all that the people in the Opposition have proclaimed that they would bring to our country and the blame, the cost must be put on their shoulders, at their feet.

Mr Speaker, Hon. Members, I believe we can get back to the steady growth rates of 5 to 8.5 per cent which we enjoyed in the less tense, in the less anxious times of 1993 to about the middle of 1997. My belief found support in an article, beginning on page 20 of May/June 2001 issue of a Magazine Worldlink, I have the Magazine here. An article is by Mr Adir Turner, Vice-President of Merrill Lynch, Europe and a former Director General of the Confederation of British Industry. A number of interesting points were made in that article but the one that concerns us now has to do with possible growth rates for various countries. Mr Turner distinguished between countries, economies in a

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catch-up phase such as Guyana and those on the frontline of autonomous growth. Looking at performance in the catch-up phase, his table points to France, Germany and Japan averaging 4.5, 5.1, and 8.7 per cent per year respectively throughout the two decades of 1950 to 1970, that is after World War II when they had to rebuild.. He also points to South Korea and China averaging 6.9 and 6.3 per cent during the two decades of 1970 to 1990, and again 5.9 and 9.1 per cent during the last decade of this century 1990 to 2000.

In an earlier edition of this Magazine reference was made to India getting on the road of catching up and averaging just over 4 per cent through the last two decades of the last century 1980 to 2000. So, Mr Speaker, Hon. Members, growth rates of 7 and 8 per cent such as we were able to return in Guyana in those years, less tense, less anxious years, of 1993 to the beginning of 1997, those are certainly within our grasp and our shortfall from those levels during the last years must be attributed to the proclaimed programme of the PNC Opposition.

Our country needs three to four decades of steady growth rates of seven per cent and more for our children and grandchildren to come abreast of other people in the world. But this can only happen if the nation's slate is clean. Social and political questions being settled enough that our preoccupation can be turned to our work, to the way we make our living, striving to do well to be successful to make profits, create wealth for our own prosperity, the prosperity of our nation and our neighbours.

Mr Speaker, Hon. Members, my many years - twenty-five years - more or less right at the work front in bauxite and working with our peoples at all levels have convinced me, I have no doubt, that once we can put aside this preoccupation with politics and social unrest, and our people focus on their work, they will make such an improvement that will allow us to realise the great productions. We need, say in our production of sugar and rice, great improvements in productivity; we need, because finally, we only can get an improvement in our living and our prosperity to the extent that we really improve our productivity.

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Mr Speaker, Hon. Members, it was remarked just now that we need the PNC, and we do. We do need the PNC to participate in reducing tension in this country and it is with such an awareness and with such hopes - the hopes for steady growth rates of 7 and 8 per cent - that we of the PPP/C, and we want to believe the Opposition, too, and the nation at large, have approached the dialogue between our President and our Leader of the Opposition. Looking to the dialogue to find common ground and establish areas of truce and in the need for living and in the need for development there must be large areas, where we could find truce, where we could end hostility and work together and we can work to steadily widen those areas of truce and common ground. Aware of how much is at stake for our nation each of us must do whatever we could for the success of the dialogue. We can hope for miracles, but we should not be disappointed or disillusioned nor loose heart if there are no miracles.

Social and political stability are so essential for steady economic growth in development. We must all be ready to bear and forebear, always ready to turn to a new clean page and try again.

Mr Speaker, a Budget is about discipline and choices. Choices that may often be painful and discipline that might often question how much one cares. We of the PPP/C are like all people in wanting to bring all good things, but it calls for a special understanding to cut our suite according to our cloth particularly when all around us many people has so much. But the results of the year since we have been in government show that discipline is worth it and making choices. On attaining independence, there were attempts to bring a better life to our people more or less by commands, ignoring fiscal deficits and exceeding productivity gains.

Let me list again, the great rewards of the discipline over the last decade as the public sector deficit was reduced, as we worked to reduce the public sector deficit from 22 per cent of GDP in 1990 to 6.6 per cent of GDP in 2000. It needed tight, (even people said at times *mean and miserly*) hold on revenues and expenditure, but today we can all count



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among the rewards. Each and everyone of us can count among the rewards:

**Inflation** has been reduced from 100 per cent in 1990. An inflation rate which is equivalent to cut in pay, the pay of workers of some 50 per cent, and today, back in 2000, inflation rate was down to 5.8 per cent. This must be a great gain, a huge gain for all workers and put the economy in halt. **Exchange rate depreciation**, reduced from 173 per cent in 1990 to just 2 per cent last year. This removes great uncertainty and risk from anyone who is in business. Nominal interest rates for bank loans reduced from 32.4 per cent in 1990 to 17.7 per cent in 2000. International reserves, one measure of our nation's credit worthiness improved from five weeks in 1990 to four months of import last year and those in business would know how much this facilitates arranging purchases for Guyana. We can note that OPIC last year resumed providing insurance coverage to American businesses investing in Guyana. Sir, if we lost it, we lost it before things began in 1992. We can talk about it, we can debate it later at another time.

Mr Speaker, Hon. Members, another plaque for our vision for development which is reflected in our budget continues to work to bring some minimum level of basic services to all, all our people, all across Guyana, to make our people more healthy, to give them some care and comfort, to educate them more, to enable them to be better in their work.

The Minister of Finance has given us an overview of our achievements in 2000 and our continuing plans in 2001. We have counted our achievements so far in education, health, water, housing, increases in old age pensions and other direct poverty alleviation programmes. As we do that, I can't help but recall a tough conscious choice that helped us to get this improvement going, and I think it is timely to recall it, it is timely to recall Dr Jagan's bold step in the PPP/C's first budget after observing that Foreign Affairs allocation in the national budget was greater than the allocation for health, education and police together, he took the tough, bold choice to cut that allocation. He talked about cutting it about 50

per cent but in the end it was only cut by about 25 per cent. This was a painful cut to all of us but it was a pain that we could bear because it provided money to start the improvement for the delivery of services to our people all across the country. And as things have improved, allocations have been restored so that in the year 2000, the budget was back up to \$1.331 billion more than what was budgeted in 1992 which was \$1.00 billion. So there it is an example, a case study, if you want to take top bold decisions that we have been prepared to take. We did make gains even during that time. Our Chairmanship of the US General Assembly, by our Permanent Representative to the UN, a Guyanese of distinction whom we are pleased to have with us now in this Honourable House, as it was by way of promotion. We can count also successful representation that led to HIPC and E-HIPC, and we can count also the persistent advocacy of the new Global Human Order by our late President which has been accepted for discussion.

I have talked a bit about this case, Mr Speaker, because there have been lots of comments of making bold moves and there have been comments of not taking any of the representations of the various groups, the Minister not taking account of them. I want to support the Minister that all these representations are taken into account. The issue has always been one of a trader and that example I gave there just now said, that even if you spend more on health and education, anyone recalling where we were in 1992, would see how obvious it was, how strong the need was for us to improve the allocations for health, education and the police, but when you do that, you have to take the money from somewhere else. You have to make tough decisions. So I want to reassure all those who may be feeling somewhat that their recommendations, representations have not been taken into account, that they are certainly going into the mix. The fact that we have not, maybe, yielded to the other side is perhaps evident that your representation was taken into account. We have kept a steady hand.

Mr Speaker, Hon. Members, the Minister of Finance has spoken to some extent also on another plague for our development, that of the restoration and steady extension of our physical infrastructure and he

has related allocations in those areas for sea defences, drainage, irrigation, airport, bridges and roads. I noted particularly reference to interior roads which are essential for interior development bringing improved prospects all around for the Guyanese who live in the interior. It should be noted that these programme in social services and physical infrastructure besides making life better immediately, they provide jobs, significant, immediate employment and enable our people to perform better particularly in the economy and they create a better environment for investors and for investment.

In the Speech, the Minister has addressed, in the issues the urgent task of re-engineering our economy, restructuring the traditional industries and diversifying the economy and creating the climate for investment whether from local persons, from overseas Guyanese or foreigners. We are all anxious for the new economy to come our way and be established in Guyana but we have to be all better disposed to attracting, winning and welcoming investment to our shores. Our world view us here in the Assembly and all across in Guyana, a world view founded in the time of colonial and anti-imperial struggle, the struggle for workers' rights, for respect, for national independence, need to be revisited, if only because we have been largely victorious in all those struggles, and the world has moved on and we are into a new situation. There was a season when, without question, we were victims and subjects of others, but, this a season for us to see ourselves as actors and in that sense, I maybe see a little bit with the Hon. Member, Mr Murray just now when he talked to us about taking more responsibility for ourselves. Now we must take more responsibility for ourselves and we must teach strategic alliances and areas for collaborating with other people throughout the world. I think that such thoughts were in the mind of our President when he said in His Address at the opening of the Parliament:

*the creation of a new society must begin in our minds, the preoccupation must cease to be about preventing, restricting and depriving and become about liberating and expanding jobs, social opportunities, resources.*

And further on, he said:

*ours must be a place where capital and labour form partnerships to create wealth.*

Our President was saying that in Guyana, no longer must capital and labour be seen as forever locked in an internal struggle, but as partners in the creation of wealth. The social contract between government, labour, private sector and consumers still eludes us.

Mr Speaker, ironically our improvements in various services, I think, have also brought to many, those who have not yet benefitted, anxiety and feelings of being left out and left behind out of our growth and development and we must take on the task, all of us in the Assembly, all leaders, must take on the task to assure our people of fairness and equity in treatment, assure them not to fret that everybody will be treated fairly and equitably. *[Interruption: When? "Quite Speedily"]*

I think there is obvious political mileage in making all sorts of allegations and in the innuendoes, but there is a great price we pay and I would like to entreat in the same spirit as Mr Murray did in his presentation. I would like to entreat the Members on the other side of the House to forego the inclinations to innuendoes and unfounded allegations.

Mr Speaker, Hon. Members, let me speak a little bit about the areas that I am more directly responsible for **Mining** and I feel very happy to speak about mining. I want to make this point because all of my miners say, I don't sing their praises at all, I don't sing their praises loud enough. But this year, I have something to sing about. As related in the Budget Speech, the mining sector was the bright spot in 2000 growing by 5.9 per cent and in the face, too, of many problems. *[Interruption]* Take a bow for that. Yes, I will take a bow for helping to bring that about. Gold and bauxite with earnings of US \$120.5 million, US \$76.5 million respectively came close to equaling to sugar, rice and timber combined earning US \$118.8, \$51.8 and \$40.9 million respectively. Gold, in fact, last year was the single largest earner of foreign exchange,

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just outstripping sugar which we recognise had a bad year. Declared diamond production, and diamonds are difficult to price - I haven't entered yet into all the particularities of pricing diamonds - but diamond production in terms of numbers was nearly doubled, increasing from 45,440 carats to 81,706 carats. Activity in mining in these difficult times has been sustained by a number of directed concessions and incentives. A number of them which as we said earlier, there is always a price on the other side of the table, many of these concessions have actually reduced the income of the GGMC and that institution has been surviving on accumulated earnings - retained earnings from previous years. But to name the concessions which we have granted to encourage mining and to sustain mining:

the general lower consumption tax on fuel particularly diesel,

a sliding scale for the royalty for gold,

continuation of the policy of two years' operations for rentals and commitments for one year and two years for one policy.

Assistance and incentives for approved infrastructural work, roads, bridges, drains, docks, airstrips which contribute to the general development of the interior and I can point to one outcome of that, i.e. the rehabilitation of the road from Bartica going to Peter's Mine on the Puruni River and with luck and to meet my commitments to the Amerindians at Kamarang, I did say that I hope by the year 2010 to drive to Kamarang. So the years are going by, but I still have eight years more to get there. We have also been taking account of the reduced monies available for mining, and a general movement to working smaller properties at higher grades. We have been putting to auction the large concessions which were relinquished. We have been reducing them or sub-dividing them into medium scale properties and putting them to auction. That has been very successful. We have not forgotten the very small man and the individuals who may be looking to find a living in the interior. We have set aside areas in Kurupung and the North West for new entrants into mining at the small scale level. There has been a revival

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of interest in columbite, tantalite and five large scale properties are to be put to bid in July and we have contacted prospective interested parties all around the world. We have a number of interests.

A number of new sand pits were opened to meet the needs of local construction. It should be noted that the export of sand and stone, something that we have been talking about for many years seems at last to be off to a good start. Export of sand and stone to Caribbean countries was a significant potential growth area.

**Bauxite** - It has been long known that we have a situation, even before nationalisation, that there was a situation, where our bauxite was the best in the world, on the one hand but the most costly to get at on the other hand. All these years the bauxite industry has been in need of support, LINMINE very much so, regularly so, and BERMINE, occasionally from time to time. I know that Hon. Members would have followed in the news, the proposals, from ALCOA and all the contrary news that have been put. Our government continues to be open to proposals that are practical, readable implementable, and which would be able to release the current subsidies to be utilised otherwise for the direct benefit of the people.

**Petroleum** - 85 per cent of our off-shore areas in under four leases and a number of interests have been rekindled in the Takutu basin in the Rupununi. Hon. Members would recall the CGX incident of last year and would imagine how much our shore/off-shore property holders want the assurance of security as they proceed with prospecting and development programme.

**Energy** - Guyana defends essentially un-imported petroleum products for energy. Our national energy bill has been steadily increasing from US \$72 million in 1998; \$88 million in 1999; \$121 million in 2000 projected to be \$130 million in 2001.

GEA, the Guyana Energy Agency and the Institute of Applied Science and Technology are keeping abreast of development in

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alternative energy and to seek projects, to establish small, pilot installations particularly in the hinterland utilising other energy sources - alternative energy sources.

We would all have heard of GUYSUCO. We have been hearing of GUYSUCO's pursuit of maximising power generation in their new factories, selling power to the grid.

We would have heard also about the developers at Amelia, they hope to supply power to OMAI, LINDEN and the grid by the beginning of 2005. There is a number of financial and practical issues still to be worked through but I hope that both of these projects the GUYSUCO one and the Amelia one will be realised.

I can say it too, that many authorities are projecting that supplies of petroleum products will get steadily tighter and may even be restricted by the middle of this century. Guyana has potential hydro-electric power generation put at some 7,000 megawatts and so we see a chance there, we see that opportunities will come for the development of those sites. Yes, we have had an approach and we are working with one group that is looking at developing again the Upper Mazaruni Basin to produce about 2,100 megawatts. Their projection is for a commitment to the project by the year 2005 with construction beginning in 2007 and electricity generation by 2012

**Electricity** - Electricity generation and consumption has been increased 7.6 per cent during 2000. Steady progress has been made to increase electricity supplies, and investment and development of about US \$90 million has been approved by the Board of GPL to keep up with projected increase in demands and to complete the conversion of Georgetown from fifty to sixty cycles, to construct a new, to replace, to rehabilitate and to upgrade transmission and distribution system. In the Budget Speech reference was made to the unserved area of electrification project, government initiated it with an initial G \$200 million last year, and in this project we see, over the next five years, extended electricity to upward

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of 213 housing areas, over fifty-five thousand households. It is estimated that the average price of extension per household, it will vary quite a bit, depending on location but the average price is estimated at about \$100,000. We are asking every household to provide \$10,000. GPL's contribution would be about \$20,000 and the remainder \$70,000, we are seeking from our initial \$200 million grant and further US \$25 million loan from the IDB. Included in this project are studies and demonstrations for providing electricity to the small isolated communities in the hinterland. So we have in mind electricity for all households in Guyana. That is our target to get to that point. *[Interruption]*

**The Speaker:** Time, Hon. Prime Minister.

**Hon. Reepu Daman Persaud:** I wish to move, Mr Speaker, that the Hon. Prime Minister be given fifteen minutes to conclude his speech.

Question put and agreed to.

**The Speaker:** Proceed please.

**Hon. Samuel A. A. Hinds:** The Hon. Member has been asking ....

I think, he knows something about electricity rates. Well I could confirm for him that the quadrupartite agreement that we have been working with, that we have put in place has achieved what it set out to achieve, has been successful but it did not take account of the unexpected increase in oil prices from about the middle of 1998 to the middle of 2000 and so government has been carrying those prices. Government has been subsidising electricity tariffs with respect to oil prices increases from about mid 1998 to mid 2000 and government is considering a phasing out of that during the rest of this year. So, I have confirmed what you have been alluding to.

**Telecommunications** - Government is firm in its commitment to have in place an open free market competitive telecoms sector, free of all monopolies before the end of the year 2002. This policy seeks to take advantage of, and it also responds to pressures created by new



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technologies, emerging developments, new sentiments and new opportunities in the telecoms sector. Government will be tough and fair in its negotiations with GT&T, and in a similar vein while government is committed to an open free market competitive regime, government is firm that this should occur in an orderly way. So the Hon. Member, Mr Murray referred to the issues of ACN and INEC, those have acted outside of the law, outside of what they have been licensed to do, and I can say further, Sir, or maybe I should not say further, because I am still hoping that we could resolve all these matters. So let me not say further.

I would like to refer to Cell Star, the new cellular provider that we have licensed. We have been nurturing that investor for some twelve to eighteen months and by the beginning of the year, we had completed the licensing arrangements with him. He had given a commitment that before Christmas this year, he would be up and running with ten thousand lines being offered on his cellular system. But just to give an example of what he has talked about, in March, they came and told us that they have made all those commitments. In fact they wrote me from Florida, they wrote me from Head Office in Germany that in the circumstances in Guyana, would I be willing to recognise that they would have to delay their investment because people are concerned about coming into Guyana, the provider of the equipment and the people who would work on their system. They came in March, they said that; they came back in April, they said that, but I was very happy that maybe a week later they phoned again and they said, look we are going to go ahead.

We had two similar issues on the financing of the Berbice River Bridge. arrangements that were in prospects for financing, were put on hold and having been put on hold, the people have not yet come forward, not yet convinced of the commitment of the Members of the other side there, not to make Guyana ungovernable, and not to transform what they say, their call for fire and more fire into reality.

One issue which I would like to bring to the attention of the Assembly and the nation as a whole, is the issue of International Calls and I think most people know the outline of that issue. The US Government has

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said that their carry-ons must not enter from next year any arrangements to pay for more than twenty-three cents per minute to establish links with Guyana. They have reduced from the current eighty-five cents level and that has created the problem, I am told. I am advised, that has led to the current situation, where making calls into Guyana has been difficult because there has been a reduction in the number of lines available to come into Guyana. That is what I have been advised but that issue - the issue of the reduction to twenty-three cents - may not matter much because even as Members may have seen advertised in the papers and we do see some legal issues with that advertisement, there are group companies that are now offering via the Internet, international calls that will average not twenty-three cents per minute but even as low as ten cents per minute. So this is a matter that has to be dealt with urgently because the 1<sup>st</sup> January is just six months and a few days away, and we have made it a high priority for our adviser on our telecoms modernization and reform programme and we expect to get assistance also from the ITU Caribbean Office.

In conclusion, Mr Speaker, Hon. Members, allow me to express the hope that in the years to come, this year the first of the new century may be seen as a turning point in our nation's history, A time when Guyanese move from an era of winning independence to a post independence era in which all thought and action of our people flow from the responsibilities of independence and being our own masters. An era when the winning of independence is no longer a major achievement, it was earned by a generation or two ago and we today and the new generation, we have to set new sights, new victory and there could be none better that to work for steady growth of seven to eight per cent in our country.

We can look too with hope to the fact that we start this new five-year term with the first President, who did not know the colonial period or experienced our troubles of the 1950s and 1960s, with no baggage from that era, with change as his vision and his mission. I thank you.  
*[Applause]*

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**The Speaker:** Thank you Hon. Prime Minister.

The Hon Member, Mr Jerome Khan.

**Mr Jerome Khan:** Thank you Mr Speaker. Mr Speaker, it is an honour for me to join the Debate of the 2001 Budget presentation to the National Assembly, that was presented on June 15, 2001, by the Hon. Minister of Finance, Mr Saisnarine Kowlessar. I wish to follow the time honoured tradition of offering my personal congratulation to the Minister for the clarity of his presentation. Being a rookie myself, I sought help through the Hansard to understand and capture the approach taken by others before me and in essence to glean the spirit of this Assembly towards Budget Debate. I must confess, Mr Speaker, that I found last year's Hansard very interesting.

