

National Assembly Debates

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

7th Sitting

14:00h Thursday, 11 January, 2007

Part 1 of 3

MEMBERS OF THE NATIONAL ASSEMBLY (71)

Speaker (1)

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

Members of the Government (42)

(i) *People's Progressive Party/Civic (41)*

(ii) *The United Force (1)*

The Hon Samuel A A Hinds MP (*Region # 10 - Upper Demerara/Upper Berbice*), *Prime Minister and Minister of Public Works and Communications*

The Hon Clement J Rohee MP, *Minister of Home Affairs*

The Hon Shaik K Z Baksh MP
Minister of Education

The Hon Dr Henry B Jeffrey MP
Minister of Foreign Trade and International Cooperation

The Hon Dr Leslie S Ramsammy MP
(Region # 6 - East Berbice/Corentyne), Minister of Health

The Hon Carolyn Rodrigues-Birkett MP
*(Region # 9 - Upper Takutu/Upper Essequibo)
Minister of Amerindian Affairs*

*The Hon Dr Ashni K Singh MP, *Minister of Finance*

*The Hon S Rudolph Insanally OR, CCH, MP (Absent-on leave)
Minister of Foreign Affairs

*Non-elected Minister

** Elected Member from The United Force

***Non-elected Member

- The Hon Harry Narine Nawbatt MP
Minister of Housing and Water
- The Hon Robert M Persaud MP
(Region # 6 - East Berbice/Corentyne), Minister of Agriculture
- The Hon Dr Jennifer R A Westford MP
(Region # 7 - Cuyuni/Mazaruni), Minister of Public Service
- The Hon Kellawan Lall MP
Minister of Local Government and Regional Development
- *The Hon Doodnauth Singh SC, MP
Attorney General and Minister of Legal Affairs
- The Hon Dr Frank CS Anthony MP
Minister of Culture, Youth and Sport
- The Hon Brindley HR Benn MP
Minister of Transport and Hydraulics
- **The Hon Manzoor Nadir MP, *Minister of Labour*
- The Hon Priya D Manickchand MP
(Region No. 5 - Mahaica/Berbice)
Minister of Human Services and Social Security
- The Hon Dr Desrey Fox MP
Minister in the Ministry of Education
- The Hon Dr Bheri S Ramsaran MP
Minister in the Ministry of Health
- The Hon Jennifer I Webster MP
Minister in the Ministry of Finance
- The Hon Manniram Prashad MP
Minister of Tourism, Industry and Commerce
- Mr Donald Ramotar MP
- Ms Gail Teixeira MP
- Mr Harripersaud Nokta MP
- Mrs Indranie Chandarpal MP, *Chief Whip*
- Ms Bibi S Shadick MP
(Region No. 3 -Essequibo Island/West Demerara)
- Mr Mohamed Irfaan Ali MP
- Mr Albert Atkinson JP, MP
(Region No. 8 - Potaro/Siparuni)

*Non-elected Minister ** Elected Member from The United Force ***Non-elected Member

Mr Komal Chand CCH, JP, MP
(Region No 3 - Essequibo Island/West Demerara)

Mr Bernard C DeSantos SC, MP
(Region # 4 - Demerara/Mahaica)

Mrs Shirley V Edwards JP, MP
(Region # 4 - Demerara/Mahaica)

Mr Mohamed F Khan JP, MP
(Region No. 2 - Pomeroon/Supemaam)

Mr Odinga N Lumumba MP

Mr Moses V Nagamootoo JP, MP

Mr Mohabir A Nandlall MP

Mr Neendkumar JP, MP
(Region No. 4 - Demerara/Mahaica)

***Mr Steve P Ninvalle MP, *Parliamentary Secretary*

Mr Parmanand P Persaud JP, MP
(Region No. 2 - Pomeroon/Supenaam)

Mrs Philomena Sahoye-Shury CCH, JP, MP
Parliamentary Secretary

***Mrs Pauline Sukhai MP, *Parliamentary Secretary*

Mr Dharamkumar Seeraj MP

Mr Norman A Whittaker MP
(Region No. 1 - Barima/Waini)

Members of the Opposition (28)

(i) Members of People's National Congress Reform-One Guyana (22)

Mr Robert HO Corbin MP, *Leader of the Opposition*

Mr Winston Murray CCH, MP (Absent - on leave)

Mrs Clarissa S Riehl MP
Deputy Speaker of the National Assembly

Mr E Lance Carberry MP, *Chief Whip* (Absent - on leave)

Mrs Deborah J Backer MP

Mr Anthony Vieira MP

Mr Basil Williams MP

Dr George A Norton MP

Mrs Volda A Lawrence MP

Mr Keith Scott MP

*Non-elected Minister ** Elected Member from The United Force ***Non-elected Member

Ms Amna Ally MP
Mr James K McAllister MP
Mr Dave D Danny MP(*Region # 4 - Demerara/Mahaica*)
Mr Aubrey C Norton MP(*Region # 4 - Demerara/Mahaica*)
Mr Ernest B Elliot MP(*Region # 4 - Demerara/Mahaica*)
Mrs Judith David-Blair MP(*Region #7 - Cuyuni/Mazaruni*)
Mr Mervyn Williams MP
(Region # 3 - Essequibo Island/West Demerara)
Ms Africo Selman MP
Dr John Austin MP(*Region No. 6 - East Berbice/Corentyne*)
Ms Jennifer Wade MP(*Region # 5 - Mahaica/Berbice*)
Ms Vanessa Kissoon MP
(Region # 10 - Upper Demerara/Upper Berbice)
Mr Desmond Fernandes MP(*Region # 1 - Barima/Waini*)

(ii) Alliance For Change (5)

Mr Raphael GC Trotman MP
Mr Khemraj Ramjattan MP
Mrs Sheila V A Holder MP
Ms Chantalle L Smith MP *(Absent)*
(Region # 4 - Demerara/Mahaica)
Mr David Patterson MP

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

Mr Overall N Franklin MP

OFFICERS

Mr *Sherlock E Isaacs* Clerk of the National Assembly
Mrs *Lilawattie Coonjah* Deputy Clerk of the National Assembly

14:12H

PRAYERS

[The Clerk reads the Prayer]

ANNOUNCEMENTS BY THE SPEAKER

(i) Visit of the Parliamentary Delegation from the Canadian Branch of the Commonwealth Parliamentary Association

Honourable Members, we have with us today, in our Parliament Chamber the Parliamentary Delegation from the Canadian Branch of the Commonwealth Parliamentary Association. On behalf of Members of the Assembly and myself, I welcome them to this Sitting of the National Assembly and extend best wishes to them and hope that they have been enjoying their short stay in Guyana, which from the pictures in the newspapers appear to be so.

I must add that our Members of Parliament have held very informative sessions with them on their and our systems of parliamentary procedures. We have learnt a lot and I hope that our Canadian colleagues have also learnt much. Once more, welcome to our visitors. *[Applause]*

(ii) Circulation of the Revised Agenda of the Parliamentary Management Committee

Honourable Members, I have directed the Clerk of the National Assembly to circulate to you, the agenda as revised by the Parliamentary Management Committee in its meeting yesterday, for the three day parliamentary training seminar for all Members of the National Assembly from 15 to 17 January. Again, I urge all Members to make every effort to attend all of the sessions in the seminar. We have revised the times at the request of Members to give those working Members an opportunity to facilitate them to attend all sessions.

PRESENTATION OF PETITIONS

By Mrs Volda Lawrence:

Petition of the Christian Community in Guyana against the reading, consideration and passage of the draft legislation Bill No. 30 of 2006: Gambling Prevention (Amendment) Bill 2006 and its retraction and invalidation/withdrawal.

I move that it be read.

Question -

That the petition be read

Put and agreed to

Motion carried

Mr. Clerk, please read the petition. Honourable Members, this is a very long document so you have to be patient.

NA 30 Oct 2006

GUYANA

COUNTY OF DEMERARA

*In the matter of the WITHDRAWAL of Bill No.30/2006:
Gambling Prevention (Amendment) Bill 2006*

PETITION

*To: The National Assembly of the Corporate Republic of
Guyana,
Public Buildings,
Brickdam
Georgetown*

*THE HUMBLE PETITION of the Christian Community of
Guyana*

*against the reading, consideration and passage of the draft
legislation for*

*Bill N0.30/2006: Gambling Prevention (Amendment) Bill
2006*

and its retraction and invalidation or withdrawal.

Viz:

Reverend Raphael Massiah

**Georgetown Ministers'
Fellowship**

**c/o First Assembly of
God, Durban Street,
Georgetown**

Reverend Alphonso Porter

***Guyana Council of
Churches***

***c/o Queenstown Church
of The Nazarene,
Irving Street,
Queenstown,
Georgetown***

Pastor Lloyd Stewart

***Guyana Evangelical
Fellowship***

***c/o Bethel Gospel Hall
192-3 Camp Street,
South Cummingsburg***

Respectfully submit:-

1. *That your petitioners and organisations they represent are duly registered under the laws of Guyana.*

2. *That your Petitioners are desirous of promoting a motion to retract and/or otherwise invalidate or annul the provisions of the legislation Bill No.30/2006: Gambling Prevention (Amendment) Act 2006, scheduled for hearing in the National Assembly of the Corporate Republic of Guyana, firstly on 11th January, 2006 and apparently on days thereafter.*

3. *That the said Bill No.30/2006 is disingenuous, opportunistic, unconstitutional and conflicting with the protection of various rights granted to citizens and the*

Parliament of Guyana in its attempt to institute Casino Gambling in Guyana.

4. *That the petitioners, representing a significant amount of Christian congregations in Guyana, therefore petition the Members of Guyana's Parliament to cease and desist from entertaining and passing Bill No.30/2006, or any other Bill designed to legalise Casino Gambling in Guyana.*

5. *That the petitioners have engaged in academic research and verbal polling in its various districts and can sincerely conclude that a majority of Guyanese, if given the opportunity to participate in the political process, as the Constitution guarantees will be unalterably opposed to such move. Our position is taken on these grounds:*
 - (i) *That the Government's approach thus far on the issue has illustrated little regard for Sections 13 and 50 of the Constitution of Guyana. It does not involve civil society in any meaningful consultation on the issue, nor have they engaged Parliament in any form of discussion. This represents a considerable lapse of judgement, given the deleterious effects that casino gambling has been shown to have on localities, counties and countries.*

 - (ii) *That Government has offered no study to show the social impact of legalised gambling in Guyana. On the other hand, there exists a lot of evidence to show that, with our weak law enforcement, judicial, legislative and social infrastructure, the advent of casino gambling will see Guyana moving from a "Jurisdiction of Concern in the USA State*

*Department's money laundering list to a "Jurisdiction of Primary Concern". In this regard, we refer readers to the International Narcotics Strategy Control Report for 2006 (INSCR 2006) and its **"List of Vulnerability Factors" at the URL <http://www.state.gov/p/inl/rls/ncrpt/2006/vol2/html/62140.htm>**, as well as the comprehensive **"Comparative Table For Money-Laundering Countries"** at the URL <http://www.state.gov/p/inl/rls/ncrpt/2006/vol2/html/62141.htm>. See also pages 5 and 6 of **"The Draft Position of the Church of Jesus Christ on Casino Gambling"**, an addendum to this petition.*

(iii) That basic academic research shows that some of the deleterious effects of gambling are:

- (a) **The creation of false values, including the "get-rich-quick" illusion***
- (b) **Discouragement of thrift, honest enterprise and a productive work ethic.***
- (c) **Promotion of greed - a vice which is apparently latent in everyone.***
- (d) **Temptation to weak-willed persons, who frequently develop an addiction to gambling.***
- (e) **Family neglect and domestic violence, thus undermining the most important unit of society.***
- (f) **Wastage of money, which could be used for productive purposes.***
- (g) **Enrichment of a few and impoverishment of a majority.***