Mr Speaker, I have observed that the Leader of The United Force, now Minister of Tourism, Industry and Commerce, the Hon. Mr Manzoor Nadir, had this observation to make during the 2000 Budget Debates and I wish to quote Mr Nadir:

*I recognise the similarities in style and substance in the Budget and in fact, when the Minister was reading, I was telling Mr Aubrey Norton that he's now on page 34 because of how similar the Budget was and is to those of the past.*

Mr Speaker, let me say that the Budgets of 1999, 2000 and 2001 read the same, look the same and reveal basically the same. That same is very little. For a moment I was very confused because the Hon. Prime Minister also said the same. He agrees with the assessment of Mr Nadir and myself and I was confused because I thought, he was speaking for the PNC/Reform. Budget 2001 discloses the same lack of vision, the same lack of direction and reveals that the good ship Guyana is without a compass, without a captain and without deckhands. There are only sailors.

Mr Speaker, judging from the uprisings that are now taking place in Albion, Buxton and Linden and who knows where next, I can safely say

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that the people of this country are not in any mood to wait too much longer. I know that the Hon. Minister of Finance has recognised this impatience and I draw attention to what he said at page 2 paragraph 1.5 of the Budget where he states that *this Budget was prepared mindful of the impatience of our people*. Having recognised that our people are impatient, the Minister brought to this Assembly a document that lacks creativity and does not, I repeat, does not provide a comprehensive economic strategy for development of any sector of the economy. I know that the Minister is capable of much more than this but it is clear that his boss, the President, the Hon. Mr Bharrat Jagdeo, who is the Minister of Finance extra-ordinaire, has a tight grip on the Budget.

Mr Speaker, a national Budget is not a government bookkeeping exercise. A Budget presentation must clearly, not only deal with numbers, it must clearly define policies on key sectors of the economy, it must be unambiguous on trade, investment and public and private sector development. Unless this is so, all Guyanese would further sink in hopelessness and local and foreign investors will go elsewhere.

Mr Speaker, these are some of my initial concerns about this Budget but I will restrict my presentation on a few subject areas, sugar, rice, foreign trade and investment

I will start with investment - Mr Speaker, the Hon. Members of the PPP/Civic on the government side of the House, all pride themselves as being great historians, they always talk of things in the past. The Prime Minister has also seemed to have fallen prey to this bad habit and gave us a few history lessons.

But I wish to remind the House of matters of recent vintage. You will recall, Mr Speaker, that one of the many wrong things that the PPP/Civic Government did after 1992, was the closing of an Institution called GUYMIDA. Why was this done, Mr Speaker? The arguments to justify the closure was that the staff of this agency were PNC supporters. The staff was not seen as Guyanese citizens. They were given a label, PNC, and they were put on the bread line. Lost in that closure was

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institutional memory and institutional capacity building for our investment programme. The PPP/Civic Administration then created an Agency called GO-INVEST and they hired one Ms Sandra Baptiste. She was hired with great pomp and ceremony, but what really took place was merely a changing of the furniture with the good working model being replaced by rotten and dead wood. Ms Baptiste was subsequently fired with equal pomp and ceremony. Why? The Government has never said a word about her removal and after a brief sojourn by Dr Ivor Mitchell who resigned in frustration, Ms Baptiste was again rehired. Great pomp and ceremony! Poor Ms Baptiste! She was again let go for the second time. This time with less pomp and less ceremony.

Mr Speaker, I told you once that it is a question of breeding. Then there was a great announcement that one of the brightest stars of the PPP, a Mr Deochand Narine was brought on board to change the fortunes of the investment programme. We were told that the revamped GO-INVEST would be a fast-track agency and that all the bottlenecks would be cleared to facilitate investments. Mr Speaker, from day one, there was a personal squabble between Mr Deochand Narine and Mr Bharrat Jagdeo, much publicised, when he was the Minister of Finance and GO-INVEST instead of fast tracking proposals became a monster - -  
*[Interruption]*

**Hon. Reepu Daman Persaud:** I think the Standing Order is clear that if the President name is to be brought in a debate, it has to come by the way of the motion and I think the Hon. Member should withdraw this.

**Mr Jerome Khan:** I apologise, Mr Speaker, I withdraw it. As a rookie, I am liable to make some mistakes.

During last year's budget presentation, the Minister of Trade Mr Geof Da Silva as he was then was responsible for GO-INVEST and he said he could list five new projects that GO-INVEST was involved in - only five - he said he could list. Here are the five and I quote from page 45/30 of the Hansard of the year 2000 Budget Debate. Mr Da Silva, in

speaking, said;

*Many negative comments have been made about GO-INVEST, I think. Again, you have to put it in perspective. There have been times when GO-INVEST has helped and facilitated projects: **The BARAMA Company, the DIDCO Trading Company, the Global Lamp and Beds, Cross Colour Studio and South American Cigar Company.***

Mr Speaker, I am sure that you are aware that BARAMA came when the PNC was in government and if anybody should applaud themselves is the PNC and I ask the PNC to applaud themselves for BARAMA [Applause] The expansion that was taking place at BARAMA, a natural expansion that would have taken place with any Company that had started up. How could this Government claim any credit for expansion at BARAMA. That is dishonest and a shame of the highest order.

Mr Speaker, another one of the Company so named by Mr Da Silva, DIDCO was established under the PNC; that's a fact. In fact the PPP harassed the owners of DIDCO labelling them as PNC supporters. Now they are claiming credit for the expansion that is taking place. Again I ask, how can the PPP claim any credits for any of these companies? Mr Speaker, the Baganara Resort Project that Mr Da Silva referred to was a natural extension of the PNC programme of helping to develop the tourist resort in this country. That's a fact. I would have liked to hear an explanation of the failure of CORTOURS Resort in the Corentyne River which came in after the PPP came into government in 1992. The Proprietor, Mr Moti Singh laid blame on the doorstep of the then Minister of Trade, Tourism and Industry and the Minister of Finance and I wish to quote what he had to say. Mr Speaker, I am quoting from the Guyana Chronicle Saturday, December 16, 2000:

*He made several attempts to meet His Excellency the President, Bharrat Jagdeo and now Minister of Trade, Tourism and Industry Mr Geof Da Silva but to no avail. I*

*have become so frustrated, I have no alternative but to put the business up for sale.*

He said, he cannot understand why he is being hassled when government is in the process of promoting tourism in Guyana. That is what they should be telling us, why businesses that came under the PPP term of office have failed, not go back in history and make claim for successes of the PNC. The excuse, Mr Speaker, that Mr Da Silva gave last year is that GO-INVEST is going through a transition. That is what he said, Mr Speaker, yet we see GO-INVEST seems to be going through another transition. Mr Da Silva is continuing that mode of transition and he is now the Head of GO-INVEST. I say, Mr Speaker, that GO-INVEST is going nowhere.

Mr Speaker, I wish to refer to page 27 paragraph 4.15 under the caption INSTITUTIONAL of this year's Budget and I wish to quote what the Hon. Minister of Finance has said:

*The Guyana Office for Investment (GO-INVEST) is being restructured. The new agency will be expected to aggressively seek out investors, promote Guyana as a place with which to do business, and expedite the processing of applications. At the same time, the new Foreign Trade and International Co-operation Ministry will be expected to pursue bilateral investment protection and promotion agreements and assist and support the work of the agency. Further, the trade offices that have been established in Guyana's Embassies and Consulates will be re-organised and appropriately staffed to become pro-active agents for advertising Guyana and Guyana's products abroad.*

Mr Speaker, we have heard similar objectives stated here before, every year we read these nice sounding words, yet after nine years these words now have a hollow ring and judging from the mood of the people throughout the length and breadth of Guyana, they do not believe for one minute that this administration is serious about promoting investment. The complaints that we have been receiving on this side of the House is

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that this new gimmick of having trade offices in our overseas missions is to create jobs for cronies and friends of the PPP. I don't know if it is true but that is the complaint that we have been hearing.

Mr Speaker, I might draw this House's attention to a letter by the Ex-Director of GO-INVEST, Mr Deochand Narine published in the Stabroek News on June 12, 2001. This was just thirteen days ago and I wish to quote Mr Narine, he said:

*I am now amused at all of this noise about re-naming GO-INVEST and the President assuming the Chairmanship of the Board—*

When the President was the Minister of Finance, he chaired the Fast Track Committee set up by Cabinet and nothing ever came out of that Committee. Why are we to expect anything different now? Why are we expected to expect anything different now? Mr Narine states and I quote:

*I am now amused. How can we believe that what the Minister of Finance is tabling in his Budget will bring good result?*

This is a PPP person. These were written by a PPP member who worked tirelessly campaigning for the PPP in the last elections. This letter is not from the PNC Reform, the TUF; Oh, I am sorry, my friend is over there now *[Laughter]* It is not from the ROAR, it is not from Mr Ravi Dev, it is not from members of the GAP/WPA; it is from Mr Deochand Narine, a member of the PPP who campaigned for the PPP in the last elections. Mr Speaker, I will echo the words of Mr Narine and ask, why are we to expect anything different now.

Mr Speaker, investors will not come to the shores of Guyana, when they are being hustled by people in this country for monies for the PPP as claimed by Mr Narine in this letter. This is what has been happening; they have been hustled. Mr Narine further tells us and I quote again from the same letter:



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*– what was especially disheartening was the President mixing investment promotion with fund raising. In my opinion the audience for these two activities is not necessarily the same.*

Mr Speaker, there is a long list of missed-opportunities on investment and I wish to point out some of these and show why I have no confidence in the restructured GO-INVEST. We know of the matter involving Georgia Caribbean International, whose quest to set up a plywood factory under the Interior Savannahs Project was still-born and is still still-born. GCI Limited had a greenhouse planting stock that was earmarked for Kimbia but could not reach a deal with GO-INVEST and his Excellency Mr Jagdeo who was then the Minister –  
[Interruption]

In a press release published in Stabroek News on September 4, 2000, Mr Jack Vicky, the Managing Director, blamed GO-INVEST or someone whose name I am told I cannot call too often and the Government of Guyana for foot dragging. He couldn't deliver then. What is there to convince us now that the gentleman would deliver investment to this country. The CASE - UNAMCO Investment Project for a private factory has been greatly publicised, that US\$70 million plywood and sawmilling operation at Kwakwani is also a still birth.

Mr Speaker, in November of 1995, the Minister of Finance was somebody whose name I am told I cannot call, he announced to the nation that major investments were coming to Guyana. He said that he met with sixteen investors and he cleared up the irritants facing them. He announced that Solid Timbers were investing US\$250 million in the forestry sector. What has happened to this investment?

He said that Buchanan of Canada was interested in investment in the forestry sector. What has happened to Buchanan? He told us about Alex Ling of Singapore of the Maphira group, of the Cretaro Investment group and about Lee Ling. What has happened to all of them? Let me tell you, Mr Speaker, what has happened to them. The Government

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dragged their feet for years and just before the 1997 elections issued some licenses but this came just before the 1997 elections. It was an election gimmick and a ploy to hood-wink the nation and the population at large. They procrastinated and the investors simply got fed up and left.

Mr Speaker, the forestry sector is not alone with complaints about government's tardiness and incompetence. Miners, manufacturers, the service industry and the operators in the sea-food industry, all of them have similar stories. There has not been any significant investment in the fishing and food sector. Star Seafoods in Rosignol is now closed down, I understand and that is a shame, it was one of the pride projects of the PPP/Civic Administration when it came up in 1992. Prettipaul Singh Investment on the East Bank is no new investment, it is just a matter of change of owners, it was already existing and someone bought it over.

*In manufacturing, I wouldn't call any names. With the exception of a few companies such as Precision Wood Working, Ruimveldt, whose pioneering work in furniture manufacturing must be commended, very little is earned in Foreign Exchange in this sector.*

The same is true of the non-traditional sector in agriculture, aquiculture, the favourite buzz-word of Minister Satyadeow Sawh, but the weight that the Minister gave did not match the economic reality. That is a fact. However, we must commend those who have ventured into this area of agriculture and we wish to urge the Government to give as much support to these investors.

We have to note, Mr Speaker, the worrying forecast of our copra producers in the Pomeroun. There are large stockpiles of copra and many of our copra farmers are now living below the poverty line. In fact I wish to quote from an article in the Stabroek News Thursday, March 8, 2001 and this is what it says:

*The producer says that some families could not longer*

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*afford to send their children to school due to the absence of market for copra.*

That's a shame, I recalled when the Pomeroon Oil Mill was opened, the great pomp and ceremony and the big publication in the Chronicle. Now people are starving in the Pomeroon, Mr Speaker. This is shame for this country. Yet when we look at the Budget, Mr Speaker, there is a forecast of an increase of two per cent in other crops. How can the Minister justify this number given the fact that there has been a general decline in farming? Consistent problems associated with access to roads and markets - poor farm-to-market roads and an absence of credit facility and people have moved away from farming as an economic activity. How can he justify it?

Mr Speaker, before I turn my attention to Foreign Trade, sugar and rice, let me deal with the issue of the development bank as the Minister addressed it in his Budget presentation. I know that this government cannot accept that it makes mistakes. They believe that they are perfect but they must be reminded that they closed down the GAIBANK knowing it was a mistake. They knew it was a mistake and they still closed it down. It is for this reason that the Government is even reluctant to support by itself the creation of a new development bank. That is why the Government has urged the private sector of this country to spearhead the drive of the establishment of a development bank. The Guyana Manufacturing Association has been the driving force behind such an institution and I can see that the Hon. Minister of Finance has acknowledged the important role that such an institution can play in our economic development. Permit me, Mr Speaker, to quote from page 19 of the Budget Speech. Minister Kowlessar says

*Once operational this development would be an important source of financing for small and medium-sized enterprises in the manufacturing, commercial and industrial services, Agri-industry, private health care facilities, and tourism.*

This statement comes almost seven years after the Government threw

away the baby and the bath-water and closed down GAIBANK. Shame, Mr Speaker, seven years of mistakes they are trying to correct and shame-facedly they would not accept the blame. They are putting the responsibility on the private sector, on the PNC, slow fire. The Government, Mr Speaker, should never have closed this institution. If the problem was the management, that ought to have been addressed but any action that is based on spite, will lead to economic distortions and dislocations that are not easy to quantify. Our economy would have been farther ahead and the economic jump-start that this Government inherited in 1992 would have continued if we had a development bank to help the very same sectors that the Minister now lists. I know that the closure of GAIBANK was before the Minister assumed office but when one listens to the naive rebuttal of one of his colleagues who is not here today, during the debate on the President's Address to the Parliament, there were some who said that there were many unsecured loans given under the PNC administration that went bad and that is why GAIBANK was closed, you can understand the mind-set of the Government. The PPP Government had the power and Section 52 of the COFA Act Cap 75:01 laws of Guyana, to absorb the foreign exchange losses on long term liabilities resulting from the devaluation of the Guyana dollar that affected the GAIBANK. That's a fact and they failed to act in that regard. The Auditor General was here, I wish he had stayed because the Auditor General Mr Anand Goolsarran drew this to the attention of the Government in two letters of December of 1993 and in September of 1994. Mr Speaker, foreign exchange risk that is related to macro-economic stability is the sole responsibility of the Government of Guyana and was beyond the control of the management of GAIBANK. The PPP failed to convert the foreign exchange losses of GAIBANK even though the laws of Guyana provided the necessary authority to solve GAIBANK's problems. Yet we see that in 1995, the Bank of Guyana, after completing a risk analysis was able to cover its losses of G\$138 billion with the issuing of Government's securities.. This was authorised in accordance with Section 8: 3 and Section 51:2 of the Bank of Guyana Act 1995, No. 11 of 1995. Mr Speaker, the Government failed to help GAIBANK and relied on two so-called consultants who closed the doors

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of GAIBANK, the rationale given was that the commercial banks in Guyana would have provided the long term credit and it would have been less expensive to Government if this was done.

Mr Speaker this was bad advice because any financial economist knows that commercial banks typically do not lend long term because of mis-matching problems, that is, short term liabilities cannot be used for long term investments as this could lead to liquidity and repayment problems. Mr Speaker, most of the farmers who have loans from commercial banks for long term investments in Guyana are facing this problem. It is interesting to note that the loans which are held at the GNCB are loans that were granted after 1995 under the PPP/C Administration. The loans that were not serviced prior to 1995 were transferred to a new institution called GCFS. It is clear that those who are the largest beneficiaries of loans since 1995 are connected to this Government. The historians of the PPP should stop living in the past and look at its own records. *[Applause] [Interruption]*

**The Speaker:** Time, Hon. Member.

**Mr Robert H. O. Corbin:** Mr Speaker, I move that the Hon. Member be given fifteen minutes to conclude his presentation.

Question **put and agreed to.**

**Mr Jerome Khan:** Mr Speaker, let me turn now to **Trade and Agriculture**. Mr Speaker, there has been a glaring omission, I would add, an inexcusable omission on the matter of Trade and Agriculture that boggles the mind. How can we prepare a Budget and no mention whatsoever is made of CARICOM? CARICOM is a major player in our total trading arrangement and particularly so in the area of sugar, rice as these are the markets that we are aiming to develop. CARICOM is a major purchaser of rice, a major source of Guyana's fuel, gas and other consumer products. Moreover, we are jointly negotiating our external trade relations with sister countries at a juncture of such an important period of our history since independence.

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Mr Speaker, it is interesting to note that week after week, our new Minister of Foreign Trade and International Co-operation, the Hon. Clement Rohee writes long essays in the Chronicle about these matters and nothing is included in the Budget. It looks as though Mr Rohee and Mr Kowlessar are not speaking to each other. This is an insult to our partners who are battling alongside us with treaties at the World Trade Organisation, the Free Trade Areas of the Americas, LOME IV and Post LOME Agreement and the COTONOU Agreement.

Moreover, CARICOM is potentially the most important outlet for Guyana's sugar and rice and these sectors are currently faced with a number of threats. One such threat is NAFTA with Mexico expecting to supply in the medium term sugar that is produced far cheaper than Guyana. Surely it could not have escaped the Government's attention that the bulk of the European Union's Protocol of sugar imports are set for revision and since the Protocol is based on pricing of our sugar and the European price in their domestic market and that price is likely to face a decline in prices as European liberalises its domestic agricultural regime, we face a future of declining prices. All of these things are happening yet nothing is mentioned in the Budget, surely there has to be a collaboration between the Ministries of Finance and Foreign Trade. This is an embarrassment to our country and I urge the Minister of Finance to seek help from this side of the House, if he needs, because we are prepared to help him.

Mr Speaker, the proposed expansion of the sugar industry is taking place at a time of great uncertainty. Instead when the announcement was first made by GUYSUICO to expand sugar output and export, the price of sugar on the world market was approximately four cents US per pound. The Budget gave us an estimated cost of production for the new sugar production of nine US cents per pound. Previously and in other places, US eleven and thirteen cents per pound were being quoted. It would appear that the Government is massaging the statistics to secure the cost reduction that would make GUYSUICO's proposal seem plausible.

The Government did the same thing with the projected annual growth which they had initially projected to be at 2.8 per cent for 2000, but they miraculously came up with a figure of 0.8 per cent. This approach is typical of the style of this administration. With the present acreage under cultivation

between 1996 and 2000, there was a decline of US \$50 in sugar revenues. Indeed part of this was due to the decline in the Euro against the US dollar, but this was not the only reason. Some of it has to do with the activities of some members of the board and there is no secret of what has been going on here. The impatience of the people out there will demand a full investigation.

I will now turn to **Rice**, Mr Speaker, because I realise I have a few more minutes. The rice industry is very dear to me as I am a son of a rice farmer. On page 7, paragraph 3.2 of the Budget document, we read that rice production fell by 20.1 per cent. The output of rice was 291,841 tonnes compared to 365,469 tonnes in 1999. We are told that heavy rainfall led to flooding. This we are told had an effect on the second crop. Mr Speaker, this is not the full story, the failure of government to adequately maintain the drainage and irrigation network in the rice cultivating area caused many farmers to abandon their lands. The decline of the acreage under cultivation also featured in the foreclosure by banks.