- (h) *Increase in crime since gamblers tend to engage in crime to obtain money to gamble.*
- (i) *Pauperisation of gamblers, who often will have to resort to begging in order to gamble or just survive.*
- (j) *Promotion of opportunities for illegal activity including money laundering, thus leading to corruption in the public and/or private sectors.*

6. *That therefore, the petitioners urge:*

- (i) *That casino gambling not be legalised in Guyana for the Cricket World Cup 2007 or at any time and that this haste to have Bill No.30/2006 introduced without consulting the major stakeholders, means that our Government is being held to ransom by vested interests;*
- (ii) *That Government cannot and must not be held to ransom by any stakeholder because it facilitated investors' efforts to benefit from tourism and CWC 2007. We Guyanese will not have any type of tourism at any cost;*
- (iii) *That consideration of draft legislation should be deferred until after Cricket World Cup 2007 when a national consensus can be reached on the issue*

after comprehensive consultation with all stakeholders;

- (iv) *That all issued licenses, promises or assurances must be withdrawn;*
 - (v) *That full and unbiased recognition be made of all research papers on the issue, so that the Government and all Guyanese citizens can learn from the past and not be burdened with repeating the mistakes other nations have made.*
- (7) *That the petitioners have already assessed and studied the representative body of work and would immediately recommend that all Parliamentarians and readers peruse the Issue Brief at the Centre for Arizona Policy, (January 2006), found at <http://azpolicy.org/pdf/gb1harmssofGambling.pdf>.*
- (8) *That the abovementioned report is most current and not outdated and gives a concise outline of the arms that legalised gambling will bring to Guyana and that the social cost to Guyana will likely outweigh its nebulous benefits.*
- (9) *That the Petitioners have also produced a draft document entitled “**Legal, Moral, Social and Constitutional Considerations in Addressing the Responsibilities of Government with regard to Casino Gambling in Guyana**”, that deals with this and related issues. It is a well-researched paper which clearly elucidates the concerns of Guyanese citizens, generally. The document is to be found at the URL:*

<http://www.caribevangelical.org/pdfs/guyanagambling.pdf> and it is also attached as an addendum to this petition. It outlines Guyana's perilous descent at the level of governance and constitutional issues. As a maturing democracy, we cannot ignore the implications of these findings.

- (10) *That the Christian community throughout Guyana is deeply troubled by the stand initially taken by the Government of Guyana, but maintains that there is still time for redress.*
- (11) *That the petitioners implore government's commitment to engage a national discussion on this issue. We urge Christians, Muslims and Hindus in Guyana to fully engage in this national discussion, mindful of the sometimes, emotive nature of the issues to be discussed.*
- (12) *That the Petitioners pray that God guides our Members of Parliament as they consider the negative implications of Bill No. 30/2006 and thereafter, vote for its defeat, our government having initially neglected to involve Guyana's citizens, including its Members of Parliament in its decision-making process.*
- a. *That your petitioners have secured the cooperation and voluntary services of Member of Parliament Volda Lawrence, who has agreed to present this petition in the National Assembly.*
- (14) *Wherefore your Petitioners humbly pray that the National Assembly will be pleased to accept their Petition and permit due process for the withdrawal of Bill No.30/2006.*

AND YOUR PETITIONERS IN DUTY BOUND WILL EVER PRAY

Reverend Raphael Massiah (Sgd) *Reverend Raphael Massiah*

Reverend Alphonso Porter (Sgd) *Reverend Alphonso Porter*

Pastor Lloyd Stewart (Sgd) *Pastor Lloyd Stewart*

The Speaker: Thank you very much.

PRESENTATION OF PAPERS AND REPORTS

1. By the *Speaker of the National Assembly (Chairman of the Committee of Selection)*:

Errata of the 1st Minutes of the Committee of Selection held on Thursday 14 December, 2006.

2. By the *Minister of Finance*:

(i) *The Ministers, Members of the National Assembly and Special Officers (Emoluments) (Amendment) Order, 2007- No.1/2007*

(ii) *Financial Paper No.5/2006 - Supplementary Estimates (Current and*

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Capital) totalling \$1,721,362,439 for the period 2006-11-18 to 2006-12-31

- (iii) *Financial Paper No.6/2006 - Supplementary Estimates (Capital) totalling \$999,873,230 for the period ending 2006-12-31*

Hon Dr Ashni K Singh: In relation to the last two items, Mr Speaker, I beg to name the date of the next Sitting of this Assembly as the date on which the said items will be considered.

The Speaker: Thank you, Honourable Member.

3. *By the Minister of Local Government and Regional Development:*

Local Democratic Organs (Emoluments of Office-holders) (Amendment) Order 2007 - No.2/2007

ORAL QUESTIONS WITHOUT NOTICE

The Speaker: I understand that there are some questions. Before you, Mr Corbin, we received notice before.

The Honourable Member, Mr McAllister.

Mr James K McAllister: Mr Speaker, this question is for the Honourable Minister of Agriculture.

1. *Can the Honourable Minister say:*

- (i) *What was the amount of rice exported to Europe annually over the past five years and how did this compare with the quota granted to Guyana?*

- (ii) *Does the Government have plans to acquire rice mills and to re-introduce State milling of rice in Guyana?*

The Speaker: The Honourable Minister of Agriculture.

Hon Robert M Persaud: Mr Speaker, in response to the Honourable Member's first question, I do not have all the specific information, but I can tell him that in 2006, Guyana exported 205,000 tonnes of rice, fifty percent of which went to Europe, earning the country a total of about US\$55M. The specific information regarding the quota, I can supply that subsequently.

Regarding the second question, I do not, as Minister of Agriculture have at this point in time, any recommendation to present to the Cabinet to acquire any mill or to conduct any State rice milling activity.

The Speaker: Thank you, Honourable Member.

Yes, Mr McAllister

Mr James K McAllister: Just a supplementary, Mr Speaker.

Supplementary Question -

So am I to understand that the acquisition of mills and, if possible, State milling has not been ruled out by the Honourable Minister?

Hon Robert M Persaud: Mr Speaker, I think my answer was very clear.

The Speaker: The Honourable Member Mrs Backer.

Mrs Deborah J Backer: I have a question for the Honourable Prime Minister.

2. *Could the Honourable Prime Minister inform this National Assembly if an annual register of dealers is kept at the Headquarters Police Station of the counties of Demerara, Berbice and Essequibo as provided for in Section 5 of the Old Metal Dealers (Amendment) Act 27/1991?*

Hon Samuel AA Hinds: They are expected to, according to the law and I am expecting that they are bringing themselves in line with that requirement, since we have been pursuing matters concerning scrap metal dealing.

Mrs Deborah J Backer: If that is so, Prime Minister, you were saying, that you are presuming that it is so, my next question is, could you say how many dealers are listed in the annual register for the county of Demerara?

Hon Samuel AA Hinds: I could not give you that number at this moment. I could supply it later.

Mrs Deborah J Backer: Alright.

The Speaker: Honourable Member, Mr Corbin.

Mr Robert HO Corbin: Mr Speaker, I would like to ask the Honourable Prime Minister:

3. *If he would be good enough to enlighten the Parliament and me in particular, of the names of the Directors of OMAI Bauxite Mines, Inc, representing the thirty percent shareholdings of the Government of Guyana and at the same time, if he would enlighten us as to when the last Board meeting was held and how many meetings of that Board were held in 2006?*

Hon Samuel AA Hinds: Mr Speaker, I would like to answer the Honourable Member very accurately and I would like to ask that I submit the answers to those questions to him or to this House.

The Speaker: Thank you, Honourable Members.

QUESTIONS ON NOTICE

The Speaker: Honourable Members, there are ten questions on the Order Paper. Questions Nos.1, 2, 3 and 4 are in the name of the Honourable Member, Mr Raphael Trotman. Question No.5 is in the name of Mrs Sheila Holder. Questions Nos. 6, 7, 8 and 9 are in the name of Honourable Member Mr David Patterson. All of these questions are for written replies. The answers have therefore been circulated in accordance with our Standing Orders. Question No.10 is in the name of Honourable Member, Mr Everall Franklin. This question is for oral reply and is for the Minister of Home Affairs.

The Honourable Minister of Home Affairs

1. CONSULTANT/ADVISER ON LAW ENFORCEMENT IN GUYANA

By Mr Raphael Trotman:

- (i) Has Mr Bernard Kerik and/or his company been hired or contracted in any capacity as a consultant, or otherwise to advise, or be involved in law enforcement in Guyana?

- (ii) If Mr Kerik has been, or is likely to be retained, what is the remuneration and benefits to be offered to him and his associates by the Government of Guyana?

Written replies submitted by the Minister of Home Affairs:

- (i) The Honourable Minister of Home Affairs wishes to inform the Honourable Member that the answer to the question is no.
- (ii) The Honourable Minister of Home Affairs further informs the Honourable Member that should Mr Kerik be retained by the Government of Guyana any remuneration and benefits will be subject to negotiations.

2. TOTAL NUMBER OF PERSONS IMPRISONED IN GUYANA

By Mr Raphael Trotman:

- (i) *Can the Minister of Home Affairs say what is the total number of persons imprisoned in Guyana as of December 1, 2006?*

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- (ii) *Can the Minister provide a detailed breakdown of the categories and numbers of each offence for which persons are incarcerated?*

Written replies submitted by the Minister of Home Affairs:

- (i) The Honourable Minister of Home Affairs wishes to inform the Honourable Member that the total number of persons imprisoned in Guyana as of December 1, 2006 was one thousand, nine hundred and fifty five (1,955). See below

Guyana Prison Service Population

Date: 2006-12-01

	DEO	NA		SB. H				
				MAZ		TIM	LUS	G/TOT
		M	F					
Convicted	346	173	40	204	157	111	127	1158
Remanded	637	118	39				03	797

Total 983 291 79 204 157 111 130 1955

- (ii) The Honourable Minister hereby submits a detailed breakdown of the categories and numbers of each offence for which persons are incarcerated.

SEE APPENDIX.

3. MARIJUANA (CANNABIS SATIVA) RELATED OFFENCES FOR

THE PERIOD 2005 - 2006

By Mr Raphael Trotman:

- b. What is the number of persons arrested for offences related to marijuana (cannabis sativa) for the period 2005 - 2006?*
- c. What is the total number of persons successfully prosecuted for being in possession of marijuana (cannabis sativa) during the period 2005 - 2006?*
- d. What is the average cost to prosecute each such case?*
- e. What is the current number of persons on remand, or serving sentences, for being in possession of marijuana (cannabis sativa)?*
- f. How many of these persons are males and females?*

Written replies submitted by the Minister of Home Affairs:

- (i) The total number of persons arrested is one thousand, two hundred and thirty (1,230).
- (ii) The total number of persons is four hundred and twenty one (421).
- (iii) According to the Head (Ag) CANU, the approximate cost to prosecute each such case is G\$40,000.00.
- (iv) The current number of persons serving sentences is 51. The current number of persons on remand is 76.
- (v) There are one hundred and twenty one males (121) and six females (6).

4. ESTABLISHMENT OF A REHABILITATION CENTRE OR CENTRES

By Mr Raphael Trotman:

Does the Government of Guyana have any immediate plans to establish a Rehabilitation Centre or Centres as provided for in the Narcotic Drugs and Psychotropic Substances Act of 1988?

Written reply submitted by the Minister of Home Affairs:

The Honourable Minister of Home Affairs wishes to inform the Honourable Member that the National Drug Strategy Master Plan 2005-2009 has made provision for the establishment of new Rehabilitation Centres for females, adolescents and males. These Centres are scheduled for the fourth year of the implementation of the Master Plan. (Page 71 of the National Drug Strategy Master Plan 2005-2009 refers)

5. WORLD CUP CRICKET

By Mrs Sheila Holder:

With the emphasis Government is placing on hosting World Cup Cricket, can the Honourable Minister say if he intends to take steps to remove the livestock from the country's main thoroughfares given the anticipated influx of visitors? If so, what steps does he intend to take?