Indeed the export price per tonne fell from US\$283,000 in 1999 to US\$250,000 in the year 2000. This is presented in the Budget at page 9 paragraph 3.9. This greatly affected the viability of farming as a low price was paid for paddy. Currently the rice industry owes \$14 billion to commercial banks alone and that amount is climbing. What the Government has done is set up a Tripartite Committee.

The monthly crew of experts that was assembled by the Government is really a Government pressure group whose recommendations the government will act upon. The Government is really pulling a sham forcing this group to engineer what they should do.

Recently the Tripartite Committee came up with another gimmick called a Ten Year Development Plan. Imagine, Mr Speaker, that Plan completely ignored and did not take into account arrangements under the WTO, the FTAA and other Agreements. I believe the Hon. Minister Chandarpal has since established another Committee. I believe the Minister saw the wisdom of getting rid of this current Tripartite Committee.

Mr Speaker, I know my time is finished but I would like to say a few words in concluding, I would have liked to speak more on rice but in concluding, my contributions to this Debate, Mr Speaker, let me make reference to page 28 paragraph 4.17 which states that \$2.1 billion would be spent in the agriculture sector for this year. While this is commendable, I wish to remind this House that it does not matter how much we spend on increasing productivity yields per acre among other things, we have to focus on new markets. It is not that difficult, if partisan politics is thrown in the dustbin and a collaborative approach is nurtured. We are willing on this side of the House to help the Government. Thank you, Mr Speaker. *[Applause]*

**The Speaker:** Thank you Hon. Member. The Minister of Foreign Trade and International Co-operation.

**Hon. Clement J. Rohee:** Thank you, Mr. Speaker. Mr Speaker, I rise to join with my colleagues who have given the usual commendations to my colleague, the Hon Minister of Finance in presenting a Budget for the fiscal year, 2001, in a manner and in a way which most Guyanese would have no difficulty in accepting and appreciating.

Mr. Speaker, one of the first things I sought to do when reading the Budget Speech was to look at the theme of the Budget, and the words, I must confess, Mr Speaker, by their nature tell a very moving and interesting story, when it says, "Moving Guyana Forward Together".

Mr Speaker, each of those words has its own weight and significance and as I see it this theme for this year's budget must not be seen as a mere slogan, but as a theme with deep and significant meaning. The



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word "Moving" shows dynamism, shows movement, shows prospects. The word "Forward," in similar fashion, indicates movement in a forward direction and "Together" is a word which is very familiar with many of us in Guyana today, that is, moving together as a country and as a people, to place Guyana and to reposition Guyana in an extremely troubled and difficult global arena.

Mr Speaker, when we examine the theme of the Budget presentation, in the context of the current global situation we find there are certain characteristics which we obviously cannot ignore and it is important for us to note these features because it is precisely these features that influence the growth or the failure and the success of our country's economy.

First, it has been said that the external environment in which we operate is hostile. I doubt whether anyone who follows even the basic element of what is going on in the world would deny that the current international economic situation is one that is characterised by a tremendous degree of hostility, especially towards developing countries such as ours.

The second element which we have to give consideration to, Mr Speaker, is the fact that, as we all know, this is no secret that trade preferences from which we have benefitted tremendously since colonial or post colonial times are now being eroded. And this is not only of relevance to Guyana, it is of relevance to almost all developing countries without exceptions. And because Guyana has not managed to diversify as much as it would wish to, its exports and its economy and because we still export mainly commodities, we are going to suffer seriously from the threats as a result of the threats to these preferences.

Mr Speaker, another important factor which we have to take into consideration is the fact that the Global Trading System in which we operate at this point in time is a system that is grossly unfair to countries such as ours, and we, as a result of recognising the fact that this system is so unfair, we worked assiduously as a developing country to try to put

in place a rule-based system which became exemplified with the establishment of the World Trade organisations. But having established the World Trade Organisations, it was clear that we in the developing world were still to be placed at such a tremendous disadvantage.

One other factor which is important for us to note, Mr Speaker, that is of great significance to us is the decline in Overseas Development Aid or Overseas Development Assistance (ODA). I think, the Hon. Member, Mr Murray, asked why it is that a country like Guyana was not able to improve its economic and social well-beings. Notwithstanding what is happening in the external arena, these are some of the factors that we find attributable to this situation. But it is not enough, Mr Speaker, it is not enough to put the blame on external factors. We must also look at the internal factors and when we look at them, we will find that we have no one else to blame but the Opposition who has continuously ...  
*(Applause)*

It is very good to see Mr Speaker, that our friends on the opposite side of the House appreciate the logic of the argument. *(Laughter)* It is only natural, Mr Speaker, that they should do so.

Mr Speaker, what we find in this situation also is the widening gap between the rich countries and the poor countries and the fact that . . .

Mr Speaker, the President of the World Bank. Mr Wolfenson, wrote a letter to the Secretary General of the United Nations, and also to the International Monetary Fund and the World Trade Organisations, and this is what Mr Wolfenson had to say

In respect to increasing Trade access we must unite to support open markets for products in which developing countries have a comparative advantage.

*Dismantling barriers to trade is an essential element in the fight against global poverty. Opening global markets for agricultural products would offer an additional market potential of \$50 billion per year and investment in*

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*infrastructure and quality control, but trade will give the promise of the future and it is only fair that markets should be opened.*

This is coming from Mr Wolfenson to the WTO and the International Monetary Fund.

On the question of increasing ODA levels, Mr Speaker, this is what Mr Wolfenson had to say and I quote:

*We need to reverse the dismal trend of the 1990s in an era when effective use can be made of aid especially on the basis of the common guiding principles. This is the time to increase aid.*

Mr Wolfenson, contrary to many members of the donor community who are saying, that what must be done is more emphasis must be placed on trade and not aid. Mr Wolfenson, on the other hand is arguing that increased aid must be given additional attention. He goes on to say, Mr Speaker:

*Perhaps it is time for a consorted appeal to the developed countries, perhaps directed at the Heads of Government of the major donors. We must make clear once and for all that ODA is not charity, but an investment in global stability and peace. We should remind the world that current levels of ODA at 0.24% of GDP fall short of the 0.7% promised and that this difference is \$100 billion per year, nearly twice the level of existing ODA of \$55 billion per year.*

Mr Speaker, I refer to these figures and these remarks of the top executive of the World Bank, because these are precisely the questions which affect developing countries and were we to benefit from these kind of facilities which the major International Financial and Trading Institutions are calling for, obviously, we will be in a different situation compared to the one which Mr Murray spoke about.

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And, Mr Speaker, it is not unusual for countries who once enjoyed high growth rates as we did in 1992 for those growth rates to eventually taper off and reach a level where you rely more and more on domestic savings, more and more investments in order for the economy to improve. And that is precisely what has happened with the United States under President Clinton. The economy was on a tremendous upswing, but President Bush came in and made the prognosis that the US economy would clearly suffer from certain shocks and suffer from certain insurgencies which as a result did take place and now we are seeing US economy, having enjoyed such a tremendous boom is not in some degree of stagnation.

Mr Speaker, we remain optimistic but to do so, we have to work very hard to reposition our economy and our country. To do so, Mr Speaker, we have to get into the main stream of the global economy, we have to get into the mainstream of the new economy and we have to get into the mainstream of the Global Trading System.

Mr Speaker, I want to submit that repositioning or seeking to reposition Guyana in this turbulent world is not an easy task and in fact it comes with a cost. All the elements or all the demands for transition have a cost. Mr Speaker, and this cost has to do with internal measures as well as external measures. What are some of the internal measures ?

The Budget Speech, Mr Speaker, made clear reference to many of these, for example:-

1. We have to seek and work steadfastly to bring about constant growth in the economy and we cannot have constant growth in the economy if the country is not united with people with a single purpose in mind. We keep from time to time heaping praise and giving great admiration to the Asian Tigers. But why are these countries in the Far East making such great progress? It is because the people have a single purpose of mind in development and the desire in which the country should go.

2. We have to work for an expansion in our economic base, we

have to work for the diversification of the economy;

3. We have to ensure that there is a steady flow of investments

4. We have to work for the improvement of the physical and the social infrastructure.

5. We also have to work at the Speech as the Minister has said.

“For the expansion of electrification programme, development of telecommunications and the use of the information technology”.

Mr Speaker, these are the objectives which we have set ourselves. These are the fundamental elements that constitute that Vision. We also have to improve our drainage and Irrigation and invest more in human capital especially in building capacity in many of the institutions which have to deliver goods and services in this country, and further to work hard to put in place the regulatory framework and the institutions as well as the legislations that require these institutions to function. Side by side with this, Mr Speaker, we have to constantly take steps to liberalise more and more our trading and our trading relations and the economy. We have to work more to open the economy more than it is at this point in time, but a critical factor and I want to emphasize this point, Mr. Speaker, many of these elements which I refer to will not succeed unless we have political stability in Guyana. And political stability is the responsibility of all [*Applause*] including those on the Opposite side of the House. Because, Mr Speaker, we cannot want to benefit from globalisation and trade liberalisation, we cannot want to benefit from an economy that takes off and at the same time work to destabilise that country and its economy.

Mr Speaker, the Hon. Member, Mr Murray, expressed some degree of surprise about growth taking place in the developing world and Guyana being part of the developing world, how come, he asked, this growth is not taking place here? Mr Speaker, it is easy to make that type of argumentation, but one has to determine, one has to desegregate developing countries from among themselves, because there are many

developing countries among developing countries who have the capacity to benefit more from trade liberalisation and globalisation than we have. They have the capacity to do so and in fact they have been doing so. How can you compare Guyana which is indeed a developing country with let's say a Malaysia, a Singapore, a Thailand and India or a China . . . [Interruption: 'Barbados'; "I am coming to that, I am coming to Barbados, let me go wider and then I will come home to teach you a lesson"] [Laughter]

Mr Speaker, the developing countries have a tremendous degree of denunciation among themselves. They are not all of the same economic level of development, they are not, and many of those of you who sit on the Opposite side of the House are aware of this. So when we seek to obfuscate the argument that how come you explain the developing world making so much progress in leaps and bounds? How come Guyana is not doing so? That is the lesson for you to learn.

Mr Speaker, in the Caribbean when Guyana signed the Treaty of Chaguaramus, Guyana fell into the category of an MDC or was placed to sign on the category of a MDC while there were a number of countries who were designated LDCs especially the OECS countries (Organisation of Eastern Caribbean states) but what we have found today is that many of the LDCs have now become MDCs and some of the MDCs have now become LDCs. If you look at the per capita income of the OECS countries of the LDCs, you will see that it by far surpasses Guyana. And what is the reason for that? What is the answer for that? The answer has to be found in the history after independence, Mr. Speaker, because after independence and since the signing of the Treaty of Chaguaramus, Guyana not only moved from an MDC and virtually became a LDC because of the policies which the PNC pursued in those days. [Applause] Mr Speaker, but we have sought to rescue the situation and by virtue of the single market and economy, by virtue of the negotiations to establish the CARICOM Single Market and Economy, there is a special protocol called the Protocol 7 which establishes counties that have disadvantaged regions and countries that have disadvantaged industries. Guyana, in those negotiations managed to have itself inserted in Protocol 7 of the Single

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Market and Economy as a country that is disadvantaged, that has disadvantaged regions and that has disadvantaged industries. As a result of that when the Treaty amending the Treaty of Chaguaramus comes into existence and the Single Market and Economy is launched, Guyana will stand to benefit significantly as a result of that proviso that has been placed in the Protocol 7.

More than that, Mr. Speaker, Guyana is now known as a HIPC country, a Highly Indebted Poor Country.

Mr Khan didn't say that, he purposefully and intentionally overlooked the fact that Guyana is a Highly Indebted Poor Country. How did Guyana become a Highly Indebted Poor Country? It was because of the mismanagement and the maladministration of the PNC. *[Applause]*

Mr Speaker, Mr Khan made a hue and cry about the rice industry and the sugar industry but he omitted to mention, either by omission or commission, Mr Speaker, the fact that Guyana under the PNC imported rice from Italy. You made this country import rice from Italy and further you made this country import sugar from Guatemala. *[Applause]*

**Mr Deryck Bernard:** Mr Speaker, I would like on a Point of Order - How could the Hon. Member address Members on the other side directly?

**The Speaker:** Hon. Member, Mr Rohee, please direct your remarks to the Chair.

**Hon. Clement J. Rohee:** Mr Speaker, we therefore have many lessons to learn and I think those who are now in the Opposition must be grateful to the Guyanese people for putting you there, because you are now learning what we learned having been twenty-eight years in the Opposition and in the political wilderness. It will put you in good stead.

Mr Speaker, Government has seen it fit in the context of all the difficulties which developing countries are facing in the world today to

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establish a specific Ministry to treat with Foreign Trade and it is precisely for this reason that as a result of the establishment of this Ministry, Guyana is now able to play and to place greater focus on one of the major areas of economic development and prosperity for Guyana.

Mr Speaker, the National Development Strategy which is a guide to every sector as we move towards and further into the twenty-first century, states

*International trade is a core activity of the economy and therefore the steps that are required to support its further development are far reaching and diverse.*

It goes on to mention

*A number of principal measures are required for this to take place.*

I would not at this point in time, Mr Speaker, burden the House with those measures because they are not only significant by virtue of their numbers, but they are significant by virtue of the issues they seek to address.

Mr Speaker, in examining and in pursuing the foreign trade interest of Guyana, we have made it clear from the inception and at the first meeting of the Council for Trade and Economic Development (COTED) held in this country that we are not going to allow this country to be taken for a ride any longer when it comes to Foreign Trade matters of a regional hemispheric or global level.

We therefore now have to put in place the machinery and the tools in order to accomplish this. Mr Speaker, we are working to ensure that the threats to the preferences to our own sugar and rice are not done to bring great harm to our country. This is a question of negotiation, Mr Speaker, and we shouldn't come to this Honourable House as some have sought to do to make rather irresponsible and bland statements without understanding what this process is all about.



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Mr Speaker, we are working together as we have to with other developing countries in the African Caribbean and Pacific Group, with our countries in CARICOM. The Hon. Member Mr Khan, keeps blowing hot and cold about CARICOM as though nobody knows about CARICOM and he has suddenly awakened to tell us about CARICOM. For us, Mr Speaker, CARICOM is our first frontline of defence, everybody knows that, that is ABC, you don't have to go to school to learn that. *[Laughter]*

Mr Speaker, we are saying that because we are an integral part of the Caribbean Community, we have to work together because each and everyone of us is going to be affected if it is not with respect to rum, it is going to be with respect to sugar, if it is not with respect to sugar, it is going to be with respect to rice, services and so many other things. Therefore we are working together, Mr Speaker, in what we call the Regional Negotiating Machinery and the Regional Negotiating Machinery is the machinery that is going on behalf of the Caribbean with the inputs from each of the Member States, the constituents of the Caribbean citizens, that is going to advance not only their collective interest but their individual interest at the negotiating table. And that is why at the meeting that was held here in Georgetown, a special meeting of the Ministers of the sugar producing countries of the ACP, we made the recommendation that we should seek to negotiate for an increase in the guaranteed price as a compensatory measure which would come as a result of 'everything but arms' initiative which the Hon. Member, Mr Murray referred to. Of course we would be affected by the Everything But Arms Initiative because it is discriminatory in favour of the Least Developed Countries but we simply cannot throw up our arms and say that all is lost. I never said that. The Hon. Member said that, Mr Speaker. I am saying that there is room for negotiating a deal or an agreement which can ease the impact of this Everything But Arms Initiative on a country such as Guyana.

Mr Speaker, we continue to hold the position that the Sugar Protocol as enshrined in all the conventions between the ACP and the EU up to the current convention that was signed in COTONOU recently is sacrosanct, that the sugar protocol is sacrosanct and has a life and a

legal status of its own and of indefinite duration as was said by the former Minister of Agriculture. So that we should not engage in fantasies of wild expectation or panic and build dragons in the sky. There are still great prospects ahead for us to take advantage of, to turn what might be perceived as disadvantaged situations to our advantage.

Mr Speaker, on the question of rice – *[Interruption]*

**The Speaker:** Hon. Member, if you are not going to conclude shortly, you require more time maybe we can take the suspension now. Would you require more time?

**Hon Clement J. Rohee:** Yes.

**The Speaker:** Hon. Members I think this is a good time to take the suspension. The House is suspended for half an hour.

**Suspension of Sitting at 17:00h**

**Resumption of Sitting at 17:30h**

**[The Deputy Speaker in the Chair]**

**The Deputy Speaker:** The Hon. Member, Mr Rohee. Time.

**Hon. Reepu Daman Persaud:** Congratulations, Madam Speaker. It's a pleasure having you presiding this afternoon. Allow me to move an additional fifteen minutes for the Hon. Minister to conclude his speech

Question put and agreed to.

**Hon. Clement J. Rohee:** Thank you Madam Chair. Madam Chair, I was referring to the question of trade and rice within CARICOM and beyond CARICOM and I would like to make three quick points on this:

First and foremost in respect of trade and rice beyond the Caribbean Community, as a result of the declaration on rice which is to be found in

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the COTONOU Agreement, a joint working party has been established between the rice producing and exporting countries in the ACP. A certain sum of Euros has also been allocated to help with the modernisation of the rice industry and the ACP and the study has already been completed with respect to the utilisation of those funds and the modernisation of the industry in the region so as to make those industries more competitive in the global market.

Madam Speaker, within the Caribbean Community, as the Honourable House is probably aware, we have been faced or are facing a number of problems with respect to market access in the countries in the Caribbean and we have been working very aggressively to dismantle those tariff and non-tariff barriers which have been established to prevent our rice from accessing those markets.

I made the point at a Meeting of Trade Ministers that we are losing almost US \$22 million annually as a result of these barriers to trade within the region and we simply cannot afford to lose US \$22 million every year as a result of technical barriers to trade that have been established by certain CARICOM countries, and we are working as aggressively and assiduously as we can to have those barriers dismantled.

I have also made it very clear to my colleagues, Ministers in the Caribbean Community and I would like to quote from a speech I made at one of the meetings where I said;

*We need to take an urgent look at the basic principles upon which our trading arrangements are based. What we now have in place is a system that heavily favours those countries with relatively large manufacturing capacities while penalising those who are essentially suppliers of raw materials and intermediate inputs.*

And we have requested certain actions to be taken by Member States and the Secretariat to correct those deficiencies in the system.

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Madam Speaker, unfortunately the Caribbean Court of Justice has not been established as yet. The Caribbean Court of Justice will be the appellate court to which trade disputes will be taken, it will be an original court for original jurisdiction and in cases like these we expect that when such disputes arise on trade matters, they will be taken to that body for adjudication and for resolution and we will no longer have to rely on the goodwill of a government of a Member State to have a problem of this nature resolved.

Madam Speaker, we have been pressing the case for special and preferential treatment to small states such as ours and in this connection we have argued very successfully for the larger economies in our part of the world to put in place special arrangements to provide for technical and financial assistance as was in the case of the European Union which allowed the weaker states within that Union to increase their level of development to a certain degree so that they can compete on a level playing field with the other larger European Union partners. In that respect when the then Chairman or the current Chairman of the Caribbean Community spoke at the Quebec Summit of the Americas this is what he had to say

In treading a similar path though faced with less disparities, the European Union saw the need and the wisdom to create special financial and other mechanisms to harmoniously and beneficially integrate its poorer societies fully in its community. Nothing less is required if we are to build a successful community of the Americas.

Madam Speaker, this has to do with the disparities, how to address those disparities that currently exist with the Free Trade Areas of the Americas.

We are going to be, sometime later this year, working to put a number of pieces of legislation in place to ensure that our foreign trading arrangements are well regulated. We intend to, for example, draft legislation on intellectual property rights, competition policy, free zones legislation, e-commerce legislation, subsidies and anti-dumping legislation.

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We are also considering inviting the World Trade Organisation to come to Guyana to do a trade policy review so that they would look at our bill of health in order to ensure that we have the appropriate regulatory mechanism in place to ensure that we benefit from the process of globalisation and trade liberalisation.