Written reply submitted by the Minister of Agriculture:

“ I am particularly grateful to the Honourable Member for posing the question at this time since it provides me an opportunity of advising this House and the Nation that this administration recognises the problem created by a few delinquent livestock owners in causing their animals to

roam freely on our highways, even in the heart of the City of Georgetown.

I am also provided with the opportunity of informing this House and the Nation of the steps that the Government proposes to take to curb this type of problem; moreso, in view of the fact that we shall be hosting World Cup Cricket in less than three months time.

Shortly after the formation of the current Cabinet in September, the Ministers and representatives of the Ministries of Home Affairs, Agriculture and Local Government met and discussed a wide range of relevant issues. These included:-

- a. Cattle on the roadways in the City, towns and rural areas throughout the Coast causing death, injury and damage to property;
- b. Cattle roaming residential areas causing damage to roads, drains fences and kitchen gardens;
- c. Cattle roaming agricultural areas, especially rice growing areas, resulting in damage to dams, drains and crops, at great loss to farmers;
- d. The persistence of cattle-rearing in residential areas;
- e. Land for cattle farmers and relocating farmers from residential areas;

- f. Need to update current laws, especially the fines;
- g. A PR Campaign to sensitise farmers and the general public on the relevant issues;
- h. Meetings and consultations with various interest groups.

The laws dealing with straying animals are captured in the following:

- 1. The Pounds Act, Chapter 71:04
- 2. The Municipal and District Councils Act, Chapter 28:01
- 3. The Local Government Act, Chapter 28:02

Several issues which needed to be addressed urgently were identified and these included:

- 1. The Pounds Act, which catered for the impounding of strays on public and private premises, does not include strays on public roads and bridges;
- 2. The fee structure in the laws need upgrading;
- 3. Most pounds are in the compounds of police stations. A determination is to be made where additional pounds are to be located

and the role of the NDCs in the operation of these pounds;

4. A revised fee structure for pound keepers and stray-catchers is currently being considered. It has been found in the past that stray catchers and pound keepers were attacked by cattle owners or their agents. The issue of security of pounds and personnel are being considered;
5. Additional pasture for livestock which the Ministry of Agriculture is pursuing with livestock owners and associations.

Given the urgency of the matter in preparation for Cricket World Cup 2007 and the damages caused to crops and infrastructure, Cabinet at its meeting on December 11, 2006, agreed that the Attorney General's Chambers, would draft changes to the relevant laws as part of a comprehensive plan to deal with the issue of strays.

Several changes were proposed, subject to the determination by the AG's Chambers.

These include:

- (a) Fines related to straying of animals should be increased to three thousand dollars (\$3000.00).
- (b) The AG's Chamber to consider including a clause (or clauses) to establish pounds in accordance with the Pounds Act, if so advisable.
- (c) In respect of the Pounds Act, it is proposed that the quantum of fines, fees and other charges be increased significantly to reflect

the current value of money. For example, anyone who releases, or attempts to release any stray taken for the purpose of being impounded under the Act on the way to the pound will be liable for twenty thousand dollars (\$20,000.00) instead of the current one hundred and fifty dollars (\$150.00).

- (d) It is also proposed that the Act should provide for strays on public roads and bridges.
- (e) Increase the fine for persons who unlawfully remove livestock from custody of the owners.

I am confident that these and other measures to be introduced by the Government, in a very short while, will adequately address the concerns raised by the Honourable Member of the Opposition.

My Government will ensure that the country's main thoroughfares will be free of strays while we host Cricket World Cup 2007, and thereafter."

6. REMOVAL OF SIGNS AND BILLBOARDS ON THE TIMEHRI-TO-GEORGETOWN HIGHWAY

By Mr David Patterson:

- (i) *Can the Honourable Minister of Transport and Hydraulics say*

what notice was provided to the private sector before the removal of signs and billboards legally erected on the Timehri to Georgetown Highway?

- (ii) *Has the private sector been afforded the opportunity to reclaim signs and billboards that were dismantled?*

Written replies submitted by the Minister of Transport and Hydraulics:

Discussions were held with the Private Sector Commission and on October 25, 2006 the President of the Commission was written to in relation to the removal of unauthorised installations including billboards from within the Road reserves.

The President of the Private Sector Commission was requested to notify members of the business community and to advise them to remove all signs forthwith.

In addition, Notices were published in the Print Media (Newspapers) since December, 2005 in relation to the removal of all obstructions that included but not limited to encroaching structures, fences, signs, et cetera, from the road reserve, property line to property line. This was as a result of the award of contracts for the maintenance of the main/public roads throughout Guyana. The works on these roads included maintaining pavement, shoulders, verges and ditches.

While permission was granted in the past for a few signs and billboards to be erected, these were not granted ad infinitum and

were always subject to whatever plans the Government may have in relation to the improvement in public infrastructure.

There have also been many unauthorised structures on the road reserves which looked very unsightly and posed a danger to safety.

- Government has taken a decision to clear the main highways of all obstructions including those on the East Bank Demerara highway. This is an ongoing process. Whenever any signs or billboards are to be erected, the applicant must first obtain written approval from the Ministry of Public Works and Communication - Chief Works Officer.

Notices were published as follows:

- | | |
|--------------------|--------------|
| - Stabroek News | - 14/12/2005 |
| - Guyana Chronicle | - 14/12/2005 |
| - Stabroek News | - 5/4/2006 |
| - Guyana Chronicle | - 10/11/2006 |
| - Stabroek News | - 10/11/2006 |
| - Stabroek News | - 11/11/2006 |
| - Sunday Chronicle | - 26/11/2006 |

In addition, the former Minister of Transport and Hydraulics held a Press Conference in early February, 2006 where he raised the issue of the removal of obstructions from the Road and Sea Defences Reserves.

The individuals/companies involved who were desirous of uplifting their property were directed by personnel of the Ministry of Public Works and Communication to reclaim them

from the Transport and Harbours Department compound, situated at Land of Canaan, East Bank Demerara.

6. TRAVEL AGENCIES

By Mr David Patterson:

- (i) What is the Government's selection policy for travel agencies providing services for Government officials' airline travel?

- (ii) Has the Government any intentions of obtaining competitive tenders for the provision of these services in the near future?

Written replies submitted by the Prime Minister and Minister of Public Works and Communications:

- (i) There is no centralised purchasing of airline travel tickets. Every Ministry and Agency arranges the purchase of its tickets. Government assumes and requires that travel agencies approached are competent and offer competitive services. I have been aware of times when two or more travel agencies are requested to propose an itinerary with fares. These proposals are compared both on convenience (in connections) and prices.

There are very many invitations and circumstances that can general travel of Government Officials. Only a fraction of these are consummated. A good portion of these travels may be funded by the various

multilateral agencies in Guyana` which participates - a number of which provide the tickets themselves. Whatever the case, the choice of and confirmation of which of the many occasions for overseas travel to attend is often made just in time to make the arrangements. Often the various ministries and agencies initiate provisional bookings ahead of a confirmation of attendance.

- (ii) The Government expects and assumes that the travel agencies utilized are offering services that are already competitive and adhere to terms and conditions set by the airlines. The Government does not believe that a policy of formal tendering for each trip is practical - the time is often tight and last-minute changes may be more difficult to accommodate. The Government sees potentially more problems in centralised purchasing of all tickets; moreso, in a policy of say annual bidding to provide airline services for all airline travel of Government agencies - such a policy is likely to be too rigid and inflexible, and too distant from the officials who are travelling. The current policy allows travel by Government Officials to be of competitive prices, and the purchase of tickets and services is widely distributed amongst various providers.

8. COST OF VEHICLES - GUYANA POWER AND LIGHT COMPANY

By Mr David Patterson:

NA 30 Oct 2006

Can the Honourable Prime Minister say at what cost vehicles were purchased this year for Managers and Directors of GPL?

Written reply submitted by the Prime Minister and Minister of Public Works and Communications:

GPL acquired two vehicles on November 22, 2006 for a total of \$5,946,000 and these vehicles have been assigned to the offices of the Divisional Directors - Audit and Finance.

9. FREE BULBS/LAMPS DONATED BY CUBA

By Mr David Patterson:

- (i) Can the Honourable Prime Minister give an update and account for the free bulbs/lamps donated by Cuba to Guyana for consumers?
- (ii) Can the Honourable Prime Minister say if the exercise is completed?

Written reply submitted by the Prime Minister and Minister of Public Works and Communications:

- (i) Attached is a detailed bulb distribution report. In Phase 1 Regions 10, 7, 6 and sections of Regions 5 and 4 benefited while in Phase 11 Regions 2, 3, 4 and 5 benefited.

- (ii) The attached report details areas completed. About 99,000 homes were visited – no one was at home in 3859 instances and 612 declined. A total of 444,370 incandescent bulbs were replaced with compact fluorescent lamps reducing peak demand by 26.56 MW if all bulbs were switched on at the same time. There are some bulbs remaining which we expect will be handed over to GPL by the Cuban Embassy and these could be used to target hinterland areas.

10. SPECIAL ROOMS FOR SEXUAL AND PHYSICAL ABUSED WOMEN AND CHILDREN

By Mr Everall Franklin:

- (i) *Will the Honourable Minister state whether his Ministry has plans for the establishment of 'special rooms' at police stations across the country to handle reports of sexually and physically abused women and children?*

- (ii) *If so, whether provision is being made for the hiring of social workers at the various police stations to complement the police officers assigned to the 'special rooms'?*

NA 30 Oct 2006

- (iii) *Will the Honourable Minister further state if efforts are being made to have predominantly female officers and/or social workers 'man' these 'special rooms'?*

Oral Reply by the Minister of Home Affairs:

Hon Clement J Rohee: Mr Speaker, in respect of the first question, I would like to inform this Honourable House that the Ministry of Home Affairs has established special rooms at the new police stations that have been built so far. Those special rooms are primarily to handle reports of sexually and physically abused women and children. All other police stations are to be renovated and will have similar facilities.

In respect of question No.2, Mr Speaker, I would like to inform this Honourable House that social workers will be provided by the Help and Shelter and the Ministry of Human Services and Social Security to complement the police officers who will be assigned, or who are currently assigned to these special rooms.

Finally, Mr Speaker, with respect to the final question, I would like to inform the Honourable House that efforts are being made to have predominantly female officers and/or social workers, manage these special rooms. Thank you.

INTRODUCTION OF BILLS

Presentation and First Readings

1. By the Minister of Home Affairs:

**GAMBLING PREVENTION (AMENDMENT) BILL 2006 -
Bill No.30/2006,**

published on 2006-12-28

1. By the *Minister of Agriculture*

**PESTICIDES AND TOXIC CHEMICALS CONTROL
(AMENDMENT) BILL 2007 - Bill No.1/2007**

PUBLIC BUSINESS

(i) GOVERNMENT BUSINESS

BILLS - Second Readings

**ITEM 1 – OLD METAL DEALERS
(AMENDMENT) BILL 2006 - BILL NO.
27/2006 published on 2006-12-21**

*A BILL intituled, an Act to amend the Old Metal Dealers Act
(Chapter 91:08)*

The Speaker: Honourable Members, we can now proceed with the next item on the Order Paper.

The Honourable Prime Minister ...

Hon Samuel AA Hinds: Mr Speaker and Honourable Members, I rise to move the Second Reading of the Old Metal Dealers (Amendment) Bill2006 - Bill No.27/2006.

Mr Speaker, metals are essential for the way mankind lives and today, the demand on the world market for metal of various kinds is at an all-time high. As a result, the demand for scrap metal is also at an all-time high.

With this increase, we have had a tremendous increase in the activities in Guyana, in seeking and recovering scrap metal and no doubt, it has brought some advantages of which the government is mindful. It has brought the removal of much derelict equipment at some good price to people who may own them and it also has provided some amount of employment for a number of persons who needed employment and we are mindful of that also.

But equally noteworthy, Mr Speaker and Honourable Members has been the increase in the incidents of vandalism. Vandalism of costly and essential equipment, belonging both to public utilities and private citizens and we need to get this in perspective. Yes, while money is earned in gathering and exporting scrap metal, at the same time, \$1 of earning from vandalised metal will impose on our country a burden of \$100 in replacement cost including, for the most part, foreign exchange, because essentially all metal articles in Guyana are imported into Guyana, but that is not all. The direct cost is not all.

There is the consequential losses, which may easily be ten times or one hundred times more and in this regard, vandalism to obtain scrap metal has become a curse in Guyana and not only in Guyana, but in places all around the world. Indeed, I can remember reading an article about a train on an important line in Italy being stopped, because people had vandalised the copper wires that were involved in signals and controls and the line was out of service for at least six hours. [*Interruption: 'What about the railway line in Linden?'*] The railway line in Linden has also been an object of vandalism.

Of particular attraction, has been the vandalism of non-ferrous metals, copper, aluminium and other copper alloys - brass and so on, because of the higher prices of those metals. However, there has also been rampant vandalism, which I find surprising of ferrous materials - iron and steel - the railway lines that were no longer in use in Linden as the Honourable Member has just pointed out.

In July 2006, GPL discovered that the transformers from its storage yard - all twenty-five of them in the storage yard had

been tampered with; but of these, the vandals had succeeded in opening up five of them and had removed the copper coils therein. These transformers were repaired, but were vandalised again the day after they were repaired. GPL has also reported instances where copper from earth wires on its sub-station, and also from transformers and its transmission systems which are all across our city and country have been vandalised, creating voltage fluctuations and damage to consumers' equipment.

On one occasion, I know the offices of Hughes, Fields and Stoby suffered from this sort of vandalism.

LINMINE has also suffered. Indeed, with the shutdown of the old system of mining, which used electricity and had sub-stations out in the mines, there was one small sub-station that it was thought would be useful to GPL, but when I called, I learnt that on the day before or on that same day vandals had set fire to this same station, with a replacement value of US\$1M or G\$200M and had destroyed it.

GWI too has lamented time and again about the vandalism of their copper cables, which has rendered their pumps inoperable and therefore affected their ability to provide basic service to the public.

Also, with the introduction of water metres, it did not take much time for vandals to learn to do lots of things with the water metres and to get the brass components out of the water metres. We have had theft of manhole covers, in the streets and theft of aluminium sheeting has also been rampant.

I think if Honourable Members can recall that GT&T has also been suffering from vandalism. At one time GT&T recorded as many as three incidents per week of vandalism and they have been entreating the public's assistance in curbing these incidents. Were it not for the tremendous response of citizens, who suffer when the GT&T cables are vandalised, perhaps we would have had even more incidents of theft of cables - vandalism of telephone cables. You know, the consequences that follow from areas in our country losing telecommunications connections for lengthy periods of hours and even days.

I have spoken a bit about the high costs of replacing vandalised equipment, much more than the cost that one gets for the vandalised metal. For example GT&T reports that on 26 September, a 600 pair aerial copper cable was cut at Coverden and one and a half meters of cable, stolen, but it took them some \$500,000 in materials to repair that theft. On Friday, 28 September, two days later, there was vandalism of another distribution cable, at Coverden, which took some \$900,000 to replace. With these increasing incidents of vandalism and the concomitant increase in replacement costs, the Government through my Office, commissioned a working group to address the problem. The group included personnel from those people who had been suffering, particularly the utility entities GPL, GT&T, GWI. Also from the Ministry of Trade, which is the Ministry that handles the export of scrap metal, and the Guyana Police Force, which has the responsibility for registering all dealers in Guyana - all those who trade and deal in scrap metal and the Guyana Revenue Authority, which is involved in all matters of exporting.

The Government has been publicly voicing its concern at the rampant vandalism and has indicated its intention to strictly enforce the letter of the laws, concerning the trade and export of old metals in the hope of curbing the spate of vandalism. But it continues and I have held a meeting along the way with dealers I think sometime in July or August to try to get them to change the nature of their operations. The fact is, there is no doubt that the dealers know when they are receiving material that has been improperly obtained. I have no doubt in my mind that they know when they are receiving material that has been improperly obtained so therefore, we have been directing some attention to the dealers to get them to bring themselves in line.

There is also, existing in the law requirements for recordings which can be implemented in such a way as to enforce dealers to ensure that they are receiving material from lawful owners of scrap metal.

Mr Speaker and Honourable Members, that group also visited, in an impromptu manner, a number of the dealers and we found that the details of the laws were not being fully adhered to. For

example, some people may have had a registration for one area or one location, but they were receiving and storing metal in three or four locations and that was an infringement, because the law requires them to have every place of operation registered. We did bring those to the attention of the Police Force and also to the Ministry of Tourism, Industry and Commerce so that those things can be corrected.

Mr Speaker and Honourable Members, you will also recall that on a number of instances, the Government said clearly that with the spate of vandalism and the rate of vandalism, there was nothing that we could do, but to eventually take action so that the export of metals could be suspended in conditions such as this, where there is such a great incidence of vandalism.

We are moving here in this legislation to introduce the amendments that give the Minister the authority to suspend for a period of up to a year, the export of old scrap metal, when the situation and circumstances demand.

So, Mr Speaker, this is the nature of the Bill that we are presenting here. It is a quite simple Bill.

Clause 1 gives the short title.

Clause 2 amends the definition and gives the Minister the authority by regulations to define *old metal* for the purpose of the Act.

Clauses 3 to 7 and 9 seek to update the fines, so that they become more meaningful in this time, Guyana having suffered some degree significant inflation, in the 1970s and 1980's and on to the beginning of the 1990s. So, we are updating the fines so that they become a little bit more meaningful and maybe a bit more of a deterrent.

Clause 8 - the main amendment is in this Clause, giving the Minister the right by order to prohibit the export of old scrap metals in certain situations, whenever he considers it necessary to curb any illegal activity.

Mr Speaker, this is the nature of the Bill. It is a Bill that the Government has taken after some months of calling on persons

in the trade to put themselves right and to curb the vandalism of metals. The Minister of Tourism, Industry and Commerce will speak some more to the issues of the updating of the fees and fines in particular and I urge Members to give him a hearing too, as he will follow along in the course of this debate.

Mr Speaker and Honourable Members, I now beg that the Old Metal Dealers (Amendment) Bill 2006, be read for a second time and receive the support of all the Honourable Members of this House. I, thank you. *[Applause]*

The Speaker: Thank you Honourable member

The Honourable Member Mrs Riehl

Mrs Clarissa S Riehl: Mr Speaker, there are essentially two questions to be determined at this Debate here this afternoon. What is the mischief sought to be curbed by this Amendment to the Old Metal Dealers Act Chapter 91:08? And the most important question is, has this Bill adequately addresses this mischief?

Now, we have in fact been served with a whole litany of stories and tales about the public utilities. I would like to add to that, because at least with the public utilities, you could replace cables, however, at great cost. Whether the cables are from GT&T or GPL, whether they are from transformers or from cables lying in the earth or whether they are from GWI pumps. We do not disregard those things. But let me tell this Honourable House that untold damage has been done in this country under the guise of old metal dealing. Irreplaceable historical artefacts have been bashed up and sold as scrap metal. Let me name a few so that these Honourable Members of this august Assembly would be informed or reminded of the destruction that has been wrought so that vandals could sell the metals to scrap metal dealers and exporters. Within our recent history, Sir, the bronze bust of the Reverend John Smith was removed from in front of Smith's Memorial Church and presumably busted up and sold

for scrap metal. In case we do not remember who the Reverend John Smith was, he agitated for the abolition of slavery and sided

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with the slaves in this country during that period A very ornate brass alter rail, over 160 years old, that spanned the front of the sanctuary of the Christ Church on Waterloo Street was bashed up and sold as scrap metal.

Organ pipes were ripped out of place, smashed and sold for its leaden contents to metal dealers, innumerable smaller items, beautiful brass candlesticks, even chalices were carted off and sold to metal dealers.

In the face of this onslaught, Sir, churches have had to initiate measures to salvage and store what they have remaining, in places other than the church buildings. But this is not all.

A huge brass conversion gauge situated at the bar of the Demerara River for hundreds of years to convert the admiralty datum to Guyana datum, this piece of navigational equipment disappeared a few years ago, presumed busted again and sold for its metal content.

I am glad that the Government has finally awoken from its Rip-Van-Winkle sleep on these matters, because all of these things were brought to their attention. I remember when this was reported, this conversion instrument. Now they have to estimate. It is a serious piece of navigational equipment, essential for us in Guyana, because we are below sea-level and we have to understand where our water marks really are. Now, it all has to be estimated, because you have failed within the last decade to look at these matters.

Mr Speaker, steel buoys, traffic light parts and the list goes on and on, but having exhausted these artefacts, then the metal thieves turned ... and now we come to the stage that the Honourable Prime Minister has begun his speech to the utilities and on the drain on the utilities.

I have spoken to the staff at GPL, perhaps the same people that the Prime Minister spoke to at GT&T, which is the worst hit of all the utilities. GPL, also transformer wires ... all the copper wires were taken out. So, the Government, as I said, has finally awoken from its slumber. GT&T has said to me that they would lay down cables one day and the next day, it would be ripped up by vandals.

Mr Speaker, the Prime Minister has already spoken about the disruption in services, not only the cost to the utility companies, but the disruption in the services - especially telephone services to the people in those areas.

The illicit traders in scrap metals have been operating with impunity for too long. But the question is, Sir, has this Amendment adequately addressed the problem we are facing? As the Prime Minister said, there are three main elements to this Bill:

- increasing of the fines and fees;
- 2. the insertion of a new sub-section to the Principal Act to allow the Minister to suspend the export of all old metals or any specified type of old metals, for a period not exceeding one year; and
- 3. the insertion of an added section to the Principal Act allowing for regulations to be made.

Merely quadrupling fees and fines, Sir, does not address the illegalities and is not sufficient to abate this problem, because in speaking to some of the old metal dealers, the ones who have been operating for years, there is a new breed of metal dealers who are wreaking havoc and those are the unlicensed ones, who are operating underground. I have not heard the Prime Minister say anything about that, that they are operating underground and

buying metals alongside the registered scrap metal dealers. As a result, the old and recognised metal dealers have recently formed themselves into an association to protect themselves from this new brigade of underground dealers, who have mushroomed within recent years, because as the Prime Minister rightly said, it is a very lucrative trade. Tens of thousands of pounds are earned when a shipment of metal goes to the UK and I suppose conversion into dollars to other parts of the world.

The underground and the illegal, illicit trade in these things happen with Brazilians.

Vehicles are going across the Brazilian borders taking scrap metal, I hope the Prime Minister is listening. Boatloads are going to Venezuela. What are the Police doing about it? The virtual non-observance of the rules and regulations which are already in place in the law books is what has caused this problem, because this legislation is quite old, Chapter 91:08, and there was even an amendment in 1991 to help, but for the last decade or so, nothing much has been done to help, to see what is going on in this area. Let me give you an example, Sir. Section 10 of the Principal Act makes provision for police officers above the rank of Constable, at any time to visit a metal dealers premises and inspect his books, which he is required by law to keep, as the Prime Minister rightfully said and to inspect the goods that he has to see that they are tallied and for a Superintendent of Police to sign off and make notes in that dealers books. I have checked with three licensed metal dealers. At least two of them have been operating for a number of years - in excess of 20 years, and who have never had such a visit within the last decade. They said it used to happen before, they used to have to carry their books to the Ministry of Trade and the police used to come and things like that, but within the last decade nothing like that has happened. Sir, I understand that the raising of fines does not help this situation. It is well established by criminologists that heavy penalties, per se do not deter crime. The real deterrent to any criminal activity is detection. It is the fear of being caught and for too long, nobody was bothered about being caught, whether it was the vandals who destroyed historical artefacts and now the utilities. Nobody was fearful of being caught, neither the thief

nor the receiver, so the whole thing was allowed to get out of hand. As I said, it is only now that the Government has arisen from their slumber.