Madam Speaker, a lot has been said about investment and about the demise of GO-INVEST and GO-INVEST is not going anywhere, et cetera. Well, I would wish to quickly refer to page 27 of the Speech of the Hon. Minister which listed a number of activities which the Government intends to pursue:

1. To create the climate for attracting investment.
2. To put enabling legislation in place to treat with investments as well as institutional arrangements in place.

I believe we have to go beyond this talk about 'we brought OMAI' and 'we brought BARAMA.' I think we have to go beyond who brought what and who did not bring what. That is not going to get this country anywhere. What we have to talk about is how to bring more investments collectively as a people to Guyana. It is no point in pointing fingers, 'I bring BARAMA, you didn't bring BARAMA' and that kind of thing. That is not going to get Guyana anywhere. So that Mr Ming and the Guyana 2001 plan would become very useful, not for the PPP/Civic, Madam Speaker, but for the nation if it is to come into fruition. So I do not believe we should engage in that 'one plus one equal to two' and one minus 'one equals to nothing,' when measuring who brought investments and who did not bring investments here. We have to have a vision on how to take the country forward.

Madam Speaker, heavy weather was also made on the issue that the Government is placing a tremendous amount of dependence, if not reliance, on external financing for its development programme, but if I may, Madam Speaker, quickly refer to what was said by the Hon. Member, Mr Hoyte, in 1988 when he addressed the Supreme Congress

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of the People. This is what he said and I quote for those of you who were around in those days:

*I have already made it plain to the nation that for this purpose that is, stimulating growth and development, we have to secure needed consumer items.*

He went on to state, Madam Speaker:

*The indispensable catalyst for success in achieving this objective is the International Monetary Fund.*

Madam Speaker, trade is a powerful engine for economic growth and development. Trade is vital to the well-being of all nations and citizens and it is a key contributor to economic growth. We cannot afford to have weak trade policies or weak investment policies. And we believe for this to happen, as the document says, we have to work together and we have to move Guyana together forward.

Madam Speaker, recently I was in Jamaica and to conclude I found a very interesting newspaper article which talked about problems in the Dominican Republic. It says, 'Oil dropped from plane to heal the nation' and let me quote for you what it says for you to conclude:

*Three evangelical protestant leaders in a small plane poured olive oil over the Dominican Republic hoping that the blessed oil will heal the troubled nation.*

It went on to say:

*This operation will serve to heal the Dominican Republic because we understand that it is sick and needs to be healed by the blessings of the Lord.*

And further said

*... more than three hundred and sixty-four gallons of olive*

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*oil were being poured from the plane in an operation costing US \$226,500.*

Madam Speaker, I don't want to recommend we do a similar exercise like this in Guyana. I think Guyana and Guyanese are way beyond this type of exercise in order to heal our nation. Let us move forward as a united people to bring the best for the Guyanese people as one people, one nation and one destiny. Thank you. *[Applause]*

**The Deputy Speaker:** The Hon. Member, Mrs Sheila Holder.

**Mrs Sheila V.A. Holder:** Madam Speaker, I would like to be associated with the comments acknowledging the work of the Hon. Minister of Finance and his team in making the presentation of the Budget in this House of Assembly. Predictably the economy contracted for the second consecutive year as a result of bad weather perhaps, but political stability and ineffective economic policy definitely.

The Hon. Minister of Finance in his Budget Presentation directed the House to the Government's mandate to continue the task of nation building by working with the political opposition and other groups to create a lasting environment of peace, trust, stability, requisites, he said, for attracting investments and bringing about economic progress for social development in the country. The nation can only agree wholeheartedly with the Hon. Minister as these are the dreams of our people. But it should be told that they are becoming pipe-dreams unless serious attempts are made to establish the economic fundamentals. This country that once boasted about its ability to be the bread basket of the CARICOM Region is today being described regionally as a 'basket case.'

Rice, sugar and bauxite the old pillars of the economy have been experiencing difficulties for some time now, while the talk about diversification, attracting new investment continues. The Government has become notorious from mouthing the rhetoric about the private sector being the engine of growth but has failed to walk the talk and has opted instead to rely on its massive US\$18.7M infrastructural development

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programme and the well provision, poverty alleviation programmes to keep the economy going.

Such an offering could save us only in the short term, creating a climate of political stability and attracting investment. These are the essentials the government has to work to achieve. To his credit, the Hon. Minister in his presentation informed the House about the kind of climate he hoped to create in order to attract investment for our job-starved population, all laudable. But when the veil is removed from the plan he offered, we find a lack of investor confidence, a cause for serious concern, and opportunities existing for instability in very important areas.

The Minister of Finance's consultation with stake holders, for instance, prior to the Budget presentation is proving to be more a tool for the creation of discontent than the goodwill process it was intended to be. We see greater weight being put on the preparation of the public account per se rather than on the corrective action recommended to allow the strengthening of accounting procedure, to improve the quality of financial governance.

We observe the long delay in relation to the modernisation of the Central Tender Board System and we note the revelations of abuses and substandard public works getting past the process and raising alarms about the quality of public works executed. Meanwhile a loss of confidence in the process has reached alarming levels. I draw to the attention of this House, Madam Speaker, a ground-breaking study by Professor Chang Ging Ri of the Harvard University School of Governance. The study showed that corruption affects the flow of direct foreign investment to developing countries on the scale of zero to ten a full one per cent increase in corruption levels associated with a sixteen per cent reduction inflows of foreign direction investments. Transparent T. International and the IADB have also revealed in separate studies that investments to developing countries increased dramatically when steps were taken to curtail corruption and institute better systems of accounting and disclosure of information both at the private and the governmental levels. And so to the extent that the Government ignores the surge of



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corruption in better standards of accounting in the conduct of its business, foreign and local investments of the magnitude desired will continue to give Guyana a wide berth.

I believe that the way to move Guyana forward and together as the Hon. Minister of Finance enjoined us to do must begin with a willingness on the part of the Government to take on board the advice of the people for the income to be raised and for tax reform to be implemented but the government opted not to listen and in so doing it lost an opportunity to sow the seeds of good wealth and put into effect a more equitable tax structure so badly needed in our country. Many convincing arguments have been advanced to demonstrate that our tax system unfairly targets salaried persons and organised business, categories responsible for most of the tax revenues being collected by the Inland Revenue Department. The point has to be made, Madam Speaker, that if a post budget concession could be made to OMAI by His Excellency the President, it should follow that a similar post budget concession should also be made to hard working workers who have seen a twenty-five per cent reduction in the income tax threshold and not the four hundred per cent increase, the Hon. Minister of Finance claimed recently. In view of the recent announcement of the OMAI concession, it is necessary to ask a question: Who is really in control of the Ministry of Finance?

We reckoned that over \$2 billion have been dispersed since the Poverty Alleviation Programme began in 1994, yet there is evidence of increased poverty among our indigenous peoples, more homelessness, destitution of our elderly citizens and more and more street children. In response to the Government's claim of accountability and transparency, I call for an audit of the poverty programme to inform the nation where the money went and how effective the six year programme has been in reducing poverty in this country.

We welcome the plan to upgrade the CBJ International Airport and the Ogle Aerodrome to international standards but we emphasize categorically and state our objections to the proposed Ogle expansion project, since the project given the expanding residential nature of the

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area is not a priori suitable for any airport. So to expand the existing airstrip would be to compound the potential hazards for the surrounding community.

We believe that the Government in refusing to introduce tax reform to take in the recalcitrant taxpayer has unwittingly exposed sections of the unregulated business community to the scourge of banditry now evident in the society, for it encourages tax evaders to keep large sums of money out of the banking system and hoarding under premises. The issue of tax reform is integral to what some call leveling the playing field. It hinges on the creation of an appropriate environment for social and economic justice. The value added tax should be examined carefully within these realities rather than be introduced in a copycat manner.

It is encouraging that attention be paid to the operation of the Guyana Police Force as crime is having a deleterious impact on business in general. The societal instability spawned from the institution's failure to solve criminal and white-coloured crimes, generally, and heinous crimes, in particular, engendered unhealthy feelings in the country that are bound to effect the fortunes of the formal economy.

Madam Speaker, it had demonstrated the Police Force from time and time again that to ignore the opinion of the peoples representative is to increase the growing body of discontent in the society thereby destabilising the Government's own programmes and the Government's stated intentions to work with the Opposition for co-operation for peace and to build on the foundations which had been laid for the economic take-off of the economy.

It seems to me that the Government has a basic obligation, whatever the provocation to place greater emphasis on embracing its responsibility to introduce confidence-building actions and policies, to put into effect the economic fundamental so crucial to laying the foundations for economic growth in the country. Such economic fundamentals must include making the very important paradigm shift to thinking that Guyana's most valuable resource resides not in the vast mineral and forest resources

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but in the intellectual abilities of our people. Those economic fundamentals must recognise that Ministers' inhospitable utterances and inept actions have the potential to do irreparable damage to the business and investment climate. Those economic fundamentals must begin to broaden the policy currently being placed on education to include the rebuilding of the Government's reward system toward improved standards of scholarship and higher performance criteria. Those economic fundamentals must of necessity include establishing and publicly stating the standards by which the public officials will be assessed and do what is necessary to activate the Integrity Commission. Take the bold steps and introduce higher accountancy standards in Ministries and plug the areas of corruption that have become evident as reported by the Auditor General. Remove the long arm of influence exercised through the appointment of politically malleable Regional Executive Officers who often circumvent the wishes of the people in the Regions retarding their legitimate development objectives. Grant the tax exemptions under a structured system to build the confidence of investors.

It is necessary to state that the public's view of the growth in the number of Ministries to twenty-two as the government's way of not only providing jobs for the boys, but also presenting partisan interest with opportunities to feather their nests. Since the increase has not resulted in a better service being offered to the public, it has provided fuel to the public perception that government could, if it wanted, to find funding for the importation of drugs for the HIV/AIDS programme, find provisioning for other services and institutions now starved of the necessary funding, thus creating the environment for poor governance.

The minus 0.8 per cent in the decline of the economy raises once again the important question about the data collection policy of the Ministry of Finance. Questions continued to be raised not only about the needs for new surveys to review the rated value currently in use but also to provide more relevant and up-to-date statistics generally, to accurately gauge the performance of the economy, a necessity in today's global economy.

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With revenues once again projected to lag behind expenses and the domestic debt growing, the Minister should feel obliged to respond to the recurring questions in the society about when the Government envisages the end to the IMF control of the economy. The belief that Guyana is the longest country under the dictates of the IMF raises the specter that the government has failed to satisfy the fund in the management of its economy.

In closing, Madam Speaker, the unmistakable economic fundamental for Guyana is of course political stability, therefore if the Guyana Government is serious about our country's political stability and development, it has no other option but to address this issue. Government has vociferously rejected calls for a national government, it has also rejected calls for some form of power sharing and in so doing, the times appear to give the impression that the objectives of these proposals is the advancement of power sharing per se. Wrong! The objective is to find a solution to the country's recurring and debilitating political problems. If you reject power sharing, you should tell us how and when you intend to bring us peace and stability and economic development which has eluded us in this country for several generations.

As the Government, the major political party has demanded fair play, and that is its right, fair play should indeed reward those who win but the rules of fair play also require that those who lose should find the rules acceptable. The central theme here is that not all rules lead to elemental fair play; some even commonplace rules work against it. Scholars on the subject say, even when rules are perfectly fair in form, they could serve in practice to exclude particular groups from meaningful participation.

In a study of the fundamental fairness in a representative democracy, Lanny Grennier states that sometimes we construct rules that force us to be divided to winners and losers when we might have otherwise joined together. I commend to this Assembly Lanny Grennier's book in which she advances brilliant ideas for a positive, sound solution to political problems like ours.

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The Minister in closing his Budget Speech said, let peace, progress and prosperity continue but, Madam Speaker, this can only be achieved with growth and production, with people's assistance in an atmosphere where there is peace not conflict, to enable us to rise, organise and rebuild as a united front. I thank you. *[Applause]*

**The Deputy Speaker:** The Minister of Labour, Human Services and Social Security

**Hon. Rev. Dr Ramnauth D.A. Bisnauth:** Madam Speaker, let me say, what a delight it is to address you.

I wish to indicate my support for the Motion moved by the Hon. Mr Saisnarine Kowlessar, Minister of Finance for the approval of the Estimates of the public sector and the Budget for the financial year, 2001.

Like my colleagues on both sides of this Honourable House, I too would wish to congratulate the Hon Minister of Finance for what I would want to describe as a courageous act of imagineering. Courageous because, as the Minister himself has pointed out on page of Sessional Paper No. 1 of 2001, *the Budget has been prepared against the background of a very hostile external environment and with the awareness that the year 2000 was a particularly difficult one for this country.*

**Imagineering**, Madam Speaker, as the structure of the word suggests *borrowing from imagination and engineering*, involve the twin processes of envisioning the future and of putting in place strategies to move us from where we are to where we want to be so many years hence.

As the Hon. Minister puts it on page 2:

*We envisage that by 2006, we will have a very robust, diversified economy that is both capable of withstanding adverse external shocks and competing effectively within the new globalised environment.*

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Madam Speaker, I have had to read this quotation, indicating that the Budget revolves around the theme *Moving Guyana Forward Together*. The Hon. Minister describes it and I quote from him:

*– an imaginative attempt to build on the foundations that have been laid for our economic take-off;*

and he doesn't say when those foundations were laid,

*– to promote the well-being of the country; and to address many issues and concerns of the Guyanese people.*

And that's the end of a quote

As for strategy, Madam Speaker, I would suggest that these are given between pages 23 and 43 of the Hon. Minister's presentation. As he summarises from page 23 and I quote from him:

*The strategies plans and programmes that will be fashioned and implemented over the next five years will be in pursuit of the attainment of these laudable goals.*

He then delves into these in some details between pages 20 and 43. Madam Speaker, my understanding of a Budget Debate is that it seeks to examine the merits and demerits of the strategies and indeed of the vision stated in the Budget presentation.

Madam Speaker, at best we may concur with the Hon. Minister's vision and strategy. At first, we may disagree with him in either or both, wholly, partially or in details, but it seems to me that we cannot in all our honesty fault him for having neither. The Hon. Mr Murray has problems with the proposed strategy and has enunciated alternative strategies in his usual very persuasive way. The Hon. Member Mr Jerome Khan, interesting enough cited from past budgets to indicate that how the budget of one year resembles the budget of a previous year. I must confess that as he spoke, I was reminded of how much he resembles Kads Khan of the not too distant past both in stridency as well as in his analysis of the

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Budget. I can only hope that the Hon. Member Mr Jerome Khan lasts longer in Parliament than Mr Kads Khan did., *[Laughter]* to the obvious benefit of this Honourable House and, Madam Speaker, vision is an interesting concept and we can all make mistakes about vision. I am reminded of the young Methodist and it wasn't the Hon. Deryck Bernard, who went to his pastor and said that he had a call to the Ministry, and when he was asked, why he thought so, he said he saw a cloud formation reading GPC, which he interpreted as meaning GO, PREACH, CHRIST. His mentor told him that it could have meant GO, PLANT, CORN.

It is now my responsibility, Madam, to indicate how the Ministry of Labour, Human Services and Social Security will perform within the vision of the first Budget of this Eighth Parliament, with such financial resources as that Budget has allocated to this Ministry. Naturally, I would have wished that those allocations for both current and capital expenditures were more generous but one appreciates that in matters economics for which I have little expertise, vision often bounces up against reality and more often than not we have to settle for what is affordable as every prudent housewife knows.

I wish to indicate, Madam Speaker, that my colleague within the Ministry, the Hon. Bibi Safora Shadick, will treat with matters relative to Human Services and Social Security. I suspect that she receives more than ample support from former Minister the Hon. Mrs Indranie Chandarpal, who deserves fullsome praise for her contribution to that sector. *[Applause]* I for my part, will treat issues relating to labour, recognising that such praise for this sub-sector over the past years that may be discerned are all owed to my friend and colleague the Hon. Dr Henry Jeffrey, former Minister of Labour.

Madam Speaker, one wishes to indicate that under the new, Jagdeo's, administration, Labour has been re-attached to Human Services and Social Security. We are in the process of reintegration, the smoothness of which has been disastrously affected by the fact that the building that housed the Ministry of Labour offices has been completely burnt out with consequent loss on records, equipment and work hours. This

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setback, notwithstanding, Madam, the work of labour must continue. What exactly is this work, not too many people seem to know, apart from Labour's annual involvement in industrial relations matters involving the Public Service Union and the Public Service Ministry over increases in wages. I am sure the Hon. Minister Jennifer Westford would address the matter of wages.

For the benefit of such people, I wish to state what is Labour's mission. It is to contribute to economic and social development by formulating policies that will:

1. Maintain a stable industrial relations climate and adequate occupational health and safety standards, and
2. Provide integrated employment and training services.

**Continued in Part II**



# National Assembly Debates

**PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF  
THE FIRST SESSION (2001) OF THE EIGHTH PARLIAMENT OF  
GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE  
REPUBLIC OF GUYANA**

## Part II

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7TH SITTING

2.00 PM

Monday 25th, June, 2001

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*Continued from Part I*

As the only national system of labour administration, it is our business to provide a range of services, a range which includes:

- the promotion of workers' rights
- the intervention of labour in labour disputes, to provision of conciliation, negation services
- the facilitation of settlements of trade unions recognition claims
- the conducting of labour and occupational safety and health inspections and the enforcement of work environmental changes where these are required
- the provision of industrial and vocational training
- the collection, analysis and publication of statistical information relating to employment, unemployment and job opportunity.
- the promotion of international labour standards through policy and legislation and the organisation of tripartite collaboration and consultation.

Maybe to these we should add

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- the vigorous promotion of public education related to labour matters.

Between 1993 and 1999, the Labour Department investigated and resolved 8,195 or ninety-five per cent of the 8,380 complaints lodged with that Department. It took 91 employers to court and prosecuted against them on some 317 charges. Recovered \$53.8 million for workers from employers, conducted 5,361 labour inspections and identified 4,001 infringements of the labour code, affected 751 reconciliations and presided over the endorsement of 317 collective labour agreements. Trained 993 apprentices and 1,630 youths in the Board of Industrial Training programmes, fifty-one per cent of whom gained immediate employment. Acquired a sustainable system of labour market information and prepared a number of matters for legislation.

Madam Speaker, this fiscal year, and what is left of it, will be most challenging for the division of labour. The immediate challenge will be to reintegrate Labour with the Ministry of Human Services and Social Security while simultaneously, identifying a new home for labour even as we seek to recover and reconstruct records lost in the fire.

Then given the constraints of money due to budgetary cutbacks in our programmatic wish-list and of time, now that half of 2001 is history, we would have to re-prioritise our work programme, boost, redeploy, train and retrain staff for the major tasks of the Labour Department or Division.

The first of these is clearly that of industrial relations. Human relations would have to make a paradigm shift. Mr Whittaker of the GTUC supports this notion. Increasingly it has to be realised that the national tone of labour relations have direct impact on the nation's economic and social development and welfare. This phase, one would have thought, is both clear and axiomatic. Labour relations will have to be conducted in an orderly and disciplined manner with an acceptable norm, national legislation, applicable international labour standards with the protection of the interest of employees high on the mind without prejudice to the

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reasonable profitability and expectations of employers including the state of employer with an eye to the viability of the national economy and the welfare of the general public.

Increasingly in a small country and small economy such as ours, labour relations will have to move from an adversarial posture of confrontations, suspicion and hostility, evident in strikes and plant blackouts to a willingness to see quick, equitable solutions to those problems that are inevitable at the workplace.

Madam Speaker, it is salutary to note that strikes declined from 475 in 1993 to 244 in 1999. In 2000, however, there were 268 strikes an increase of 24 over 1999. Of the 268 strikes, 258 were in the sugar industry. Arguably the strikes listed down there are to the benefit of the workers but in the period 1994 to 2000, the loss in terms of human workdays was 662,004 such days. Certainly, this must have had some impact on the national economy. The basis for the paradigm shift in industrial relations has been already laid in the following landmark legislation passed under the PPP/Civic Administration:

1. The Prevention of Discrimination Act which makes it unlawful to discriminate against workers on the ground of race, gender, religion, disability and, interestingly enough our sexual preference, among other things.
2. The Termination of Employment and Severance Pay Act which provides a national benchmark to which employers must adhere.
3. The Occupational Health and Safety Act, perhaps the most progressive in CARICOM, which provides for Safety Committees to be established in every enterprise with more than twenty employees, and
4. The Trade Union Recognition Act which provides for workers to be represented by a Union of their choice.

In the not too distant future, a year's time perhaps, we would want

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to develop an independent mediation and conciliation service like that of Great Britain. That would be most useful in reducing suspicion and promote goodwill, good industrial relations particularly between government employees and government as employer and up to now with the Minister of Labour as referee.

The Industrial Tribunal Bill is still being discussed by the social partners. This will engage our attention this year. The social partners from private representatives of workers, employers and government will serve on a tripartite committee in equal numbers. The importance of this body cannot be underestimated. It is an important element in the paradigm shift. But it highlights one dilemma, while tripartism is obviously the way forward, the arrival of consensus takes time as we have seen the attempts to introduce the small levy on employers for education, that legislation failed to go beyond the first reading in the Seventh Parliament. 'The apparent sloth' to name a Chairman for the Board of the Trade Union Recognition and Certification. The naming is the Minister's prerogative but in the spirit of tripartism, he would rather proceed by consensus.

Madam Speaker, this year and indeed the years to follow, Occupational Safety and Health will be a preoccupation of the Labour Department.

In the year 1993 to 2000, inspections of workplaces increased by twenty per cent. There has been a seventy-two per cent reduction in the number of reported workplace accidents and days and wages lost by approximately eighty-five per cent.

To assist the work of the National Advisory Council on Occupational Safety and Health, and as that body is with a national policy, with a national plan of action, regulations to give teeth to the act will have to be put in place in the course of this year. Occupational Safety will have to pursue with vigour, indeed it has plan to do so. HIV/AIDS prevention and protection at the workplace. The strengthening of workplace safety committees, will also have to be done. Inspections will undoubtedly be

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set back for some US \$220 million loss by fire of equipment necessary for inspection and measurement.

Madam Speaker, the work done by the Labour Market Information System Committee, another tripartite body has been seriously set back as well. We are being involved in a project with the US Department of Labour, the IDB, CDB and ILO to establish a modern labour market system by the end of this year. We cannot now meet that deadline, millions of dollars worth of electronic equipment and replaceable information, electronically stored, have been destroyed.

Madam Speaker, you will appreciate that the competitive modern industry needs to increase in productivity. It is a part of labour. The Consultative Association of Guyanese Industry CAGI, has been working with the ILO to set a stage for the formation of a national productivity centre. Our support for CAGI and ILO in this regard will continue in the course of this year.

Madam Speaker, I wish to wind up my presentation with a brief discussion on the relationship between information and training. In training and retraining at the technical level, we will have to be more pro-active and at the same time seek to work in collaboration with other government agencies as well as with NGOs. We will have to anticipate, guided by reliable information, what is likely to happen in enterprises like bauxite, sugar and rice, large employers of labour and provide training and retraining for persons likely to be affected by these and other industries. Retraining will enable persons made redundant by adverse economic trends to find employment in a timely way and marketability for their skills and the products of these skills.

It seems to me that the salutary nature of this kind of anticipatory education and training will be obvious for industrial relations, national, social and political well being, conflict resolution and economic development - Clearly one of the ways to move Guyana forward together. Thank you very much. *[Applause]*

**The Deputy Speaker:** The Hon. Mr James McAllister

**Mr James McAllister:** Thank you very much, Madam Speaker. I rise to make my contribution to the Debate on the Budget presentation made by the Minister of Finance, the Hon. Mr Saisnarine Kowlessar.

Before I proceed I would just like to make a passing comment on the preceding presentation by the Hon. Member Dr Dale Bisnauth who from my understanding and my impression treated us to a report on the function of his Ministry over the last year and as a rookie in this House, I must wonder if this is indeed the intention or the purpose for the Budget debate. *[Applause]*

Madam Speaker, I refer to paragraph 1.3 where the Hon. Minister stated:

*– we envisage a country in which our abundant natural resources are harnessed by a resilient and enterprising people to create wealth that is then equitably distributed among the people for their benefit. We are single-minded in our resolve to establish a society in which no one feels excluded from the mainstream of development –*

Madam Speaker, these are noble sentiments which I believe all Guyanese ought to embrace. This is because one-sided government can only lead to stagnation. Spoils that go to the beneficiaries of a discriminatory system will be nothing in comparison to the benefits accruing to all Guyanese under a fair and equitable system. *[Applause]* This is because, Madam Speaker, discrimination can only lead to confrontation and stagnation. Then what will there be to share even if it is to just a few? However, in a stable environment, there will be investment, there will be growth and there will be benefits for all Guyanese. So, Madam Speaker, it is therefore with great excitement that I delve into the projects and figures that combine to make this Budget.

As one of the elected representatives of Essequibo Islands/West Demerara, Region No 3, I paid special attention to this area. What did

I find, Madam Speaker? Roads are to be constructed in Evergreen, Seafield, Leonora, Best, Canal No. 2, Belle Vue, Cornelia Ida, De Willem, Zeeburg and Goed Fortune. What is common about all these areas, rather is that in the 2001 General Elections, the People's Progressive Party Civic won these areas handsomely. So I must ask the question, Madam Speaker, Hon. Members, are these the only areas in need of road repairs, road construction, road rehabilitation? I ask the question, what about Farm, Vergenoegen, DeKinderen, Casper, Stewartville, Den Amstel, Bagotville, La Retraite and Stanleytown? What about Good Intent? What about Phoenix, Leguan and about Maria- Johanna, Wakenaar? These places, Madam Speaker, they roads too. So then, I must ask the question what is the probability that in a system free of discrimination and prejudice, for all the areas in the region that are scheduled for road construction or rehabilitation are places supportive of the People's Progressive Party/Civic? What is the probability in a system free of discrimination and prejudice? I say one in a million, but I noted the Minister apparently in an effort to achieve his equitable distribution identify three stand-pipes for De Kinderen, so I ask myself, is he bringing the water from Mars that would make three stand-pipes equivalent to all these massive road works?

Madam Speaker, this is not a fair system, it is not a system free of discrimination and prejudice and so we must ask ourselves the question, what are we to do? Madam Speaker, I am sad to say that this situation did not originate in the 2001 Budget, in 2000 there was a similar trend and I wish to take you to 1999 to give you an example of things that normally happen. In 1999 \$36.5 million was voted for the construction of roads at La Retraite, Kastave, Uitvlugt, Hog Island and Fort Island. The construction of the road at La Retraite was not undertaken, unto today this road has not been done and again it has failed to appear in the 2001 Budget. And so, I want to ask the question here of the Hon. Members, Madam Speaker. How, in 1999, a road can qualify for rehabilitation, qualify for reconstruction and suddenly it no longer qualifies, even though no work was done on that road? Madam Speaker, the Minister appealed and he said to us that he is looking for a fair system and I wish to say to the Hon. Minister, this is not a fair system. I wish to

say, Madam Speaker, that something wrong is going on and I must ask you what are we to do? If one is to address the area of farm to market road, the same trend will be observed. Because of neglect farmers in Stanleytown, La Retraite, La Venture have to endure damage to crops due to of poor drainage and Irrigation. Repeated representation was made to the Regional Administration about the problem at La Venture but to no avail.

Madam Speaker, we also have the most ironic situation where because of a non-existent D&I System, the people at the village of Farm cannot farm. *[Laughter]* This situation is unacceptable in any circumstances but even more so, in light of the Hon. Minister's statement of banishing prejudice and discrimination, I wish to state here this evening, Madam Speaker, that the people of Region 3 cannot wait for 2002 and I would hope that since I have noted under the head of the Ministry of Public Works a provision, a lump sum for roads in various communities that between the Hon. Minister of Finance and the Hon. Minister of Public Works, they will do something to correct this injustice. *[Applause]*

Madam Speaker, this situation is compounded by a general sense of malaise, mal-administration and allegations of corruption at all levels of the Regional Administration. The Auditor General in his report for the fiscal year ended December 31, 1999, has very critical remarks to make about this Regional Administration and some of the issues touched on, ten per cent of the contracted sum for contracted work at Hog Island overpaid to contractor - ten per cent overpaid - there are numerous cases of unacceptable levels of variation, many reference to poor accounting procedures, many cases of unauthorised work and importantly, **there is at least one case**, of payment for work previously rejected by technical personnel as not meeting the specification and even though the technical personnel had rejected the work for not meeting the specification, the Auditor General found that the officials in the Region above the technical people, most likely the politicians went ahead and they paid the man. It is a shame, I say, Madam Speaker. I have noticed a new RDC Chairman in Region No. 3 and I look forward to an improvement in the situation because I see myself as representing all the



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people of Region 3 and we cannot have a situation where we have this kind of thing going on in the Region.

Madam Speaker, recently the issue of the possible closure of GUYSSUCO Demerara Estates has been in the news. A number of pronouncements have been made by very Senior Government Officials to the effect that the Government will not close the estates despite the World Bank's recommendation. I wish though to report on a statement by the Hon. Minister of Finance who said:

*The Demerara Estates could become viable. There will be no need therefore for closure.*

This is a misnomer. Demerara will not become viable. How does this happen? If there is no factory upgrade, with no viability over time the Demerara Estates will go to the wall. This would mean that thousands of workers at Uitvlugt and Wales in Region 3 will be on the bread line. And I say today, to the Hon. Minister that steps must be taken quickly to ensure that we generate the kind of economic activity in the Region so as to absorb the soon-to-be-jobless sugar workers in Region No.3 because it is no sense we fool these people and we tell them that the estates will not be closed, and what we do, we come and we announce that a new factory will be built at Skeldon, that there will be modernisation of the factory at Albion and Rosehall and there is nothing for Demerara. All it means that over time, the estates will go to the wall and we must be honest with the workers, we must tell them and you must start to put in place the arrangements to ensure that we have the activities in the Region to allow people to make a living. *[Applause]* This is not about politicking, this is not about scoring points and playing games, this is about people with children, people with responsibilities, and if you know that over a time, you are going to allow those estates to fail, say so now and put the arrangements in place to make the difference.

Madam Speaker, the Hon. Minister announced the completion of the entire integrated coastal highway system as if to suggest that this Government built any of these roads. Madam Speaker, it was the

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People's National Congress that built the network of coastal highways and the Government merely was asked to oversee a rehabilitation programme put in place by the People's National Congress. *[Applause]* and even this rehabilitation programme is incomplete. The Hon. Minister himself in his presentation mentioned that the Mahaica/Rosignol road and the West Coast Demerara Highway are still to be done. Even the Essequibo Coast road which was in existence since 1994 is still to be completed and this is a shame. This is a project that moved from a position which was going to cause the people of this country US \$11 and because of bundling at all levels, we are now in a case where we are going to pay in excess of \$30 million for the completion of the road. This is an unacceptable situation but, Madam Speaker, the problem of the Essequibo road is not very surprising because really this Government has shown tremendous weakness in the area of road construction and we can point to many, many projects that ran into difficulties. There is the East Bank Road recently done but we still can't know that it has been done. There are many roads around Georgetown, in Campbellville done and within a couple of weeks they were broken up. *[Interruption: 'I want you to talk about the Mandela Bridge']*

--Well the Mandela Bridge is there, the settling bridge and this is indeed a grave disgrace because if the Hon. Minister would like to make an adjustment to something that the PNC did, come to the PNC, Sir, don't go meddling with it and then mess the whole thing. *[Applause]* But I was referring, Madam Speaker, to the problem with the administration of road projects and in very many cases, it takes us to the point of supervision - the supervision on the project - and when we look around and we see that we have the problem of substandard work, sinking wharves, floating wharves and sinking bridges, we must understand and we must reflect that on very many occasions, we have collusion whereby people/contractor have the understanding, the understanding beforehand that they are going to be allowed to do substandard work and that they will not be asked, rather the specifications would not be enforced upon them and so they can enter any old price and still have the guarantee that they are going to make a profit. And this, Madam Speaker, is indeed a way some ingenious people have

devised in getting around the Tender System and that is why we cannot as officials and the custodian of the resources of the nation, sit back and believe that the process ends at the Tender Board and the award of the contract, because it goes beyond there and when there is unacceptable variation also, as officials in charge, we must not run to defend and to say that the engineers estimate has been around that amount, anyhow. Because if one understands how the thing is done, the fact that the contractors entered their prices, it's based on unit prices, and the only way his contract sum can go up is if the quantities go up and that is the problem and we have to check that because it is an avenue for all sorts of things to happen.

Madam Speaker, the Minister in his presentation, I think, did not articulate a broad transportation policy, and indeed this is so. An effective road network is the lifeline to our economy and we need to have an effective road network – *[Interruption]*

**The Deputy Speaker:** Time, Hon. Member

**Mr Robert H. O. Corbin:** Madam Speaker, may I ask that the Hon. Member be given five minutes to conclude his presentation.

Question put and agreed to.

**Mr James McAllister:** Madam Speaker, our network is most inefficient, poor traffic signals, inadequate intersection designs, poor or non-existent road margins, congestion on our roads, overloading and most importantly our road network fail to give access to vast expanse of our land. And it is against this background that I welcome some of the announcements by the Minister of initiatives in terms of the construction of certain roads, but I did note that the Minister failed to mention the high level bridge over the Demerara River and this would suggest to me that at this point in time we are looking probably at seven, eight, nine, ten years down the line for us eventually to have a bridge in place and I wonder of the consequences of vehicular/marine conflict because really and truly, if we are talking about this economy taking off, at some point

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in time in the very near future, we will not be able to afford to have ships waiting on cars and cars waiting on ships, and I would have thought that we would have had the foresight to know that we would have to proceed with the high level bridge across the Demerara River with some degree of urgency.

I see, Madam Speaker, that the Minister mentioned about a four-lane highway from the Bridge into Georgetown, but money is not in the Budget for this project and therefore we still have to depend on the East Bank Road. For the people living in Region No 3, this is indeed a problem and it's a problem which needs to be addressed. We need to look at the Demerara Ferry crossing and at improving the speedboat crossing and the facilities available there so that people can cross easily.

Madam Speaker, I wish to conclude with a brief reference to the Berbice River Bridge and I understand that this bridge will be built on the basis of BOT and I wonder the level of burden this will bring to the people of Berbice and the effect it will have on the cost of living and the cost of goods and services in that county. It is something that we might want to examine because BOT, an investor is coming to make his money. Thank you. [Applause]

**The Deputy Speaker:** Thank you, Mr Mc Allister.

The Hon. Minister Satyadeow Sawh

**Hon Satyadeow Sawh:** Thank you, Madam Speaker.

It is appropriate for me to congratulate you, Madam Speaker. I think it is the first time that you are occupying the very high position in this Parliament.

Let me also use this opportunity to congratulate my colleague, the Hon Minister of Finance, Mr Saisnarine Kowlessar, for the excellent job he has done in putting together this 2001 Budget Presentation, *Moving Guyana Forward Together*. Together with Minister Kowlessar goes kudos for his team of associates at the Ministry of Finance, indeed,

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everyone that worked, Madam Speaker, to put this Budget out in such a timely fashion.

Madam Speaker, the 2001 Budget Presentation, by the Hon Minister is testimony to the commitment of this PPP/C Government to continue with its program of consolidating the gains and progress made over the past nine (9) years in creating a brighter future for all the peoples of this country.

Despite the post-elections unrest which we all experienced, this Budget seeks, in my opinion, to address the task of moving ahead with the developmental programmes of our country in line with a comprehensive developmental strategy for the next five (5) years.

Madam Speaker, a great deal of the Third World economic growth and poverty reduction are synonymous with agriculture since about 75% of the world's poor live in rural areas. All countries that have progressed from the Third World to the Second World to the first World have concentrated their advancements on agricultural developments. Guyana is not different. Agriculture and rural development are important to get us out of this vicious cycle of poverty. The theme of the Budget, *Moving Guyana Forward Together*, is most apt. It captures what it is this Government intends to do to move our country with agriculture playing a very important role. Madam Speaker, we cannot divorce, or we can divorce to our peril, the fact that we live in a world of changes. This whole world with globalisation is becoming one in tandem. What one part of the world does has an impact on another part. Therefore the global outlook is important as we make our own decisions. The Hon Member, Mr Murray, in his presentation earlier this afternoon spoke about growth in the developed and developing countries and he questioned whether this growth ought not to be translated into poorer countries such as ours. We have to look at certain aspects of development, Madam Speaker, in terms of how do we gauge our own development. What kind of access, for example, do we have to cheap credit? What about energy, the price of energy and how it affects our infrastructural development? What about debt relief? How much do we pay in terms of

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debt repayment? And what is left in terms of actual development for our people? We need to counter all these harmful trends, Madam Speaker, by looking at ourselves and others in the same situation and developing mechanisms that can impact positively upon our efforts to bring ourselves out of this misery that countries like ours find ourselves. This includes lobbying at the regional level through mechanisms like the Regional Development Fund and asking for assistance.

If I may, I will like to comment briefly on some of the points that the Hon Murray made. He stated that he found it almost a plea for assistance from international organisations to help Guyana out of where we are. Let me state, and I think we all would agree, Madam Speaker, that this country makes no apologies that we ask and we receive and we are very grateful and thankful for the support we receive from international organisations and helping agencies. They have played a magnificent role in our march to self sufficiency and growth. There is nothing wrong in terms of asking for assistance because in this country, perhaps, one of the greatest harms that was done to it, prior to 1992, was that we forced one of our most valuable assets, our people, to flee this land. Today, those same people are turning the wheels of democracy and development in other countries.

The question was asked, Madam Speaker, by the Hon Member, Mr Murray as to whether this Government possesses the requisite qualities to lead us out of where we are. Well, I don't think the Hon Member Mr Murray, myself or any one of the Hon Members here can really and truthfully pronounce on such a rhetorical question. But what we do know is that the people of this country have pronounced. They have pronounced at every election that was held. They have returned the People's **Progressive Party** to power. This is the answer as to whether we have the requisite skills or not. *[Applause]*

The Hon Member spoke about the growth in other developing countries and the growth rate in Guyana which has decreased. He sought by extension to draw a parallel. Madam Speaker, I wish to respectfully suggest to you that there can be no correlation in terms of growth and

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development between all the countries of this world. What we have to take cognisance of is that there are different stages of development in each country. Each country has its own peculiarities, its own idiosyncracies and this is what we have to look at when we look at growth in other countries and growth that has happened in Guyana. We have had sustained growth over a number of years. We dipped for a while but we will be on our way again. The generalities in the Budget that Hon Member spoke about, that we have to look at the sugar industry in terms of trying to become competitive by reducing our cost of production to meet the price of world sugar we have got to begin looking at diversifying, éven within the sugar industry itsel., Madam Speaker, I do not know if the Hon Member is aware, that Guysuco has begun experimenting with the cultivation of organic sugar within its plantation. This Madam Speaker, will tell us that Government, Guysuco, the management, the workers, all of us have to work together if we are really going to come up with the solutions to put, not only the traditional sectors, but all of our industries on a sound footing, so that as the Budget theme says we can *Move Guyana Forward Together*.

Madam Speaker, before I comment on my contribution per se it will be remiss of me not to comment on some of the issues raised by the Hon Mr Jerome Khan in his presentation. I want to start by saying, Madam Speaker, that claiming to read a few back copies of the Hansard does not in any way entitle you to be an expert on issues that are contemporary in the country today just as well as being the son of a rice farmer does not qualify you to speak about rice production or any other thing for that matter. The Hon Member spoke about investment saying Government cannot claim credit for the expansion of companies like Barama and Didco. Well, Madam Speaker, what is wrong with companies, regardless of who brought them in, after making a sound business analysis, choosing to expand? Madam speaker, a company in any part of the world, a private sector company, expands when they see an opportunity to make profits, or greater profits. They expand when the economic situation is right and allows them to expand their companies, increase productivity and create employment. So if Barama, if Didco or any other company in this country chooses to expand that is because

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they see a good economic possibility under the People's Progressive Party/Civic Government. [Applause]

The Hon Member Mr Khan then went on to a few specific examples. He quoted a company by the name of Cortours which he said was a failure. Well, Madam Speaker, that company, as we speak, is in the process of restructuring its operations and will be building a road to where their tourist facility is, because they still have their tourist facilities in place in the Berbice River, and very soon will be back in the market place to build the tourism sector and this country's economy. [Applause]

The Hon Member Mr Jerome Khan spoke about a company called Georgia Caribbean Industries. He quoted the Principal of this company, a Mr Jack Dickey, and asked the question, why would this company or this individual want to come and invest in Guyana? Implying that the company was heartbroken, was not treated well, did not see opportunities for investment in this country. Madam Speaker, permit me, if you will, to read a letter to this Hon House from Georgia Caribbean International, signed by Mr Jack Dickey, Managing Director, dated 6<sup>th</sup> June, a mere fourteen (14) or so days ago.