So the real deterrent in this matter, Sir, is the policing of the system. The traditional Police Force, it appears is unable to properly police this very lucrative trade, because they are overworked let us face it, they are involved in other types of criminal activities. We have all kinds of modern crimes. We have a Police Force that is still badly underpaid and understaffed and you are giving them a whole spate of new matters to turn their attention to. So, of course, these older types of activities, which they are supposed to monitor, every division ... and my colleague asked whether these books are kept in all of the divisions, because not only are the metal dealers supposed to keep books by the regulations, but in each Police Division they are supposed to have books as to the number of metal dealers. This is how the system operated and was policed in the early days ... but these days, as I said, everything has been allowed to go; and so the system. [*Interruption: 'Anarchy!'*] It is anarchy. There are many other regulatory provisions besides the keeping of books, Sir that are observed mainly in the breach, because as I said, the Police Force is charged with monitoring and keeping the records, but it is stretched to the limit coping with these other types of crimes, so we have to find ways and means. I would recommend, Sir, that rather than just the mere raising of fines and any suspension of any trade, that the Government sees it fit to introduce a serious monitoring mechanism in this trade. It is lucrative enough to warrant it. Something analogous to perhaps the one that is set up to monitor the entry of illegal fuel into Guyana ... for this to be put in place, instead ... [*Interruption: 'Only certain people getting prosecuted' " Well, the Police cannot be blamed ... At least we caught Buddy's ... At least we were able to catch one with illegal fuel"*]. But they should put in place a serious monitoring mechanism to look at this scrap metal thing, because the Honourable Prime Minister opened this debate by saying that it is indeed a very lucrative business and there is a worldwide need for metal.

One metal dealer told me that a Chinese National - a recent immigrant here - asked him to use his export license so that he could export some scrap metal to China in his name so the situation has gone so out of hand, because it is not being policed. We need a very severe regulatory system to be put in place.

Section 10 of the Principal Act makes provision, ... but the other germane Amendment to this Act, is the Minister, acting in his own deliberate judgment, because there is no scope in Clause 8 of this Bill, for him to be advised by any individual or any agency or any body; but he wants ... the Minister, in his own deliberate judgement to suspend the export of scrap metal. If the export provisions in the law, even as they are, are properly observed, then there should be no need for the cessation of export. I want to read a bit from the Amendment that was put in 1991 - Act No.27 of 1991 and these deals with the export of metals from Guyana. I will just read Sub-Clause (4) ... *[Interruption: 'Read it because the Prime Minister does not know about it.']* ... Yes, he does not know about it. It says here:

A metal dealer shall not ship, nor export from Guyana, any old metal, unless it is inspected in its original form by an engineer approved by the Minister, who shall make out and deliver to the Comptroller of Customs a detailed description of the articles comprising such old metals, giving the weight, kind and variety of same.

This is a provision that is not done. One metal dealer told me that all he needed to do ... only in the last two months, perhaps because of the Prime Minister himself going around ... and I do not know under which authority or under which law he has taken upon himself to police these matters. He is going around with this little group which he has put together; but there is no scope in the law for that sort of thing... *[Interruption: 'You mean he has become a policeman.'* “ Yes, but at least he is bringing the matters to the attention of the ... ” *'But this section alone would help in the export ...']* If the Ministry of Works cannot make an engineer available well then, you should get private engineers,

because the Customs Officers themselves do not know the difference between one type of metal from the other. So they need some expert to help them in that process.

So you have all the rules and regulations already in place for the proper exportation. No cessation of exports will really help, and the metal dealers ... I can tell you, Sir, are very worried that should there be a cessation of the export of metals, when it is reopened, they feel that they will all be put on equal footing with some of the now illegal dealers and that there will be discriminatory practices. They told me that there will be discriminatory practices against them by the Government when it is reopened. The Metal Dealers Association say that they are worried that should this go into the law books and the Minister may suspend, when it is re-opened, then a whole lot of people, who are friends of the Government will be given priority for license and so on. This is their chief worry.

Sir, as the Prime Minister said, we have a lot of scrap metals in this country and we do not have smelters of our own; we do not manufacture; so we cannot use it, so we must export it. We cannot afford any build-up. We import a lot of used vehicles from Japan and other places, so we have quickly generated a lot of old metals in this country, but the thing to do, Mr Prime Minister is not only to police the licensed dealers, which must be done and which some of the very old ones said used to be done, but which in recent times have not been done. But we also have to look at those illegal dealers who are underground, and who are operating backtrack, as one of the people told me - carrying metals - Brazilians taking metals across the border and the expensive type. They would not take old iron. They are taking some of your cables, copper and things like that, which fetch very high prices. So that is what you need, and you need an agency, because the police force cannot do it on its own.

Mr Speaker, I turn now to the regulations, which is put in Clause 10 of this Bill, for the subject Minister to make regulations. Let me read what it says and I think the subject Minister is the Prime Minister,

The Minister may make regulations for all or any of the following purposes:

4. *declaring any kind or description of metal to be old metals for the purposes of paragraph (b) of the definition of 'old metal' in section 2*
5. *increasing or reducing the annual registration fees in section (6);*
6. *amending the Schedule to the Act;*
7. *providing for any other matters necessary for giving full effect to the provisions of this Act and for due administration of these provisions*

We, on this side of the House, have argued *ad nauseam* for the various subject Ministers to make these regulations, which the enabling Act invariably permits them to do. Regulations are important - subsidiary legislation - which in many instances give teeth and flesh out the legislation itself, yet time and time again, the Government has come to this House with new legislation or important amendments and have not brought the regulations. Since all my 14 years in this Honourable House, only one Bill I know had regulations and that was the VAT Bill. No other Bill and the Government has passed innumerable pieces of legislation. I just want to cite two:

- the Domestic Violence Act, passed since 1996, awaiting crucial legislation, which would help in its proper implementation, because until now, some police stations do not really know how to deal with domestic violence matters;
- the Money Laundering Act was passed since 2000 and awaits regulations. Perhaps that is why no one was ever charged on this Act. [*Interruption: 'And they want to pass the Casino Bill on top of that' ... "Yes, and no regulations"*]

Moreover, Sir, in recent Bills being brought to this Honourable House, there is no specificity as to whether such regulations,

whenever in the future they do come would be subject to affirmative or negative resolution. They have just put blandly, *Minister may make regulations*. All the older legislations state categorically that those regulations will be subject to either negative or affirmative resolution. I think it is a backdoor method of sometime quietly in the future, putting everything in affirmative resolutions.

Finally, Mr Speaker, the entire law on this matter - the Principal Act Chapter 91:08, the 1991 Amendment, and now this Bill, No.27/2006, operate on the premise that the problems in the scrap metal industry should be attacked from one end, from the receivers end, only. That is, if you look at scrap metal dealers, as receivers, these quadrupled fines and fees only apply to the metal dealers, but the Prime Minister gave us a litany of the vandalism that gives rise to all of these illegalities. So, what about the other end? What about the thieves? We have very archaic larceny laws, since the English laws of 1916, and those are our larceny laws. I doubt whether some of these vandalism could fit under that. The staff from GT&T, told me that there were three or four people in front of the Providence Court for vandalism - vandalism is a relatively petty offence, Sir, so to give the man who starts the ball rolling, a mere slap on the wrist, a mere \$10,000 fine, or two weeks imprisonment certainly seems to be leaving the problem lopsided especially in the scenario, where you have not only legal or licensed dealers, but unlicensed dealers too. I would suggest that the Government goes back to the drawing board, Sir, and take all these bits together, the whole Act together with the amendments of 1991 and whatever amendments they would like to put in, and take a more holistic approach to this problem and put into this Act, some measure or measures, against the people who initiated the process, the vandals who started the ball rolling. I would recommend that the Government not go forward with this legislation, because it does not, in fact, address the problem. Thank you very much, Sir. *[Applause]*

The Speaker: Honourable Member, your contribution to this debate on scrap iron has been enormously fascinating ...
[Laughter]

The Honourable Minister of Tourism, Industry and Commerce

Hon Manniram Prashad: Mr Speaker, Honourable Members, I rise to support the Bill to amend the Old Metal Dealers Act. What the Bill presents is a set of simple and necessary amendments.

Mr Speaker, among other things, this Bill seeks to improve on the definition of *old metal*. This is necessary for lending some level of legislative protection, against the rising theft in the industry. It is public knowledge that there is an increase in vandalism, indiscriminate removal of materials deem vital for the provision of basic services - communication, water, electricity and other public infrastructure.

The wanton destruction of public and private property for a few dollars has had an adverse effect on the commercial and service sectors. This state of affairs cannot be allowed to continue. When I say a few dollars, I mean those are the people who steal and, for instance, they would steal something valued at \$1M and just sell it for \$10,000. That is what I mean.

Mr Speaker, this Bill also allows for adjustments in the annual registration fees for old metal dealers. This is a necessary step for bringing the fees to realistic levels. There is no doubt that the trade is a viable one. However, certain components of the trade need to be streamlined. Attention must be given to adequately addressed administrative issues for the increase in dealers and exporters of old metal, as the demand for scrap metal on the world market has grown, presenting opportunities for the developing countries, including Guyana to increase its exports. For instance, before 2005 and maybe this is information for the Honourable Member, Deborah Backer. Before 2005, some information for you, Honourable Member, there were just four licensed dealers ... *[Interruption]*

Mrs. Deborah J Backer: ... For me?

Hon Manniram Prashad: You had asked a question earlier.

Mrs Deborah J Backer: Oh ...

Hon Manniram Prashad: I am answering the question in my presentation. There were just four licensed dealers before 2005. However, this number has changed in just two years to a total of fifteen dealers/exporters. For example, in the period January to November 2006, a total of 118 licences were granted, as against 41 in 2004. Some of the countries where our scrap is traded are China, India, Taiwan, Hong Kong, the United States of America, Singapore, the United Kingdom and Thailand. This increase is not surprising, especially in the light of the increase in prices of non-ferrous metals in the overseas market. The price of copper increased from £617 per tonne to £1,812 per tonne over the past couple of years. Brass increased from £624 per tonne to £1,575 tonnes during the same period. The increase in the price of aluminium was not as steep as the increases experienced by copper and brass. Aluminium increased in price from £501 to £735 per tonne.

The increases over the years in the number of persons who were issued with export licenses can be attributed to the increases in prices for both ferrous and non-ferrous metals. The high prices of copper, brass and aluminium being paid by overseas buyers acted as a catalyst for increases on old metals traded locally. The increased demand for non-ferrous metals has led to unscrupulous buyers and sellers colluding to destroy public and private property in order to meet the demands of both local and overseas markets. Taking note of the senseless destruction of both private and public properties, the Government had put in place measures during the months of October to December 2006, to curb the irresponsible behaviour of both buyers and sellers of non-ferrous metals. Among other things, exporters were required to have their containers filled in the presence of customs officers and containers were sealed after they were filled. After containers are sealed, exporters will then apply to the Ministry of Tourism, Industry and Commerce where an Export Licence will be issued. These procedures are working satisfactorily, in that they allow for the inspection of scrap metals, before they are put into

containers. This was not done previously. Any suspected metal can be objected to and the police can take necessary action.

While the new measures have worked well, there is still need for additional measures to be put in place and that is why today, Mr Speaker, this new Bill is being tabled in Parliament. Mr Speaker, amendments to the penalties and the fines structure are necessary and justifiable. The increases now being proposed are realistic and will go a far way in discouraging illegal activities occurring in the trade.

Section 4 of the Bill, before the House, seeks to amend and addresses the increase in *Section 6* of the Principal Act. The increase in the registration fee for old metal dealers is supposed to move from the annual registration fee of \$24,000 to \$100,000 for a licence.