*At the time we visited you, (the letter was addressed to me, Madam Speaker) I was in Guyana on behalf of our company to make a public announcement about the commencement of our bolonia tree plantation operations at Kimbia.*

*In addition, I had invited Mr David Westfal from Dallas, Texas to visit the country to see if he would be interested in joining our company to become head of our company's cattle division. Mr Westfal was more than simply impressed with his visit, he was overwhelmed. He stated that the grazing lands of the intermediate savannahs rival that of the best lands of Texas, Coming from a Texan and especially one of Texas leading cattle men, you can rest assured that this was a complement of the highest order*



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*and a vote of confidence for the potential of the immediate savannahs and future of Guyana's agriculture in general.*

*[Applause]*

And then, Madam Speaker, he ends by saying:

*We look forward to a continued and prosperous relationship with you and the Government of the Republic of Guyana. [Applause]*

I think, Madam Speaker, that will answer Mr Khan's queries on that question.

The Hon Member Mr Khan goes on further and cites the example of UNAMCO in the forestry sector and he it is still birth. The fact of the matter is that today, UNAMCO is up and running. They are now operating a sawmill which has three saws and employing scores of people in Region No. 10. The equipment for the plywood factory has been moved; this was done with Mr Hamley Case present and it is now at the site in Kwakwani. So UNAMCO is operating, contrary to the information given by Mr Jerome Khan. *[Applause] [Interruption: 'Shame.']*

Madam Speaker, the Hon Member Mr Khan also went on within the forestry sector to cite a few examples of some companies. In particular he cited Solid Timbers of Malaysia, Quintano Group of Malaysia and Bechuana of Canada and asked what has happened to these investments? Well, what has happened is that this Government issued exploratory forest leases to all of these companies inviting them to come into the country to set up their management plan and to use the exploratory permit within the specified period of years. The world economic downturn particularly in Asia affecting particularly the forestry and other sectors impacted upon the decision of those countries not to come and to do business. You cannot blame the Government of Guyana. We are the ones who brought them in in the first place and issued the leases for them to operate. *[Applause]* So saying that they are not here is not very truthful. Most conveniently the Hon Member, Mr Jerome Khan, found it

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necessary to quote these three companies in the forestry sector. I rather suspect, and I give him the benefit of the doubt, that he forgot to mention a company by the name of Jailan Forest Products of China. Let me tell you what happen to Jailan. They had completed all the paperwork and were about to get permission from the Republic of China Foreign Trade Office when they read on the Internet [*Interruption*:. 'You shooting yourself in the foot with your own web page. '] about all that was going on in the protest by the Opposition and they cancelled their lease. Madam Speaker, that is a fact. Investment and development are the two sides of the same coin. You cannot have development without investment and you cannot have investment without development. We must set the stage for investment and not scare away potential investors like Jailan Forest Products who were on the verge of coming here but changed their minds.

Madam Speaker, the Hon Mr Khan went on to talk about the fisheries food sector and he quoted the company Star Seafoods which he said was not operating now. I must give him credit he was right. But it was this PPP/C Government that lay the foundation for Star Seafoods to start up operations in this country, a remigrant Guyanese, and he is still here doing business in Guyana. [*Applause*] Madam Speaker, I happen to know that company is negotiating to get financing to re-start their operations. Any business must have sound management, must read the economic situation well, must know how to manage ther business well. If you can't do this you will find yourself out of business. Mr Khan, of all people, ought to know this. So to try to say that this Government is responsible for Star Seafoods not operating is less than being honest. If I may add there are several other Seafood Companies, just like Star Seafoods. who are operating successfully and profitable in the fisheries sector making it one of the fastest growing sectors in all of our national economy. [*Applause*]

Then the Hon Member spoke about fisheries and said he hopes we have a look at aquaculture. What are the facts, Madam Speaker? In 1992 when the PPP/C Government took office there were less than 200 acres of aqaculture ponds in this country. Today it is more than 2,000

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1992 when the PPP/C Government took office there were less than 200 acres of aquaculture ponds in this country. Today it is more than 2,000 acres and climbing. Very soon Guyana will open the first phase of its brand new aquaculture fish station and training centre which will be one of the biggest of its kind in all of the Caribbean. This is the commitment that this Government has toward aquaculture, agriculture and development in this entire country. [Applause] I do not wish to spend all of my time [Pause] But the Hon Member Mr Jerome Khan went on making these accusations without any concern about the facts. He spoke about the copra situation. He said things are not right in the copra industry, people are hungry and starving and all sorts of things. Madam Speaker, as I will explain in my presentation proper about the copra and other industries, there are problems, but these are certainly, based on the world situations for oil. But let me end on the copra issue for now by saying that I personally wish to congratulate the Hon Member of the PNC/Reform, Mr Ivor Allen, who is one of our top copra producers and rice farmers on the Essequibo for showing faith. He is doing very well in the copra industry and we want to lay the ground work so he will continue to do better in the copra industry. [Applause]

Finally, before I conclude my presentation on Mr Jerome Khan, he said that other crops will only grow by 2 percent, but he has only looked again at one aspect of the Hon. Minister's presentation and if we are to look at economic and financial targets in 2001, Madame Speaker, on page 37 the Hon Minister says :

*Other agricultural activities are targeted to grow as follows: Other Crops, 2 per cent.*

The Hon Member Mr Khan quoted that figure saying that things are not moving well but he neglected to quote from page 7 of the Hon Minister's presentation, I quote:

*Egg production improved by 17.1 percent to 30.1 million units. This was also the case of fresh milk, which increased by 7.8 percent to 31.4 million litres. The fish sub-sector grew by 14.1 percent , on*

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*account of significant growth in catches of prawns, 9 percent; shrimp, 10.9 percent and fish, 16.9 percent.*

You can't only for the sake of discussion, Madam Speaker, quote one side of the picture; we then speak with forked tongues, as it were. We have to see the whole picture, if you can't see the trees you have to look at the forest.

Madam Speaker, this **Development Bank**, let me just briefly touch this. This Bank was the Guyana Bank and Gaibank which was placed into bankruptcy. Why? Everybody knows. They lent and lent and lent to all the members and friends and families of the People's National Congress. Bad debts we were not able to collect and we had to close the bank down.

The Hon Member Sheila Holder spoke about raising the income tax threshold. But the income tax threshold moved from \$48,000 or \$4,000 per month to \$216,000 or \$18,000 per month. Because of the loss of revenue of \$33B and you know why, Madam Speaker, we were unable to raise the threshold this year. So every single one of these things we have to look at to have a broad perspective to see how we are moving.

Madam Speaker, in terms of output, and taken together our Other Crops, Livestock and Fisheries Sub-sectors comprise a significant part of total agricultural production. These sub-sectors contribute immensely to social and economic stability, national food security and, of course, our foreign exchange earnings. In the year 2000 Other Crops Livestock and Fisheries contributed just over 35 percent of total agricultural output. Non-traditional crops accounted for 17 percent, of this wild life contributed 7 percent and fisheries 10 percent. The fact that non-traditional agriculture and fisheries have shown such dynamic growth is testimony to the effectiveness of the policies of the Government and which we continue to implement since we took office in free and fair elections in 1992. *[Applause]* Madam Speaker, as mentioned earlier, the Fisheries Sector continues to be a major contributor to Guyana's steady recovering

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while ensuring jobs for thousands and earning foreign exchange. I am happy to report the construction of this fresh-water aquaculture demonstration farm and training centre which will impact positively on the aquaculture sub-sector because it is designed to provide technical support to all aspects of fresh water fish farming.

Madam Speaker, we hear a lot these days about the PPP/C Government not being able to attract foreign investment, yet only recently you would have read in the local newspapers about a major joint venture investment in a 350 acre fresh water prawns cultivation between Guyanese and American investors in Hubu in Region No. 3. This investment has already begun harvesting as well as constructing of their own processing facilities. While we continue, Madam Speaker to place premium time and energies on aquaculture development in terms of increasing our overall supply for both domestic and export markets no less importance is given to our marine fisheries resources. We will continue to monitor these resources very carefully in keeping with the need to sustainably exploit this resource. Indeed it is because of our consistency due to the effectiveness of our turtle excluder device programme that this country was once again re-certified by the United States Administration to continue to export prawns and sea-food to the United States Government.  
*[Applause]*

Madam Speaker, we are considering the need and have commenced consultation with the stakeholders to implement what we call 'a close season policy' so that along with the trend of sustainable exploitation we will be able to rest the fishing grounds and at the same time allow the operators to re-tool and to give their workers some assistance. Madam Speaker, it would be wrong of me to not recognize that in a few days time, on Friday to be precise, the world will recognise that day as "International Fishermen's Day" and I ask you, Madam Speaker, along with all my colleagues in this Hon House to join us in recognizing the contributions of our fishermen, our fisher folks and their families for their sacrifices, their struggles and the successes they have garnered in impacting upon the fisheries industry, impacting on our economy and helping to lift the standard of living of our country. We recognize

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“International Fishermen’s Day” and all the fisher folks involved in this industry.

Madam Speaker, with regard to the exportation of fish products to the European Union my Ministry has developed a detailed plan of action which is now with the European Union Personnel in Holland and we are hoping very soon that we will get the requisite approval to allow us and to allow our processors to begin exporting value added fishery products to the European Union and enhancing the entire fisheries sub-sector.

Our plan of action also involves the drafting of fisheries legislation which is presently engaging the attention of the Attorney General’s Chamber. Very soon we will be bringing this legislation to this Honourable House thus putting teeth to our fishing regulations and allowing for a more orderly dispensation within the sector.

Madam Speaker, I am happy to report that we have also made significant progress in resuscitating the exportation of fresh fruits and vegetables to some CARICOM countries following the set back we experienced during the Pink Mealey Bug episode. This was achieved, I would like to think, because of our stringent policies, particularly at our ports of entry, Moleson Creek and the Cheddi Jagan International Airport, where all passengers coming in from Europe have to go through our ‘bath’ as we call it, to ensure that they do not bring any of the diseases from that part of the world. In order to maintain this export status, Madam Speaker, the New Guyana Marketing Corporation has successfully established the Central Packaging Facility at Sophia. This allows us to raise the standard of our export because countries have been insisting that there be uniformity of our export especially with fresh fruits and vegetables. We have now instituted this and our products are receiving more and more attention not only in our region but further afield. The New Guyana Marketing Corporation is in the process of establishing direct two way computerised information network linkages between farmers and exporters and overseas markets. This is using information technology in terms of building our industries. Meanwhile, Madam Speaker, negotiations are ongoing with several airlines with regard to

cargo service for the exportation of fresh and processed agro products.

**The Speaker:** Time, Hon Member.

**Hon Reepu Daman Persaud:** Madam Speaker, I wish to move that the Hon Minister be given fifteen (15) minutes to conclude his speech.

**The Speaker:** Hon Member you have fifteen (15) minutes to conclude.

**Hon Satyadeow Sawh:** I thank you Mr Reepu Daman Persaud and Madam Speaker.

Madam Speaker, the final phase of the Guyana component of the Carambola Fruit Fly Programme ended in September, 2000 with this country being declared free of the pest. But more than this, a new project, the National Carambola Fruit Fly Surveillance Project 2000 has been launched in continuation, and, like its predecessor, concentrates on preventing the re-introduction of the pest to Guyana.

Madam Speaker, the National Agricultural Research Institute has been making some important innovations in recent years. They have revived the Tissue Culture Programme and as a result have been able to increase the availability of disease-free planting materials for selective crops. The Organic Cocoa Project in Mabaruma, Hosororo in Region No. 1 has been mainly supported by NARI. This institutions collaboration with IICA continues to be very productive, indeed. This partnership has realised the successful management of the Organic Cocoa Project for which the first shipment of 2,000 lbs of cocoa beans has already left for the Netherlands. Madam Speaker, processing of this product in the United Kingdom will commence very shortly resulting in chocolate bars from cocoa beans from Region No.1, ready and accessible for world consumption. Because we are confident of organic agriculture, Madam Speaker, and great potential for more lucrative returns to our farmers we have initiated the development of a five year plan for its promotion. In this regard we have already successfully conducted research on the organic production of mushrooms. This new technology is available at NARI for our farmers to capatalise upon.

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Our coconut and coffee industries are going through rough patches, Madam Speaker. World prices for coconut oil are at an all time low and even value-added products are experiencing difficulties throughout the world. We have already taken steps to ensure that illegal exports of edible oil are eliminated. This is proving to be an uphill task as it requires full co-operation from all concerned. Our strategy to resolve this problem therefore will be a multi pronged one. We will be intensifying efforts to bring order into the domestic market for edible oil so as to ensure that domestic producers do not suffer from unfair competition. In addition, Madam Speaker, we will be seeking technical assistance in developing a strategic plan for the industry, one which aims at better overall use of the land presently under coconut cultivation and ensuring that the various products of the industry are fully utilised. We have also agreed with the local oil miller to embark on a promotional campaign to counter the negative image of coconut oil, an image that has been developed on the basis of faulty and downright dishonest information.

Madam Speaker, Guyana continues to be self sufficient in most fresh meat. Our policy to promote livestock development has borne fruit in a number of areas although we have been constrained from promoting more aggressively small ruminants development due to being debarred from exporting the meat on the one hand and because of self sufficiency on the other. But, Madam Speaker, we are very soon going to witness an even bigger upsurge in the production of not only swine, sheep and goat, but livestock production in general, Madam Speaker, for more than two decades, because Guyana is now certified as being free of the dreaded Foot and Mouth Disease. *[Applause]* You would recall in my Budget contribution of last year, Madam Speaker, I had given a promise. Well this Government has kept its promise as we keep all our promises to the people of this country. Madam Speaker, the last three episodes of Foot and Mouth Disease in Guyana resulted in a ban on exports being placed on us which occurred since 1978. Nothing was done until the PPP/C administration moved to get Guyana certified again. We have worked tirelessly to obtain certification and we are now one of only four countries in this Hemisphere with this coveted award. We will continue to work to keep Guyana free from the Foot and Mouth Disease.

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Madam Speaker, while the exportation of beef is currently constrained by the lack of a modern abattoir in keeping with internationally accepted standards we are already on the road to setting up such a facility with support from the Caribbean Development Bank. We have already commenced discussion on the need for a National Livestock Development Strategy. This strategy will have increased focus on swine, sheep and goats production given that Guyana is now geared to export these products to regional and extra-regional markets.

Madam Speaker, I am pleased to inform you that our representations for assistance to convert our mostly subsistence honey bee activities into a vibrant industry have borne fruit through the Guyana/Cuba Joint Commission. This month we were informed that we will soon be facilitated with an Apiculture expert from Cuba through the FAO, apart from having Guyanese trained in that country.

Madam Speaker, one of Guyana's leading Feed Manufacturers having recently up-graded their facilities is now producing high protein feed for every aspect of livestock activity right here in Guyana. A fish meal processing plant converting seafood waste into animal feed will be launched right here in Guyana for the very first time. This will be evident in the very near future, as I said, and the mandate to add value to our products to compete more aggressively on the world market.

Madam Speaker, before the end of this year a milk pasteurising plant will be set up and running at Dantzig, East Coast Demerara. This facility will mark the realisation of yet another promise to the people by this administration. We have made representation and have already seen indications of support from international agencies for establishing of such facilities in Region Nos.2 and 3.

The NDDP, Madam Speaker, has acquired the technical capabilities with regard to the establishment of feed lots to fatten our animals. They stand ready to transfer this technology to our cattle farmers desirous of taking advantage of it. The NDDP is also moving to engage NARI in a collaborative effort to establish breeding bull stations to service cattle

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farmers in far reaching areas who do not have immediate access to artificial insemination services.

We are exploring the possibility of setting up a modern tannery industry to utilise the by-products of our animals after they are slaughtered at the abattoir.

Government has already taken steps to address the situation regarding the poultry industry including duty free facilities for all of our poultry production.

The NARI institute continues to make progress with its sheep and duck breeding programmes. It plans to establish hatcheries for ducks in outlying regions in order to meet the needs of rural communities.

**Forestry** - overall forestry production declined by 16 percent due primarily to the 34 percent decline in production of logs when compared to 1999. However, this was translated into a decline in terms of export revenues since there was an increase in the reports of processed value-added materials. We are looking at certification as one of the means of putting the forestry sector on an even greater footing.

Madam Speaker, the New GMC and GO-INVEST have begun working much closer together to promote our non-traditional exports and encourage investments in both primary production and agro processing. In this regard, we already have the poor rural communities support services project which aims, among other things, at providing the integrated package of technical services to our farmers in Regions No. 2 and 3.

Madam Speaker, all of this will come to nothing if we, the people of this country do not recognise and understand that we have to move Guyana forward together. I think the catch word here, Madam Speaker, is together. We cannot pull all different kinds and size against each other. We are too small. The world will not sit back and wait upon us as a nation, as a people, if we do not learn from the past, do not forget it, but learn from it, and put Guyana first so that we can continue to see progress

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in all facets of development. This is the challenge, Madam Speaker, that we face as a people. I urge this National Assembly to support and approve this Budget presentation so that all of us can uplift the standards of our people so that generations to come will look back at us and say, you may not have succeeded but at least you have tried.

Thank you, Madam Speaker. *[Applause]*

**The Speaker:** Thank you, Hon Member.

The Hon Member Amna Ally.

**Ms Amna Ally:** Thank you, Madam Speaker.

Madam Speaker, Hon Members of this House, there is an old adage which say, 'good things come to those who wait'. I waited for six long months but in vain. All this Budget is offering the people of the country is hopelessness and insecurity. Madam speaker, the Budget Speech refers to this Government having a renewed mandate. But this renewed mandate has brought more corruption, more mal-practices, mis-management, high class party patronage and extended lawlessness. Madam Speaker, every sector of Government, every Ministry you consider, there is corruption and lawlessness. You speak of Public Works, you hear of deficiency in the award of contracts. You speak about projects, you hear about stones scam. You speak about law and order you hear of patronage reference the printing of law books. You speak of audit and there is arson. Madam Speaker, in the very introduction, page 1 of the Budget Speech, the Hon Minister of Finance stated:

*We are single-minded in our resolve to establish a society in which no one feels excluded from the mainstream of development - a society in which no one feels excluded from the mainstream of development - a society in which the rich diversity of our people is used to strengthen the bonds that bind us, rather than accentuate those that divide us.*

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Madam Speaker, words and more words. I invite you to visit with me some examples.

In Region No. 5, if you have to attend to sea defence breaches you have to import BK International, even though you have competent contractors in the very Region.

If we are talking about construction of access roads only places like Champagne, Bath and Bush Lot has these needs. What about Ithaca where the residents have to bring their produce out from the backlands? Why is it that Belladrum, for example, has to be the last area where the MMA System has to give water for cultivation?

Madam Speaker, this Government must admit that it excludes certain sections of the Guyanese population in the mainstream of development. I will admit, Madam, that certain sections of the Guyanese population are awarded tokens while some are overwhelmed. There is no genuine plan of inclusivity in the mainstream of development as highlighted in the Budget.

Madam Speaker, in the Review of the Domestic Economy, page 7 of the Budget Speech, I quote:

*Rice production fell by 20.1 percent.*

Madam Speaker, 'fell, and will continue to fall', because this Government believes that they can manipulate everything to suit themselves. Madam, as you know Region No. 5 is a rice growing region, but today many who were successful farmers have moved away from the land. I used to be a rice farmer, but it is too painful to continue to be a rice farmer.