Section 6 of the Amendment seeks to increase a fine for failure of notification of change in business premises. This is the one that people are getting away with, from \$7,500 to \$30,000 and from \$10,000 to \$40,000.

Section 7 in the Bill proposes that the following increases take effect:

- \$5,000 be increased to \$20,000;
- \$25,000 be increased to \$100,000; and
- \$100,000 be increased to \$300,000 for breaches of contravention of the regulations that are set out in *Section 11(2)* of the Principal Act.

Mr Speaker, this legislative intervention is timely for the support in reducing devious activities within the industry and to avoid possible social disruptions that could have far-reaching effects on Guyana's development. The integrity of industries that provide employment must be carefully preserved.

In effect, this Amendment discourages contravention of or curtails illegal activities occurring in the trade. The upsurge in the old metals demand created an opportunity for Guyana to dispose in a legitimate way the unused, unwanted metals and of

recent has created an opportunity for a lucrative export trade in scrap metals from Guyana.

Mr Speaker, this Amendment allows the Minister to suspend the export of all or selected kinds of old metals for a period of up to one year, as deemed necessary or expedient in the interest of curbing illegal activities.

Honourable Members, this is an important Amendment for ensuring that the business maintains a high level of integrity. No vast powers are conferred unto the Minister, as the Amendment did use the operative word, *may* and I can assure this Honourable House that as long as the trade is conducted within the parameters of the law, this proviso will not be used. Simply put the continuation of the export trade in old metals links perfectly in cleaning up Guyana. The stockpiling of old metals, apart from being an eyesore, encumbers the roadside, clogs trenches, canals and our coastline. Export of the last remnants of decades of junk contributes positively to promote our tourism drive for a clean and healthy environment.

World Cup Cricket is here and yes, Guyana is looking much better. However, more needs to be done, including the removal of all scrap metal from the roadside, especially along the airport route.

Mr Speaker, this Bill strengthens and improves regulatory mechanism by allowing the Minister to make regulations that will be of interest to the trade, especially proper certification of the old metal exported. The instrument is now formalised whereby the Minister could make relevant regulations that will cause the trade to be effectively monitored, as the Honourable Member Mrs Clarissa Riehl referred to earlier.

The provision of certified and qualified regulators can serve to ensure that all old metals are certified and deemed eligible for export, according to regulations. Once there is integrity in acquiring and exporting products of this trade, the Minister may not have any reason to suspend the export trade of old metals.

Mr Speaker, I therefore once again submit that the Bill before this House presents simple amendments to strengthen the

regulatory mechanism for the shipment or exportation of metals declared to be old metals from Guyana. As the Explanatory Memorandum states that it also allows the Minister to make an order to suspend the export of old metals, if it becomes necessary for a period of up to one year. Of course, there has to be some evidence that such trade attracts illegal activities. Simply put, this Bill will allow for the trading of old metal to be done in a more organised and a regulated manner to the benefit of exporters and all those associated or employed in the trade and consequently to all of Guyana.

Mr Speaker, Honourable Members, I ask the National Assembly to support this Bill. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Member, Mr Trotman

Mr Raphael GC Trotman: Mr Speaker, I seek your leave to join this fascinating debate on this subject. Mr Speaker, before us this afternoon, is a Bill indeed which, for all intent and purposes should have passed through this House with little or no comment but maybe, in referring to the debate and discussion on a subject that tongue in cheek may be referred to as fascinating, my research tells me that trade in scrap metal globally, runs into billions of US dollars and far exceeds our exciting legal and medical practices. So we may wish to convert at some time.

I have listened attentively to the arguments advanced by the Prime Minister as to the necessity of this Bill and I doubt that any one of us can take any argument as to why there should be not rather, more regulations of the industry dealing in scrap metals.

Unfortunately, however, I was disappointed in not hearing from him and his colleague what measures are already in place to strengthen the policing and regulation of this industry as provided for in the Principal Act. One gets the sense that merely threatening to suspend or restrict trade and export is really a *cop-*

out, if I may use that term and if it is not deemed an un-parliamentary in the sense that it provides an excuse for the Government and its supervisory agency, not to regulate an industry; which is making millions for those who are engaged in it, rather than wave the threats of suspension or abolition of the trade.

My research, as I referred to earlier has taken me from the Pacific to China to the United States to India to the Caribbean, of course and in Guyana. It is revealing that in many countries, they are not moving to ban the trade, but rather to regulate it better and in most instances to increase the tariffs that are charged for exports, so that when the metals are exported, the high tariffs charged allow for monies to be spent to do better regulations. So with that in mind, I believe that we need to accept that there are certain truisms:

- Firstly, that this trade is universal and not restricted to Guyana; and
- Secondly, that it will continue, whether we have legislation of this type or any other that threatens million dollar fines or hundred thousand dollar fines. It will continue.

If we try to block exports from the port of Georgetown, we will see, I believe, barges going down the Corentyne River and across the Lethem/Brazil border. There is no doubt that the trade will continue. Also, I believe that we need to recognise that inasmuch as there have been have been many, many victims, including the utility companies, churches, the municipalities, there are as, Honourable Member Mrs Riehl pointed out many credible dealers, who still try to maintain a good practice of trading in old metals and we should not try to castigate them all as being scoundrels.

So, we have on this side of the House, no difficulty in supporting this Bill, but we believe that concomitantly with this Bill there should be some form of policing arm or training put in place in a special section or unit in the Police Force to ensure that as the trade continues, that we know where the metals are coming from and what it is that we can do to root out the scoundrels whenever

they appear. We believe that we should not interfere with the trade and we are happy to hear this afternoon that there has not been a repeat of the threat to ban the trade altogether, but that the word *may* suspend is there and I know that the Honourable Member Mrs Backer has an amendment before the House, which we may consider at an appropriate time. But we believe that indeed this industry needs to be better supervised; we believe that it should be allowed to continue; we believe that Government has a duty to police it far better than it is doing now and we believe that the metals dealers, themselves are prepared to be better regulated. With those short words, Mr Speaker, I thank you for that intervention. *[Applause]*

The Speaker: The Honourable Minister of Labour ...

Hon Manzoor Nadir: Mr Speaker, like the previous speaker, I thought that this was a very simple piece of legislation that was necessary and would not have generated this length of debate. I was very astonished that the Honourable Member from the PNC/R-1G, Mrs Riehl would have called for the withdrawal of the Bill and then to hear the Honourable Member, Mr Trotman said from that side of the House, they support the Bill. Maybe we heard differently, but the argument she advanced for withdrawing of the Bill *[Interruption: 'That is a different opposition party.'* ... *"Thank you very much, Debbie"]*

Mr Speaker, the Honourable Member, Mrs Riehl went into details that the fines being increased, would not cause remedy to the problems that we have before us and she said that the Bill correctly sought to deal with three areas:

- restriction of the trade if warranted;
- regulation of the trade; and
- increasing in fines.

But it is not only that in the measures that the Government has proposed - not only that. The call by the Government is for the community to also be vigilant, because it is the provision of these

services that disrupts our daily lives. That is just part of the menu of measures, not only in the Act ... and I agree with her that we have to look at the other side also.

We have to look at those who are involved in securing the old metals and providing them to the dealers, but I want to advance that all of these things are necessary. All are necessary and when she is calling for the withdrawal of the Bill, she is saying that these measures being provided for in the Bill, suggested that they are not necessary. But I am saying to you that all of them are necessary and what we are proposing here, are perhaps even more necessary.

The Honourable Member, Mr Trotman mentioned the issue of policing and we have not heard much about policing and what efforts have been made prior to coming to the Parliament with legislation, but a lot has happened.

First, there is always the call for self-regulation and many times legislation comes after self-regulation has failed. And let me advise, having had an opportunity to deal with this section for five years, to talk about some of the things that we have done.

Firstly, the Police have consistently been pulling in transportation vessels, including lorries that have been transporting old metals, because the Police has the responsibility for dealing with the licensing domestically. In our domestic market, the Police deals with licensing the scrap metal dealers and the Police has been enforcing these licences.

In terms of the export trade, we had a lot of anecdotal examples by the Honourable Member, Mrs Riehl about truckloads of stuff going across the border to Lethem ... [*Interruption: 'But you just said that.'*] I never said that. She said that boatloads of stuff are leaving Guyana to go to Venezuela. It is just anecdotal. I will agree that there has been a stockpile of scrap metal, and that in every single shipment, prior to what Minister Prashad in his maiden speech said, that we have custom officers there checking off and sealing the containers before an export license is given. Even before that, every single shipment of scrap metal has to go through an inspection. First of all, when the licence comes into the Ministry of Tourism, Industry and Commerce, what we did

was to go to the foundries, because on the other side of the coin is making available to our local foundries the scrap metal and if we wantonly export it without any regulations, then we would starve the local foundries. So what we did was that before any shipment is approved for export and any export licence is given, we called in the local foundries also and they also helped with the inspection of what was exported.

Honourable Member Mrs Riehl made mention of this Chinese National, who has this licences and some other person approached them to buy the licence. There is no blanket license given to anyone to export scrap metal. Licences are issued per shipment. All that she did was give some anecdotal examples as to why we should withdraw the Bill, because we have not been able to do a number of things. Exactly what she has said, the Bill purports to do and it is going to be done along with the regulation and the inspection. I remember when we discussed this issue, the Prime Minister along with the dealers, they did talk to the issue of engineers and those with the expertise and the Prime Minister is a Chemical Engineer also to deal with certifying what ought to be exported.

So, Mr Speaker, I agree with what has been said by the Honourable Member, Mr Trotman and by the two previous speakers from the Government side, that regulations are going to be necessary in the trade providing all of the measures here cannot be done in a way so as to preserve those remedies that we need to ensure happens to preserve the jeopardy, then the Prime Minister or the relevant Minister will have that last resort to restrict the export of old metals. I join in supporting the Prime Minister in supporting the passage of this Bill. *[Applause]*

The Speaker: Thank you very much Honourable Member.

The Honourable Member Mr Franklin

Mr Everall N Franklin: Mr Speaker, I would like to make a few very short comments with regard to this Bill, since a number of years ago, I myself, exported scrap iron and I can tell you that

the business, at that time was not as lucrative as it is now. However, it provided a lot of employment for people, who would otherwise be unemployed and many of them are unemployable in other spheres of activities.

I think this Bill attempts to give some sort of control. Initially, I know a lot of the dealers - the more established ones - were very, very concerned over the manner in which their businesses were halted. I think that with the hundreds of licences given for export and the amount of people who have now entered the business, regulation obviously has become much more difficult. This particular business was pretty well regulated when myself and quite a few other people were in the business. It is a question of how to regulate, because the damage would already have been done, even when you go to the container and find the stuff. I think we have to find more innovative ways of controlling the vandalism. Vandalism is going to be fostered once somebody is going to buy that particular item and I think that it is already too late, if you find it in a container or in a vessel. So something else has to be done as far as that is concerned. We have a lot of laws in this country, but our basic problem is enforcement and if we were to operate the same way in other spheres of the economy, no cabbage, pumpkin, lumber or molasses would leave this country.

Therefore, we have to prevent this knee-jerk reaction to something that requires more thought and thinking outside of the box to do two things -

- help with the creation of jobs and wealth in the country; as well as
- protecting what we need to protect

and that requires much more thought and a little more time and dedication. So it is important for us not to just, as I said before, get into a knee-jerk reaction, when we find ourselves in difficulty.

Any measure being proposed to add some control is welcome, but to talk about the fines as being adequate. If you divide a seven-tonne truck and you multiply it by whatever they export,

you will see that the fines mean very, very little. Therefore, you will still come back to how you are controlling and monitoring it. I think that if we put a lot more thought into that part of the equation, Guyana will benefit.

I think we have to be careful about putting too much of restrictive laws on paper; and yet still, when we come to get things done, they are not done. I think people have begun to believe that it is only on paper in any case, because nothing is done to really solve some of these problems.

I support the Bill, but I would want to say that a Bill on paper without the necessary follow-up enforcement and thinking outside of the box to make sure that these systems that are being put in place help us, would mean very little. So with that, I support the Bill, but I look forward to real enforcement and sensible approaches to dealing with this particular issue. Thank you. *[Applause]*

The Speaker: The Honourable Member Mrs Backer

Mrs Deborah J Backer: Mr Speaker, I rise primarily to move an amendment or to speak briefly on the amendment in my name, which seeks to amend the new Section 14, which is Clause 10 as it is before you, by the insertion of certain words. Before I do that, Mr Speaker, allow me to spend exactly four and three-quarter minutes on this fascinating Bill as you have dubbed it.

First of all, the Prime Minister indicated that old metal dealers were given adequate time to put their houses in order. It is not often that I agree with the Prime Minister and this is another example of when I disagree with him, because Sir, and I am reading now from my favourite newspaper, the Stabroek News of 11 November and it says:

At the conference for scrap metal dealers on 26 October 2006, Hinds warned that the Government was prepared to take necessary legislative action ...

So, here is the Honourable Prime Minister, Mr Hinds, or Hinds as he is referred to, quite inelegantly, I think, in November saying that put yourself in order, and then comes, Sir, this unlawful notice, in the newspaper of 12 November which is 17 days after - a big notice here - *Ending the export of old scrap metal from 1 January*, but the fact that they have now come here is an admission and I wish that the Honourable Prime Minister would have been, I cannot say woman enough, but man enough ... [*Laughter*] If he was a woman, he would have stood up and said, I made a mistake; I was unlawful. But as a man, he comes here and tries to gloss over this, but this Ad that was here on 12 November, banning the export of scrap iron, the Honourable Prime Minister had no authority so to do ... [*Interruption: 'It is a lot of scrap'*] ... Yes, it is a lot of scrap. I agree with you. [*Laughter*] Even as I speak, this is still not legal, because after this Bill is passed, and I just want to say this for the general knowledge of Members, it has to be assented to and we already have ten Acts that were not assented to. So I would ask the Honourable Prime Minister to make sure that things are in order before he issues another unlawful notice that would cost taxpayers a lot of money and had he put it this year, it would have been subject to VAT [*Laughter*. Sir, but on a serious note, the reality here is that banning it is a quick-fix and we can see that the Government likes quick fixes, because they are going now to casino gambling. It is like cigarette-smoking as Hon Teixeira would tell you. You get a quick fix [*Applause*] but even as she smokes, she knows that it is not good for her, but she is enthralled by the quick-fix. [*Laughter*] I have quick-fixes, but they are lawful and they are good for my health as you can see.

Sir, Mrs Riehl is completely correct and in fact, I am completely uncomfortable speaking about old metal. As a young vibrant woman, I deal not in old metal, whether they are hard or soft ... [*Applause*] ... but the reality, Sir, is that this banning will not stop their trade. Once it is lucrative and Mrs Riehl is right, it is not anecdotal evidence, Honourable Minister Nadir. If it is lucrative enough and it is already starting to happen - it is already happened - and the Honourable Member Mrs Judith David can tell you that they are leaving via Venezuela; they are leaving via the Guyana/Brazil border and they are leaving via the

Guyana/Suriname border. When I say *they*, I mean trucks, containers and other things with scrap metal. Once it is lucrative and we all accept that it is lucrative. What happened, in 1991, and you know no one likes to give the PNC (as it then was) credit, but in 1991, the Hon WS Murray, in his capacity as Deputy Prime Minister, Trade, Tourism and Industry, piloted a major amendment to the Old Metal Dealers Act. That was in 1991 and had this Government which took office one year after, put into place what the PNC then, and now the PNC/R had left, we would not be here today. If they had put in place all the regulations and all the necessities for the Minister to issue licences with the engineer inspecting; with the form of the scrap not being allowed to be changed within fifteen days; if you had put all of those in place, we would not be here. But like the proverbial ostrich, the Government buried its head, you know where and then it gets up like Rip Van winkle and rushed to do this. Sir, it looks nice, but as Mr Franklin said, it will displace about 500 people, who would not only be unemployed but who are unemployable, thanks to our enhanced educational system, but we will get to that at another time. The fact is, let us look at it, not bottoms up; let us look at it in the correct order. We are saying that yes, it needs to be regulated Prime Minister, but not by your going around scrap metal places. We are lucky that he is still with us [*Laughter*] and I am grateful that he is. I am sorry, Sir, I could not resist that, but on a serious note, we would suggest that we are in favour of regulations and of regulations being put in place, but we say, go back to the drawing board and bring an Act that will really bring an end to the vandalism that Mrs Riehl spoke about from that end and also the illegal export.

Sir, before I sit, with those few words Sir, again I close by saying that we are all grateful that the Prime Minister is still with us. I would join Mrs Riehl in urging this Honourable House to hold back the Bill, look at it again and if we feel that it will do what it sets out to do, the PNC/R will give it its fullest support. Thank you, Sir. [*Applause*]

The Speaker: Thank you Honourable Member

The Honourable Prime Minister

Hon Samuel AA Hinds: Mr Speaker and Honourable Members, let me extend my appreciation to the Honourable Member on the other side of the House, Mrs Deborah Backer for expressing concern about my health [*Laughter*] and my continuing to be in this House in pursuing erring dealers in scrap metal. I appreciate her concern for my well-being.

Mr Speaker, I have listened to the various presentations on the other side and I would like a few minutes to put them together. In the presentation of Honourable Member, Mrs Riehl when she spoke particularly about the loss of historical material and in particular the bust of John Smith and so on, my memory tells me and I did not have the time nor the resources to check it, but my memory tells me that this goes back to the time of the 1980s.

The situation Sir and Honourable Members, is that the demands for these materials is quite cyclical and there are years when there is great demand for metal and then there are years when the prices fall and you cannot move any metal, because it is worthless to move it. So there has been a big cycle - there are cycles.

Looking again at the last amendment that was done in 1991, I have no doubt that it was brought in then as a result of the incidences that were happening in the years before, towards the end of the 1980s. But since then what happened, it went into a downturn and for many years, the demand and the prices have been much lower. So we do have a problem. I would admit to a problem, in that the amount of resources that is required at times of very high demand to monitor and regulate the trade in scrap metal is huge.

Many times what is required in the times when demand is low and yes, in the times when the demand is low and people are sitting around for six months in a year not doing anything, they tend to leave the particular assignments. Yes, I would accept that we have had that experience. In the last three or four years, there has been a rise again in the demand and the prices for these

materials, so we do face a cyclical situation and I hope that the Members on the other side of the House, when it is that they see in the Budget maybe an increase in the numbers for the Ministry of Tourism, Industry and Commerce - a new section to manage it - that they would support it; and even in the times, the years when they are not doing anything, they would not make fun and say what are those people doing all year sitting down twiddling their thumbs. So, we do have that sort of problem. *[Interruption: 'You have to employ more people.' "Yes, we have started to work on that"]*

The Honourable Member Mrs Riehl also mentioned larceny laws and yes, we had to look at this area because GT&T, in previous times and, I think, GPL, in the last year or so, in trying to pursue cases of vandalism of their materials have been running into problems in the court, where they are asked to come and bring identification and it is like an impossible thing. When people cut your copper wire cable, take it out and burn it, then it becomes very difficult for you to establish beyond any doubt that this piece of copper cable is GPL's copper cable or GT&T's. The laws as we understand it, the Metal Dealers Act puts the emphasis on the other side where the metal dealer has to have records that can establish that he received the material from someone, who had the lawful right to dispose of it to him. So, yes, there may be need to relook at the larceny laws, but I would say we leave that for another time and another occasion.

Mr Franklin also said that when you spot questionable material in containers being packed to go abroad, particularly copper and aluminium cable, it is too late, because the damage has been done. I said in my presentation and I will say again that I personally have no doubt that the dealers in old metal know when they are receiving materials that were unlawfully obtained. They know it and to some extent this threat of stopping the trade - putting a halt to the trade - may be a big stick and it may be a coarse way of dealing with the problem. But we think that it is a tool that the Government should have, so that they can hold this threat above the metal dealers, so that they would exercise the judgement that they have and not receive unlawful material.

Mr Speaker, I think and I do hope with us recognising the issues raised by the Honourable Members on the other side, they will now have no hesitation and no problem in giving support to this Bill.

In terms of the amendment that has reached me, proposed by the Honourable Member Mrs Deborah Backer, I can say that in the course of the afternoon, we already consulted on it and we are prepared to accept her amendment.

Mr Speaker, I would now like to move that the Old Metal Dealers (Amendment) Bill 2006 be read a Second time.

The Speaker: Thank you very much Honourable Prime Minister.

Question put and agreed to.

Bill read a Second Time

IN COMMITTEE

The Chairman: Mrs Backer, you had an amendment?

Mrs Deborah J Backer: Yes, Mr Chairman.

The Chairman: Which Clause?

Mrs Deborah J Backer: Clause 10

The Chairman: Clause 10? Okay, thank you.

Clauses 1 to 9

Question put and agreed to.

Clauses 1 to 9, as printed, agreed to and ordered to stand part of the Bill

Clause 10

Mrs Deborah J Backer: Mr Chairman, my proposed amendment is that after the words *the Minister may*, that the words, *subject to the negative resolution of the National Assembly*, be inserted immediately thereafter. This is the amendment which I think the Prime Minister indicated that the Government has no problem supporting ...

The Chairman: ... *subject to the negative resolution of the National Assembly* ...

Mrs Deborah J Backer: Yes, please, Sir.

The Chairman: Honourable Members, I will put the amendment first. This Section is improperly numbered.

Amendment -

Insert after the words *The Minister may* the words *subject to the negative resolution of the National Assembly*.

Question put and agreed to.

Amendment carried.

Clause 10 as amended

Put and agreed to

Clause 10, as amended, agreed to and ordered to stand part of the Bill.

Assembly Resumed

Bill reported with an amendment as amended; considered, read the Third time and passed as amended.

The Speaker: Thank you very much Members. We will now suspend for half an hour.

16:10H - SUSPENSION OF SITTING

17:00H - RESUMPTION OF SITTING

We will now deal with the next item on the Order Paper.

**ITEM 2. RICE FACTORIES (AMENDMENT) BILL
2006 - Bill No. 28/2006
published on 2006-12-21**

*The BILL intituled, an Act to amend the
Rice Factories Act 1998 and repeal the
Rice (Regulation of Manufacturing and
Marketing) Act 1985*

The Honourable Minister of Agriculture

Hon Robert M Persaud: Mr Speaker, I beg to move that the Bill intituled, Rice Factories (Amendment) Bill 2006 be read for a second time.

Mr Speaker, I do not think that you will find this Debate fascinating as our earlier debate, but certainly you will find it of great interest and relevant to the economic and social well-being of thousands of families across our country.

We must recognise the importance or remind ourselves of the importance of the rice industry, particularly its socio-economic impact on the Guyanese people. Also, the need for constant vigilance by all stakeholders to ensure that we protect the advances we have made so far in creating a very competitive and

we hope certainly in the not-too-distant future, making Guyana a viable player on the international rice market.

But for us to appreciate what we are seeking to do here or the amendments for I am seeking to get the National Assembly's consent; we must also understand the context and certainly the evolution and the developments of the rice industry since its introduction in Guyana.

Some of us may know that rice was first introduced in Guyana in 1882 by Indian Indentured Immigrants and was grown on a very small scale.

It was not until 1917 that Guyana first exported about eight tonnes of rice.

Then in 1964, recognising the potential for growth, not only for taking care of the food security, but rice becoming an important foreign exchange earner, the then Government in 1964 formed the British Guiana Rice Board, whereby the government controlled all rice milling and exports.

With Independence the BGRB was changed into the Guyana Rice Board - simply the GRB.

In 1985, the Rice Regulation of Manufacturing and Marketing Act dissolved the GRB, leading to the formation of three separate entities.