Madam Speaker, the PNC/Reform had a vision and there was born the MMA Scheme. It served in good stead but when the PPP forced its way upon this Nation it murdered the existence of the Scheme. *[Interruption]* Madam Speaker, let me give this Hon House some

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examples of what I am talking about. Desilting of canals have now become a luxury in the MMA/Scheme. The drainage system is almost extinct. No water is released in the main canal as yet and the scheme is depending on rainfall to reach the required 60 ft height before making these releases. Farmers were promised that they will get releases of water since the 4<sup>th</sup> May, then it went to the 15<sup>th</sup> May. Comrades, we are now in June and if you are serious of putting in this rice crop, 25<sup>th</sup> June is the deadline date it must be done. I hope we are all conscious of today's date. Thank God for the rains, a few people were able to prepare their lands for cultivation. Madam Speaker, between Cotton Tree village on the West Coast of Berbice and Onverwagt you have 56,000 acres of lands that is cultivable. Let me tell you that just about a week and a half ago only 3,000 acres of that 56,000 acres of land were prepared for cultivation. *[Interruption: 'Shame']* Madam Speaker, the MMA is now a big joke, there is no proper management. The technical people who underwent training have all been gotten rid of. I hope it was not because of their colour. Silent deals are made to fill breaches here and there. No proper outlay of job, no Tender Board procedure, no accountability. I wonder, Madam, why they burnt the MMA Head Office? I dread the eventuality. Where is this Government taking us?

Madam Speaker, page 29 of the Budget Speech refers to pending money on the Mahaica and Mahaicony Bridges. Those of you who travel on those bridges often can testify that they are always in a bad shape and very often you see workers working on those bridges and they can never get it right. Hon Members this Government must admit that it is because cutlass carpenters are used as hi-tech contractors. *[Laughter]* These people are not competent people but are given a job so that the boys can get a drawback. Madam Speaker, I am speaking from first-hand knowledge. Let me give you one other example of incompetence. A koker was built in Ithaca and one month after that koker was built the koker fell into the trench *[Laughter]* Madam Speaker, if that is not incompetence and substandard work, what is?

Madam Speaker, I wish to now turn my attention to the involvement of women in this whole gamut of development. First of all, I want to

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applaud my party for fulfilling the requirement of its gender representation in Parliament. *[Applause]* It is very unfortunate that the ruling PPP/C has not seen it fit to recognize the importance of women in society, be it by design or otherwise. Madam Speaker, I wish to place once again on record that my Party, the PNC/Reform is on record for initiating and promoting the mechanisms for the advancement of women. *[Applause]* This dates back to the 1976 State Paper on Equality for Women in Guyana, the establishment of the Women's Affairs Bureau in 1981 as the national machinery for the promotion of women in Guyana and the many legislation passed on women's issues and women's rights in Guyana. Madam Speaker, the management skills and techniques employed by this government leaves much to be desired. It is crisis management, 'hairy fairy stories and harum scarum solutions'. In some Government Ministries even the Government's matter is a personal matter. The institutions of Government are not allowed to function in a credible way. Madam, I refer here to the Women's Affairs Bureau. In the Budget Speech of 2000 and according to the Hansard of 4<sup>th</sup> April, 2000 the Minister of Human Services and Social Security made reference to a programme which diligently spoke of the Leadership Institute Research and Documentation Centre as well as a five-year action plan for women. The Minister also noted in her presentation that one of the areas of focus will be the strengthening of the Women's Affairs Bureau. It is known Madam, that this programme the Hon Minister spoke of is one in collaboration with the UNDP caption Building Capacity for Gender Equity in Governance. But Madam Speaker, I submit from consultant Norma Shury-Bryan in the evaluation report of the said project the following findings from page 4:

*There was a clear shift from the original focus on facilitating women's involvement in public leadership decision making activities to focus on personal leadership and practical skills development for grass-roots women, housewife and early school leavers.*

Secondly from page 5, I quote:

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*It was also originally intended that the Women's Affairs Bureau would be the head of the agency for the project but the Bureau has not played this role. Instead the Minister of Human Services and Social Security has played a significant direct leadership role in both the formulation and the implementation of the project.*

Madam Speaker, I highlight these findings so that we can understand that the Women's Affairs Bureau cannot be the lead agency in this programme while the Minister is holding on to every mite, formulating and implementing maybe for self aggrandisement. It cannot be the lead agency when its very own existence is being challenged. Madam Speaker, what account can the Minister give for shifting from the original focus. I want to call on this Government to stop the patronage now. I know that there is a new Minister now. I want to say that criteria must be according to policy or principle. For example, if we are offering help to women in depressed communities then it must realistically be so. It must not be because this is a PPP constituency they must be addressed and turn your back on the PNC constituency. Government expenditure and programmes must be for Guyanese. Not for a section of Guyanese. Madam Speaker, the rhetoric women's involvement, women's liberation, women's power continues. But Madam, where is tangible evidence of all of this? Madam, if I take a look at my colleagues on the other side of the House I see, like I said before, they could not even fulfill the women representation in Parliament. *[Interruption: 'Shame. ']* I recall in the days of the PNC, many women were Permanent Secretaries in Ministries. Joyce Sinclair, Una Paul, Winifred Agard, Gwen Parris, now deceased, Paula Mohamed among others, come to mind. Under this Government you have to search hard to find one or two women as Permanent Secretaries. Under the PNC we had women Regional Chairmen, women Mayors. Today in this Government, women seemingly are not allowed to play lead roles in this country.

Madam Speaker, we want to see the benefit of these programmes that were spoken of. We do not want to hear that for two years there was one training programme held at the Leadership Institute. There must

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be significant programmes organized by the Women's Affairs Bureau. The Women's Affairs Bureau must be kept busy and implement the programmes which must be free from political interference.

Madam Speaker, this country belongs to the people of Guyana and all Guyanese must be treated fairly. Because the Government does not treat the Guyanese people fairly it has to resort to crisis management.

**The Speaker:** Time, Hon Member.

**Mr Raphael GC Trotman:** Madam Speaker, I rise to request that the Hon Member be given five minutes to conclude her presentation.

**The Speaker:** Five minutes to conclude.

**Ms Anna Ally:** Thank you, Madam Speaker.

Madam Speaker, as I was saying, because this Government does not treat the Guyanese people fairly it has to resort to crisis management, today, a visit made to Albion, tomorrow to Buxton, the next day to Linden, the next day to Agricola, and then Rosignol and so on. That is how this country is managed now. This, Madam Speaker, is certainly downhill for all of us. I want to call on the Government now to engage in good governance, to stop party patronage, to stop the corruption and arson, to have respect for the rule of law and to work in good faith to move Guyana forward.

I thank you. *[Applause]*

**The Speaker:** Thank you, Hon Member.

The Hon Member Mr Kumkaran Ramdas.

**Mr Kumkaran Ramdas:** Madam Speaker, this evening we all had the opportunity of listening to all the presentations from the Opposition benches. I want to make the following comment. I was merely persuaded by the arguments of the Hon Murray. I think his arguments were very



persuasive and I admired his presentation. But listening to the last two speakers of the PNC/R, Madam Speaker, I just want to quickly answer a few of the points that were raised. Since the Hon Amna Ally closed her presentation by talking about corruption I wish to remind her, I have here Madam Speaker an extract from the 1992 Auditor General's Report that was presented to Parliament. There are so many reports here of corruption that it is mind boggling. I will deal with two or three that occurred in Region No. 6 to prove to them the nature of the PNC and how they operated. Mind you, Madam Speaker, we took office in October, 1992. Therefore when we promised that we will have an accountable Government immediately after 1992, in 1993 the Auditor General was asked to present his report and this is what he said as it relates to contracts.

Page 130 Article 727:

*Copies of contracts awarded by the Region during the year 1992 were not always submitted to the Auditor General as required by financial instructions. In addition Tender Board Minutes and Tender Documents were not filed and were not seen with respect to a number of contractors.*

They all vanished during that period. Further, Madame Speaker:

*Five contracts were awarded requiring grading scraping and scarifying to the value of \$2.7M. However work valued at only \$140,000 was done using the Region's grader as evidenced by the scrutiny of the Grader's Log Book. It therefore appeared that contractors were overpaid amounts totalling \$1.93M*

They were overpaying their friends and they were talking about collusion. Madam Speaker, it is noteworthy to mention:

*The Engineer's estimates relating to the contractors were prepared by the Superintendents.*

The very Superintendent certified the works. This is collusion. Preparing

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the estimates and certifying the works. This is how the PNC administered their affairs, Madam Speaker, Article 735:

*Numerous contracts were entered into by the Regional Democratic Council for the hire of vehicles, machinery and equipment although the Region possessed several such equipment for the period under review. Amounts totalling \$6.32M were paid for the hire of vehicles, machinery and equipment.*

In other words, the Auditor General is telling us that while the Regional Administration had similar equipment they were hiring equipment from their friends. That was the practice. I can go on and on, but this is the last one, Article 743:

*An inventurisation of all assets belonging to the Region was undertaken in 1992. However it could not be determined whether all assets were duly accounted for since adequate inventory records were not maintained. In addition, a record of gifts were not maintained by the Region although there was evidence of receipt of gifts by hospitals and schools.*

We know what happened after 1992. All the offices were emptied. We need not get into that Madam Speaker. So let us not talk about corruption. We have been able over the past eight years to present on a regular basis audited statements of the Government's business.

And lastly Article 744:

*An examination of the operations of the rural marketing centre in Black Bush Polder revealed that during 1992 seven payments totalling \$1.1M were made to a private bank account.*

So \$1.1M of State funds were diverted. This is the Auditor General's Report. The matter was referred to the Commissioner of Police. The

rest is history, Madam Speaker.

Before I go into my Budget presentation, listening to the Hon Member, McAllister, he reminds me, Madam Speaker, of another PNC Counselor in Region No. 6. I would not call his name, he is my friend. This Counselor used the same argument that the Region and the Government were doing things in PPP areas. He was quarelling, he was vociferously fighting that the Region and Guywa should lay pipelines in his area. He was claiming the PPP was laying pipelines in PPP areas. When the records were disclosed to him this is what he said:

*Man I didn't know that they had new lines deh.*

They already had new lines in his area but he didn't know. Madam Speaker, the problem with the PNC/R is that they have been unable to keep abreast and apace with our rate of development of this country. [Applause] They also forget sometimes where things are happening and therefore they have to repeat it. No doubt that is what happened. I do not want to get more into this. But I will tell you that this is what has been happening with the PNC.

Permit me therefore, Madam Speaker, to venture into my short Budget presentation. I want to say, like my colleagues before me, congratulations to the Hon Minister of Finance, Mr Saisnarine Kowlessar, for the presentation which he honestly tells us, was prepared under difficult circumstances. Difficult circumstances, yes, because we had, Madam Speaker, internal unrest and on the international scene we had rising oil prices. We had declining prices for our goods and therefore, I want to agree with the Hon Finance Minister that he had difficult circumstances under which to present this Budget. Madam Speaker, the Budget precedes another very historical and important event recently commemorated, that is our country's 35<sup>th</sup> anniversary of Independence. At that moment, I guess it gave us all the opportunity for probably, introspection, for us to assess, maybe to recap where we came from and our struggles for gaining the attainment of independence. Both our national leaders, Madam Speaker, past and present no doubt had their

visions, their aspirations to see our country develop at a pace in which all of us would have been proud of. Whether those dreams today, for us, are very elusive, is for us to answer but I believe that periodically as we come to this Hon House to make an assessment of where we came from, what is our present status and where we are going, I believe that the Hon Finance Minister Kowlessar's Budget is at least an attempt to guide us, an attempt to tell us where we came from, what were the difficulties we faced and what direction we should take.

Like previous Budgets, Madam Speaker, that have been presented by the PPP/C Government the common thread, as I see it that has appeared in all of them is this desire of working together, partnership, being able to find a common ground in which all of us will be able to work together for a common good and the national good. I want to quote from the Budget Speech that I believe adequately addresses this issue:

*I firmly believe that good will exist in the society for us to move resolutely forward together. Guyana's gains are the people's gains. Her losses are suffered by all of us. Let us, therefore, eschew the desire to destroy and destabilise our country. Instead let us embrace the extended hands of friendship, love and cooperation, united in the purpose to build the type of Guyana of which we continue to dream.*

This, Madam Speaker, is the charge in this Budget. [Applause] Therefore, Mr Speaker, I believe in our assessment of the Budget we have to take those words into cognisance and let us seriously address what we are here for because in the final analysis all of us are involved in this whole process. I am happy, I am glad that our national leaders have seen the wisdom of continuous dialogue rather than confrontation. Therefore, we have to encourage that dialogue. We should not do anything at all to jeopardise the dialogue. We all hope that in that process we will find common grounds to build our nation.

I had the opportunity of travelling today from the Corentyne to the

*bank account.*

So \$1.1M of State funds were diverted. This is the Auditor General's Report. The matter was referred to the Commissioner of Police. The rest is history, Madam Speaker.

Before I go into my Budget presentation, listening to the Hon Member, McAllister, he reminds me, Madam Speaker, of another PNC Counselor in Region No. 6. I would not call his name, he is my friend. This Counselor used the same argument that the Region and the Government were doing things in PPP areas. He was quarelling, he was vociferously fighting that the Region and Guywa should lay pipelines in his area. He was claiming the PPP was laying pipelines in PPP areas. When the records were disclosed to him this is what he said:

*Man I didn't know that they had new lines deh.*

They already had new lines in his area but he didn't know. Madam Speaker, the problem with the PNC/R is that they have been unable to keep abreast and apace with our rate of development of this country. [Applause] They also forget sometimes where things are happening and therefore they have to repeat it. No doubt that is what happened. I do not want to get more into this. But I will tell you that this is what has been happening with the PNC.

Permit me therefore, Madam Speaker, to venture into my short Budget presentation. I want to say, like my colleagues before me, congratulations to the Hon Minister of Finance, Mr Saisnarine Kowlessar, for the presentation which he honestly tells us, was prepared under difficult circumstances. Difficult circumstances, yes, because we had, Madam Speaker, internal unrest and on the international scene we had rising oil prices. We had declining prices for our goods and therefore, I want to agree with the Hon Finance Minister that he had difficult circumstances under which to present this Budget. Madam Speaker, the Budget precedes another very historical and important event recently commemorated, that is our country's 35<sup>th</sup> anniversary of Independence.

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At that moment, I guess it gave us all the opportunity for probably, introspection, for us to assess, maybe to recap where we came from and our struggles for gaining the attainment of independence. Both our national leaders, Madam Speaker, past and present no doubt had their visions, their aspirations to see our country develop at a pace in which all of us would have been proud of. Whether those dreams today, for us, are very elusive, is for us to answer but I believe that periodically as we come to this Hon House to make an assessment of where we came from, what is our present status and where we are going, I believe that the Hon Finance Minister Kowlessar's Budget is at least an attempt to guide us, an attempt to tell us where we came from, what were the difficulties we faced and what direction we should take.

Like previous Budgets, Madam Speaker, that have been presented by the PPP/C Government the common thread, as I see it that has appeared in all of them is this desire of working together, partnership, being able to find a common ground in which all of us will be able to work together for a common good and the national good. I want to quote from the Budget Speech that I believe adequately addresses this issue:

*I firmly believe that good will exist in the society for us to move resolutely forward together. Guyana's gains are the people's gains. Her losses are suffered by all of us. Let us, therefore, eschew the desire to destroy and destabilise our country. Instead let us embrace the extended hands of friendship, love and cooperation, united in the purpose to build the type of Guyana of which we continue to dream.*

This, Madam Speaker, is the charge in this Budget. [Applause] Therefore, Mr Speaker, I believe in our assessment of the Budget we have to take those words into cognisance and let us seriously address what we are here for because in the final analysis all of us are involved in this whole process. I am happy, I am glad that our national leaders have seen the wisdom of continuous dialogue rather than confrontation. Therefore, we have to encourage that dialogue. We should not do anything

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significant amounts of money in education. This is because we believe, as a Government, education plays an important role in our national development thrust. Over the years in review we have been able to rehabilitate a number of schools. I want to call some, Manchester Secondary, Vryman's Erven Secondary, Port Mourant Comprehensive High, Auchlyne Primary, Albion Primary, Philippe Nursery, No. 69, Crabwood Creek. We have been able, Madam Speaker, to build six (6) new schools in the Region, namely, the Corriverton Primary, which is still under construction, Orealla Primary - brand new, Alness Nursery, No. 48 Resource Centre, New Amsterdam Resource Centre.

Madam Speaker, to tell you about our regional initiatives in education: Our Region No. 6 Administration is the first to establish student government in schools and it is an achievement for our students to be able to participate in governing their schools. *[Applause]* We have been able also to begin a pilot project in the teaching of Spanish (another first, I believe) in three (3) primary schools. They are Wellington Park Primary, St Aloysius Primary and Massiah Primary.

I want to highlight, Madam Speaker, the results of our CXC Examinations over the past three years. In 1997 we achieved 45.2% passes. In 1998, 58.6%, in 1999, 65.3% and in 2000 76.3%. *[Applause]* Its an indication that whatever we have been doing in education is taking hold and showing improvements. I suspect that would be the result throughout the country.

Madam Speaker, time does not permit me . . . and so in closing I want to say that it is very opportune to read the words of the Finance Minister in his closing remarks.

It is recorded that

*Time and age pass on before our very eyes,*

*The days which are gone never return.*

Why squander our future by conflict?

And it goes on. I therefore want to urge, as the charge said, that we in Guyana have a nation to build. We should join together to ensure that whatever we are doing today we are doing in the interest of the Guyanese people.

Thank you very much. *[Applause]*

**The Speaker:** Thank you, Hon Member.

The Hon Member, Ms Genevieve Allen.

**Ms Genevieve Allen:** Thank you, Madam Speaker, for allowing me this opportunity to participate in this debate of the Budget of 2001.

There is always an air of expectancy upon the presentation of the Budget to the nation. People will ask the question what is there in the Budget for me. How am I going to benefit directly from what is allocated? And moreso the question is asked in Region No. 4. The answer simply is that there is little or nothing there for them to benefit. If we are to carefully review the Budget and we are to analyse what is allocated for Region No. 4 as against Regions No. 6 and No. 2 one will clearly see the marginalisation as it is presented. The Hon Minister in his presentation gave us reviews on the non-financial Public Sector and, Madam Speaker, I want to quote from page 16:

*In the education sector, the expansion of technical and tertiary education was further enhanced with the construction of a new Technical Institute in Essequibo and the completion and opening of the Berbice Campus of the University of Guyana.*

It further goes on to tell us that a number of schools were constructed as well as refurbished in Region Nos. 4, 2, 5, 6 and 10. But, Madam Speaker, I want to deal specifically with paragraph 3.32 which says:

*We did not invest only in the physical infrastructure in education. In fact, much of the investment in this sector*



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*was focused on improving the quality of education. To this end, teacher training and learning strategies, testing and assessment, textbook development . . .*

And others were outlined. The final sentence reads:

*Information Technology was introduced into the primary and secondary school system.*

My question, Madam Speaker, are students really benefitting from these programmes? Were teachers selected or were the participants selected from all of the Regions or was there a special selection? Was the Information Technology programme established in all the Regions? Or was it done in selected areas? I want to say to this House that in my analysis in the Education Sector there was a heavy concentration on the construction of buildings. I want to remind this Hon House that buildings are empty shells without human resources. *[Applause]*

Madam Speaker, the Hon Minister in his presentation identified five initiatives that are intended to pursue or move the Education Sector forward. I quote from page 31:

*First, is the universal secondary education approach in which we are seeking a loan of US\$50M from the IDB to build more Primary and Secondary schools and to convert Primary Tops and Community High schools into Secondary schools.*

Madam Speaker, I want to remind this House that the Community High School Programme was established by the PNC Government in 1973. Coming out of that programme we have a number of Guyanese who have made their mark and are professionals today. *[Applause]* If the idea of conversion of the Primary Tops and Community High schools is the same as what occurred at Freeburg Secondary in Georgetown, there is definitely no foresight or vision. Freeburg Primary was converted last September and the entire school is occupied with students of Form 1. With the expected results of the SSEE Examination and allocations in

train you can well imagine the chaotic situation that will occur. Madam Speaker, a more comprehensive planning and feasibility study should be carried out before these programmes are implemented.

I quote from the Budget Presentation, page 32:

*Second, we have provided resources to further technical/vocational training.*

Madam Speaker, the Community High School programme focused on technical/vocational training. But if we are to analyse the Budgetary allocations, there are more provisions for buildings. There is no provision for equipment and accessories to undertake the programmes to be offered by these schools. The grants that are received by schools cannot provide equipment and accessories. And with the removal of the contingency fund schools have now become another begging agency. The provision of resources to further technical/vocational training places emphasis on budgetary allocations for New Amsterdam Technical Institute, Linden Technical Institute and the provision of a new building at Corentyne when there is already a building at New Amsterdam. There is the need for the focus to be changed. *[Interruption. . . 'Yes I have been to New Amsterdam']* The initiatives clearly shows that the Government is de-emphasising technical/vocational education at the secondary level. If a study of education is done it will show that the development of children varies and hence there is the child who will be above the academic ability, who will be at the average of the academic ability, and there will be the child who will be below the academic ability. When the first initiative, as stated in the Budget, would have been completed there will definitely be no provision for the education of the child who does not have the ability to pursue academics. The Community High School programme would have catered for such a child.

There is the cry that there is a high level of indiscipline in schools. If the programmes offered are not adequate to suit the needs of the child or even attractive to the child's mind there will continue to be a high level of indiscipline or dropouts from the education programme.

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The third initiative as stated in the Budget is the project to computerise all schools. But, Madam Speaker, I want to ask the question. Do we have the adequate staff to carry such programmes? Has there been formal training for teachers within this area? Or is this another dessert on the cake, as we will want to say, in the programme? Madam Speaker, if there is to be an improvement in the quality of education and enhancement of the delivery throughout the country, there is the need for more resources and facilities to be identified.

Madam Speaker, I would like to quote from the Interim Poverty Reduction Strategy Paper page 13:

*In education inequities in spending across and within Regions and sectors and exodus of trained teachers to the Caribbean, North America and Africa and the difficulties in stationing teachers in the interior and rural locations affected quality, access and enrollment, and contributed to poverty in disadvantaged areas.*

Madam Speaker, areas have been identified for the construction of teachers' quarters in the hinterland. But if you were to compare the document that comes from the Teaching Service Commission that deals specifically with the vacancy notice, over the years you would have observed that in Region Nos. 1, 8, 9, 7 and 10 there are over ten (10) schools that would always advertise for Head Teacher because there is no provision for accommodation. In Region No. 1 allocation is provided for the construction of a pit latrine at Chinese Landing but there is no provision for teachers' quarters. The schools in some of these locations are staffed with under-qualified persons. If there is to be improvement in the quality of education, provision should be made for qualified teachers who are out of the regions to fill the necessary vacancies.

Madam Speaker, the human resource is a vital factor in education improvement. Teachers work under very stressful conditions.

The decision to take away the delegation from the Regional

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Education Officers as well as the ACO Georgetown in 1999 to appoint teachers to act in cases of vacancies was a very bad one. This situation has caused schools to go for a very long time with unfilled vacancies. Teachers are compelled to teach two or more classes while the Teaching Service Commission will take its own time to fill the vacancy. Of course, you have to go through the bureaucracy. Madam Speaker, I want to make reference to the Strategy Paper, page 23, as it makes reference to the ratio of teacher to child. It reads:

*For this reason the Government will implement measures to reduce student, trained teacher ratios from 40 to 1, to 27 to 1 at Primary and Secondary schools.*

The schools today are very overcrowded and over the years teachers have been clamouring for the ratio of students to teachers to be decreased. The present situation of fifty and sixty students to one teacher is totally unacceptable. Even though the Government may say that they are making provisions for this and they are constructing more and more schools, this has not certainly helped the situation. Hence, today there is the hue and cry of corporal punishment. If teachers are asked to work in situations where they have fifty (50) and (60) sixty students to deal with obviously they cannot pay personal attention to each child and hence there will be a level of indiscipline in the school.

Madam Speaker, teachers are also expected to perform janitorial duties. Recently, it was highlighted, that the number of schools in Region No. 4 requires a total of one hundred and eighty sweepers/cleaners. There are only sixty-two such persons employed. In the light of this teachers are expected and even compelled to ensure that teaching is done in a healthy environment. The teacher is asked by the Head teacher or the Official from the Department of Education to clean the classroom. This is totally unacceptable.

In a paper provided by Dr Hunte that deals with education reform Guyana's focus and direction he has given five points in the criterion for success. Point 4.3 reads:

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There are initiatives for teachers who take on additional responsibilities/duties in one of the areas.

I would like to ask the question: Is it that teachers would receive incentives for becoming janitorial staff in schools?

Madam Speaker, teachers are leaving Guyana in droves. Special packages are offered by foreign countries that seem very, very attractive. Even though Botswana is a high risk country with the HIV Epidemic and Haiti is considered to be one of the poorer countries, the salary offered to teachers with a first degree overseas is far more than what is earned by the Head Teacher of QC who is at the top of the scale. When compared with other Caribbean countries salaries paid to teachers are the lowest in the Caribbean. Unless this situation changes significantly there will continue to be a decline in the education standard. Madam Speaker, if there is to be an improvement in the quality of education there must be improvement in the conditions under which teachers work and a significant increase in salaries. We may provide buildings, we may provide programmes, but unless teachers or students can benefit significantly from those programmes organised there will definitely not be an improvement in the delivery of education.

Thank you Madam Speaker. *[Applause]*

**The Speaker:** You finished just on time.

The Hon Ms Bibi Shadick.

**Hon Bibi Shadick:** My job this evening is a complicated one. I happen to be, like the Hon Mr James McAllister, a Regional Constituency Candidate for Region No. 3. And because I have just relatively listened to Mr McAllister I would like to address some of the issues he raised and deal with the regional issues before moving to the more substantive issues that deal with the Ministry within which I am the Minister. As I listened to the Hon McAllister, Madam Speaker, it was obvious to me that he was a member of that committee looking at the depressed

communities and he picked out a few of them in Region No. 3. I must say that as a teacher for thirty-five (35) years and having retired, I will speak to him as a teacher. He should do a little bit more homework and not stretch or bend the truth by omission whether intentional or not. What Mr McAllister failed to tell this Hon House through you, Madam Speaker, was that the village in which he lives had road, water, schools and everything put in. *[Applause]* Madam Speaker, if the Hon Mc Allister is going to call Den Amstel one of the areas in which the PPP/C got support then I suggest that he goes and look again because Den Amstel is one of those places that had water, road and schools, not to mention Health Centres built since the PPP/Civic has been in Government.

My friend mentions roads and back roads, not the public road. I will say to my friend that if he does his homework he will find out that every Neighbourhood Democratic Council is apportioned \$3M dollars per year to look after the roads within their NDC. That is the internal roads that he is talking about. Where the \$3M is not enough, I will say that the Ministry that is responsible, the Ministry of Public Works has this year, in its miscellaneous road programme, apportioned the sum of \$69M for roads in Region No. 3. That is roads that cannot be done with the money allocated to the NDC's. *[Applause]*

Mr friend mentioned Stanleytown and roads. But what my friend failed to say, and this is why I am talking about intentional omission, that millions of dollars have just been pent on sea defence in Stanleytown. This was considered as priority over the roads because there would not have a Stanleytown without the sea defence. *[Applause]* The roads will come later, rest assured.

My friend mentioned drainage. I have to say to my Hon friend that apart from the Boerasirie conservancy project that is managed by Guysuco there is an IFAD drainage programme which is ongoing and is looking at areas like Farm, Ruby, Parika Backdam and so on. I suggest he goes and does his homework.

Madam Speaker, my friend spoke about the Demerara Harbour

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Bridge and the need for a high level bridge across the Demerara River. He talks about foresight. I wish to remind my Hon friend, he probably was not a member of the People's National Congress at that time, I don't know, that it was the People's National Congress that established the Demerara Harbour Bridge *[Applause]* when there were many ships going to McKenzie for bauxite, now that the bauxite is failing we do not have so many ships. The said PNC did not have the foresight to see that a high level bridge would have been better than a floating bridge, and that boats would have had to wait for cars and cars would have had to wait for boats. *[Applause]* *[Interruption: 'LFSB.']* Madam Speaker, while we are on the Bridge I wish to say that my friend, my fellow Regional Constituency Candidate on the other side of the House for Region No. 3, takes the Bridge for granted now because it works so smoothly and efficiently. *[Applause]* Prior to 1992 if our memories would go back, we have to remember from where we came and where we are in order to decide where we are going, regularly every two or three months the Bridge would not only break down it would float away and take months to come back. *[Applause and Laughter]* When it floated it took minibuses and passengers with it. Madam Speaker, only once after the PPP/C went into Government in October, 1992 did that Bridge breakdown. It was repaired within a week and since then it has never broken down or floated away. *[Applause]* Madam Speaker, the efficiency is such now, in the running of the Bridge, that you can call on Monday and find out what time it is going to be closed for traffic on Saturday so you can make your plans in advance. *[Applause]*

Madam Speaker, I will speak a little more about these roads my friend talks about then I will leave the main to my heavyweight friend here who will deal with him tomorrow. *[Laughter]* He talked about roads in Leguan at Phoenix. Well I have the advantage, I live in Leguan. I happen to know about all the roads in Leguan because I lived in Leguan long before 1992. If my friend the Hon Winston Murray would like to say his roots are in Leguan and he visited very often while he was in the PNC Government. Prior to 1992 the roads in Leguan used to be repaired with sand so you could not even walk. After 1992 Leguan can boast of asphalt surfaced roads. *[Applause]* Suffice it to say that it has not been

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completed from end to end. But I would like to say to my friend that in this year's Budget the Leguan Neighbourhood Democratic Council has plans to complete the same road he is talking about to Phoenix and the one on the eastern end of the Island. If \$3M does not suffice then there is the \$69M, and some of it can go there.

Wakenaam, that my Hon friend probably never visited, also had roads built from Noitegedacht to Maria's Pleasure. The PPP/Civic Government dose not discriminate. Leguan and Wakenaam only have one public road that has to be done, the others are dams and so on. SIMAP built roads to the tune of \$25M. The NDC in Wakenaam now is undertaking three (3) miles of road up to Sarah. The roads in Wakenaam are being addressed. The people there are happy with the plans. I suggest that my friend who says he is representing all the people in Region No. 3 go to all the areas for a visit. Visit the places and you will see how happy the people are.

Madam Speaker, I cannot go away without talking about rice. I heard the Hon Member Mr Jerome Khan say that he was the son of a rice farmer. But I think that is where he stopped. I don't know if he ever saw a rice field after being the son of a rice farmer. *[Laughter]* I would say to the Hon Member Mr Khan that I visit the rice fields and do work in them because I have a vested interest. Prior to 1992 nobody in Leguan planted rice. They would put cows on the rice beds because the PNC Government closed down the Rice Board, there was no interest in rice. I suppose it was perceived that the people who were involved in the rice industry were not really their supporters. Now to say that our economy is based on sugar, rice and bauxite, they seem to have forgotten that rice was part of the things on which our economy was based prior to 1992. Then there was talk about poor drainage that caused rice to fail. If there was no rice crop nobody looked at drainage prior to 1992. In 1992 the total rice production in this whole country was 85,000 tons. Last year it was over 230,000 tons. *[Applause]*

Madam Speaker, I would just like to inform my Hon friend, Mr McAllister and the rest of the Members on the other side of this House

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of some other things that are being done in Region No. 3 to complement what has already been done since 1992. We are looking at construction of bridges and we are not choosing areas that are traditionally PNC supported or PPP supported. There is a bridge that is going to be built at La Grange long dam. There is a bridge that is going to be built at Vergenoegen (I specifically heard that name from my friend). There is a Nursery School that is going to be built at Stanleytown. The Region is undertaking works at the West Demerara Hospital, redesigning and extending the Theatre, and constructing a toilet block. That will benefit all the people of Region No. 3. I do not think that the Hospital discriminates on the basis of who voted for the PPP or not.

Madam Speaker, I do not think I have to go with what is happening in Region No. 3 but I will say I cannot leave without talking about Parika. That is the place where anybody coming from anywhere in the interior has to pass. It is flourishing and growing, blooming. If any one of my friends on the other side go to Parika on Sunday mornings they will find that they cannot 'drive past' from the Stelling right on to the turn where Gafoors, is because there is a market. This Government recognising that there is a place for these people to go has started consultations to acquire a piece of land to build a market at Parika so as to ease that congestion on the road. *[Applause]* Madam Speaker, there are so many things that I can say about Region No. 3, but I am fully cognisant of the fact that I have a half-hour to speak, people are tired and want to go home. So I am going to go to the Ministry where I have been assigned.

The Hon Minister Dr Dale Bisnauth spoke about the labour aspect of the Ministry of Labour, Human Services and Social Security. It is my task to tell you about the Ministry's plans for the Human Services and Social Security Sector. I will say, Madam Speaker, that I agree with my Hon friend Mr Winston Murray when he says that Guyana is in a difficult economic situation. It is. There is not enough money to do what we need to do. Notwithstanding negative growth in the economy in 2000, the Ministry of Human Services *has* to provide the social services that are necessary. It cannot leave out any part of the services that it has to provide. The people we deal with are the old, the indigent, the very young, women,

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children and all kinds of people. We cannot tell them we do not have any money to pay you old age pensions this month. I have a mother who is eighty-two (82) years old. When she was sixty-five (65) and should have been entitled to old age pension, she applied so many times and I am not saying what she would have gotten would have been enough to maintain her. What I am saying is that it would have given her a sense of knowing that I have worked for this country for so long and I am getting something back from it. She applied numerous times and was turned down because there was what was called a 'means test'. She was told that she has nine (9) children and they are all gainfully occupied so they had to look after her. When this PPP/C Government came into office the means test was abolished and everybody who reaches the age of sixty-five is now entitled to their old age pension. *[Applause]*

I want to say that as I sat in this House last Thursday I listened very carefully to Member on the other side of the House, Ms Genevieve Allen, when she talked about the meager sum that people receive as Old Age Pension. I want to assure my friends on the other side of the House that we on this side of the House are fully cognisant that the sum of money that is being paid as Old Age Pension is meager. But in the circumstances let us examine where we were in 1992, what we have done, and where we are. That is the only way we can appreciate if something has been done. The thing is that the PPP/C Government does not believe in hanging their hats where they cannot reach. That was the story of the Members of the other side of the House. That is why when the PPP/Civic came into Government in 1992, 94 cents out of every dollar that we collected as revenue was used to pay debts. That is because people's hats used to be hung much higher than their hands could reach. But may I remind the Hon Members, Madam Speaker, that Old Age Pension in 1992 was \$290, in 2000 \$1,638 representing an increase of 465%. *[Applause]* What is more, because of the abolition of the means test the people to whom we have to pay the money to have increased significantly. We are now paying Old Age Pension to 36,902 persons representing an increase of 73% on the numbers we had in 1992. *[Applause]*

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For Public Assistance in 1992 people received the paltry sum of \$204. In 2000 they received the sum of \$1,097 representing an increase of 438%. The numbers there have also increased by 35%. So even though the moneys may be small more money . . . This year the amount of money that is being expended on Old Age Pension and Public Assistance is in the sum of \$877,500. Madam Speaker, in addition to paying these sums to people who are in need the Ministry of Labour, Human Services and Social Security provides other help for recipients of Old Age Pension and Public Assistance. From a Fund we refer to as 'A Fund for People in Difficult Circumstances' we give assistance which includes burial of the destitute dead, (Someone dies, no one can pay the funeral expenses; we pay the expenses.), provision of spectacles for those who cannot afford, providing of artificial limbs, (that we pay for and are made by the Polio Rehab Centre), giving of food items to destitute and provide funds to single parents, most of whom are women to start small economic ventures from which they can earn to better support the families they have. More recently we have been providing some form of legal aid (with the presence of a lawyer in Region No. 2) to those people in difficult circumstances, especially women, single women, who have no money to pay lawyers. As a start for one week of every month we have a lawyer there to represent and to take the matters that those people have to court. We intend to extend that to possibly Region Nos. 3, 5 and 6 because the Legal Aid Clinic that exists in Georgetown has lost its mandate and the lawyers do not leave Georgetown. If they have to leave they ask for the Ministry to pay their travelling and subsistence. It is cheaper for us to pay for a lawyer to go to these places. In addition, Madam Speaker, the Ministry looks after the Palms which is a home for the indigent. Right now there is a bed capacity of 280 persons. The number of inmates, 142 males and 128 females. The Ministry provides funds for the running of the Palms totally.

There is a night shelter for the destitute which was opened last year. Anybody can visit there. On any given night there is between ninety (90) and one hundred and twenty-six (126) people who use those facilities. They are given a hot meal for dinner and breakfast before they leave. Some of them work, they just do not have a home to live in.

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In the area that we call **Probation and Family Welfare**, that is a section of the Ministry that is so wide and encompassing and so much has to be done in there that some people would be surprised if they hear of all the things. I am sure that my friends on the other side of the House, especially my friend Ms Amna Ally who seemed so concerned about women. I think she should be concerned about children as well because they go together. That department is responsible for all things to do with adoptions. It is also responsible for the Drop-In Centre for Children which is in a temporary quarters for which we pay rental but for which a permanent building is to be completed in the very near future, about one (1) month's time. It will cater, not only for children going in and being tutored in a school curriculum designed by NCERD and funded by UNICEF but it also provides sleeping quarters for those children. I am sure my friends on the opposite side of the House, Madam Speaker, would agree with me that that is a move in the right direction.

We also run, maintain and administer the Mahaica Children's Home and the Mahaica Hospital. The Ministry is responsible for the administration of both. At the Mahaica Children' Home presently (it was opened in 1994) there is a population of thirteen boys and twelve girls. These are children that have been abandoned or whom their parents bring to us and say I can no longer afford to maintain this child or I can no longer keep this child. Our Welfare and Probation Officers provide counselling and help with these children. The children are going to school using transportation provided by the Ministry and they write exams. Madam Speaker, the Probation Department also looks after counselling. I would like to address the question that the Hon Amna Ally talked about on women and the WAB. I smiled when I heard her say that no legislation was passed regarding women. I remember a bit of legislation that was passed while the Members on that side were on this side of the House in 1990, a Bill called the Equal Rights Act that gave equal rights to children born out of wedlock as those born in wedlock, and gave equal rights to women who lived with single men for five years. What the Bill however did not do, and I don't know whether that is an intentional omission or not, was address that section of the Civil Law Act that dealt

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with the law of intestacy which gives the right to a wife to inherit a third of a husband's property if he died intestate. It did not address the rights of those wives who had not been married, signing a marriage register (who had been married by a Pandit or a Majie). I am saying that that was probably intentional because the perception could have been that those people were not perceived to be supporters of the PNC. I would like to say to the Members on the opposite side of the House that we have already begun discussions with the Ministry of Legal Affairs, the Attorney General to get an amendment to that Bill to address that question and provide a little more equality for all those women who have spent years of their lives in marriages that were not legal.

Madam Speaker, I am aware that Members want to leave, but there is so much more that I can say. But I think I have given people an earful for today. I would just like to close by bringing to the attention of this House that very shortly will be laid before this House a Bill that addresses all the facets of the rights of a child within the society. That Bill we are aiming to have made law before the end of the year. That will revolutionise all things to do with children.

So Hon Members, Madam Speaker, through you, the PPP/C Government and the Ministry of Human Services do not treat women and children lightly. We take that responsibility very seriously. There is no discrimination as to which woman supported the PPP/C or supported PNC/R.

Thank you. *[Applause]*

**The Speaker:** Hon Members this concludes our business for today.

The Hon Minister of Parliamentary Affairs.

**Hon Reepu Daman Persaud:** Madam Speaker, I wish to move that the National Assembly stand adjourned to tomorrow, 26<sup>th</sup> June, at 2:00 p.m.

**The Speaker:** The Assembly stands adjourned to 2:00 p.m. tomorrow.

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**Adjourned accordingly at 21:13h**

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