These were:

- the Guyana Rice Export Board;
- the Guyana Rice Milling and Marketing Authority; and
- the National Paddy and Rice Grading Centre.

During this period prices were fixed by the State and certainly a majority of exports were undertaken by the GREB, that is, the Guyana Rice Exports Board.

By 1990, you would recall that there was unprecedented neglect of the industry, abandonment of land, despair among farmers, which represented the state of the country's economy and the

same can be said about other sectors that also saw Guyana importing rice from Italy to feed its own people.

But a change in Government in 1992 saw renewed interest in rice production and the statistics in terms of acreage pre-1992 and what we have after 1992 can testify to that fact. Production and export started to grow rapidly from 1993.

The PPP/Civic Administration recognising the need for better institutional arrangements so as to manage the rice industry formed or established in 1995 the Guyana Rice Development Board and dissolved the GREB, GRMMA and the NPRGC into one entity with the task to develop the industry and promote the expansion of export trade to establish research centres and also to engage in promotional and developmental activities, which will benefit the entire rice industry.

With a change in production climate, several millers seized the opportunity, because of that support and that growth with Guyana enjoying good market prices, wherein they used farmers' production to finance their operations. A system then and one which certainly exists to an extent today, whereby farmers were paid until the end of the season or perhaps after two crops or even after the receipt of export earnings.

In order to address that problem, in 1998 the Government enacted the Rice Factories Act, No.8/1998. This Act sought to regularise the construction of mills, paddy grading and purchasing and overall quality of rice exports.

Additionally, the CARICOM rice standards were implemented in 2004 to facilitate domestic and rice trade and prior to CARICOM standards, regional rice trade was affected by serious quality-related challenges and some of our exporters would recall the inconsistency in quality-affected markets and there were instances whereby Guyana lost markets as a result of poor standards, hence the need for the adoption of those CARICOM rice standards.

Also to create more opportunities and expand the sector, particularly export, loans were offered to farmers in the 1990s and millers too. But in 1997, things took a bad turn that is, with

the unilateral withdrawal of the OCT route, which saw the price that Guyana received for its rice in Europe, dropping close to or by as much as fifty percent and that has had a devastating impact on the rice industry and certainly that devastating impact is still being felt today along with the other issue, including the one that we are seeking to remedy by this Amendment.

Mr Speaker, we have been having some success; we have been rebounding from that difficulty which started in 1997 as a result of the loss of that OCT route and the drop in the price by 50 percent. We have also been recovering from the devastating impact of flooding in the rice industry. That is why if we look at some of the figures for 2006 and if we compare that with 2005, for instance, in 2005 we had paddy production close to 421,000 metric tonnes and in 2006 that went up to 468, 730 metric tonnes. We also saw the yield per acre moving from sixty-eight bags per hectare to seventy-two and that also led to an increase in a jump in export in the range of 183,000 metric tonnes in 2005 to over 204,000 tonnes in 2006. Consequently there would have been a natural increase in export earnings for our country. This did not happen by magic. Our farmers and millers did not wake up one day and see this positive development or as we say, the recovery that we see taking place in the rice industry to make it very competitive. The administration, through the Guyana Rice Development Board, through a programme with the support from the European Commission, which we called the Rice Competitive Project, we have been able to undertake a number of interventions, such as, training in post-harvest management and so we have seen greater institutional capacity in the sector.

We have been able to do training for stakeholders; about four courses were held benefiting close to 200 stakeholders in that area.

Another area we have given attention to is grading and weighing for paddy sales. Again, there has been stepped up monitoring of work by both the GRDB and the Guyana Rice Producers Association. We have constant collaboration with the Guyana National Bureau of Standards, because farmers and others have complained about the weight. Sometimes there are allegations when farmers claim that they did not get the correct weight.

Also, we have been able to have RPA representatives placed at mills to observe the paddy-purchasing process, especially at harvesting time.

Another area that we have put a lot of attention to is ISO certification of the central lab and noting and recognising the importance of rice quality, especially if we are going to pursue a larger export market.

GRDB has sought to have its laboratories ISO certified. We have two mills in the country which are in the final stages of certification and we hope that all of this will be completed by mid this year.

We have also looked at the creation of farmer-field schools and a total of fifty-eight farmer field- schools were established in various rice-growing areas and close to 6,000 farmers have benefited in different areas of rice production and crop management under this intervention. In addition to this, Mr Speaker, we have looked at a number of projects whereby we have made intervention to allow for growth and development of the rice sector, especially giving our farmers diversified earning such as rice/fish farming and also developing other projects. Under our Agriculture Support Services Project, we have looked at also improving crop management to allow for higher yields and certainly to increase farmers' incomes and also to reduce the harmful effects of use of agricultural chemicals in the environment. The project I have also referred to - the Rice Competitive Project - we have been able to access a grant of \$250M for GRDB for enhancing its research and extension, particularly in seed production and certification. We have expended close to \$3B in terms of technical assistance, D&I and certain credit, which are intended for the rice industry. For Drainage and Irrigation, we have expended significant sums so as to bolster and put our industry in a better shape and I make reference to these interventions, because it is important that we recognise the strides and the investments that we have made as a country in the rice industry, that it behoves us in the National Assembly and all stakeholders to take steps to protect those gains so as to allow significant improvement and interventions, such as what we are attempting to do today, are intended in that light.

Mr Speaker, let me talk a little about the context of the Amendment, which we are addressing. [*Interruption: Thank God!*] ... Education is not too bad at all. Most rice farmers, if not all are being faced with problems they encounter in their dealings with factory owners, proprietors and exporters. Many farmers do not receive their payments on time and some of them, who do not have their payments on time, run into serious difficulties with the banks and they are unable to service their loans. Oftentimes, banks foreclose on their land and certainly on their equipment.

The payment system is characterised by slow export turnover. Some millers or exporters owe farmers in excess of six to twelve months with one crop overlapping into the other. Also, our farmers are unable to proceed to the next crop, thus leading to some of their farms being abandoned and as we know, this can lead to a drop in production and also affect our millers and our exporters, as a drop in production means that they will be unable to service the market requirements. I need not talk also about the devastating impact this can have on rural poverty and certainly rural living standards.

We have to deal with the phenomenon of the characterisation of rice paddy prices by millers and exporters. Having realised that not all farmers have access to their own drying and storage facilities to hedge in future prices, some millers hold them ransom during the harvesting season and those of us who are familiar with the rice industry will know that paddy has to be harvested at a certain time and milled at a certain time and is not a commodity that if it is not properly stored that it can keep indefinitely.

Mr Speaker, we also find the situation of millers and exporters owing running contrary to what the international market situation is, because international rice prices are relatively high and if you compare the prices that our millers or exporters receive with what is being offered to our farmers, one can see a great disparity.

This Amendment to the Rice Factories Act makes it mandatory that millers pay a minimum of ninety-five percent of outstanding

purchases to farmers at the end of the year before their mill or export licenses are renewed. Further amendments and regulations are also being drafted to improve the relationship ... [*Interruption: 'Robert Corbin you know, do not get excited'*] Debbie listen, we are dealing with serious business now. We will deal with electioneering in five years time.

Further, the amendments and regulations are also being drafted to improve the relationship between farmers, millers and exporters, so as to regulate the purchase and milling of paddy.

So in addition to what we are attempting to do here, Mr Speaker, we are also contemplating other amendments and other regulations. But it will be unfair if I do not also recognise the efforts being made by a majority of millers and exporters who have been honourable and who have honoured their agreements with farmers in terms of timely payment. But they have complained as well as we have seen first-hand the sufferings that farmers have had to endure and the millers and exporters too are supportive of such an amendment, because an amendment such as this preserves their integrity and certainly ensures the sustainability of the industry as a whole.

In some of the public discourse that I have heard since the First Reading of this Bill, the question was asked whether this amendment would be a disincentive for millers and the answer is absolutely no. Actually, it will ensure the viability of the entire industry and certainly the viability of various milling enterprises; because we know a miller can only receive the returns of his investment if his mill is fully operationalized and optimally used, so that he can ensure minimum downtime. Also, on the exporters' side, he wants to be guaranteed a reliable supply, the quantity that he needs and the quality that his markets require.

So this Amendment should or ought not to be seen as a disincentive, but as a deterrent for poor conduct, which can harm the future of this industry and its economic status.

The other question circulating was: Does it provide for discretion in the event of serious circumstances, which a miller/exporter might have encountered and as such is unable to meet his obligation? The answer is yes. If we look at the addition of Sub

Clause (h) in the Amendment to the conditions of the licences, it allows for such consideration, Sub Clauses (h) (i) and (ii) explicitly spells out that facility. We must also remember that the Guyana Rice Development Board (GRDB) which receives applications for processing is composed of all stakeholders including millers and exporters, farmers and consumers. So, millers and exporters would have the opportunity to also be part of that process, in terms of reviewing and processing of the licences at some stage.

Mr Speaker, I seek Parliament's favourable consideration of this Amendment and subsequently its enactment into law and I urge that we expedite the enactment process noting the time constraints at the industry level and certainly our millers and exporters will soon be approaching GRDB to renew or even to apply for new licences. I also urge the National Assembly to consider that other interventions, including additional amendments and regulations are being undertaken to improve and contribute to the overall development of the rice sector. So, if it is recognised that there are other issues, which are prevalent and not addressed in this amendment, I want to advise the House that we are also examining those.

Mr Speaker, this amendment seeks to foster a climate that ensures greater transparency and accountability in paddy trade between our farmers and millers and certainly with the enactment of this amendment, it is expected that the accruing benefits will contribute to an overall improvement in the social and economic wellbeing of thousands of rural households. Moreover, the intention of this amendment will also play its part in contributing to the national position of alleviating poverty in Guyana, since many rice farmers, especially small farmers do live on the threshold of poverty. To oppose the objectives of this amendment could be seen as an effort to stall the modernisation of a rice industry environment that is necessary for Guyana to have one that is internationally viable and competitive. Also, any opposition to this amendment can also be seen as opposing the interest of rice farmers and certainly the industry as a whole.

Mr Speaker, all of us here, collectively will be failing in our duties if we do not protect those who cannot be protected and certainly not at the expense of anyone else.

- Who will protect Toolsie, a farmer in Black Bush Polder who is owed \$21M for the past year by the Alesie Group of Companies?
- Who will protect Damela Jacobs who is owed close to \$6M by Mahaicony Rice Mills?
- Who will protect Prameshwar Misir of Essequibo who is owed close to \$11M by Mahaicony Rice Mills?

Mr Speaker, I want my colleagues to support this amendment and consider the plight of those who have endured the lack of timely payment, and see this as a step in developing a viable, profitable and competitive rice industry. Thank you, Mr Speaker. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Member Mr Anthony Vieira

Mr Anthony Vieira: Mr Speaker, on behalf of the farmers in this country ... *[Interruption: 'You are not a farmer']* *[Laughter]*... I am a farmer.

I rise to address this initiative by the Minister of Agriculture and hopefully to put it where it belongs, in the Le Repentir Cemetery or at least to a Special Select Committee.

It is clear that this Bill is just a ploy to appease the disgruntled rice farmers in this country. Their problems are numerous and they have been left completely in the wilderness by successive Ministers of Agriculture since the PPP/C came. What is more ridiculous is the fact that even though we have had two Ministers of Agriculture, throughout a substantial period of time that the PPP/C have been in power, we find our agricultural sector in

Guyana in such complete disarray. So, I will again relate the facts as compiled by the Bank of Guyana for the year 2005.

Mr Speaker, if we take the year 2000 ... *[Interruption]*

The Speaker: Mr Ramotar, please allow Mr Vieira to speak. *[Interruption: 'Allow him to read ... The problem to solve is reading' ... "He does not see well, he is blind"]*

Mr Anthony Vieira: If one takes the year 2000 as a benchmark year and use that one year as a one hundred percent index of achievement, here is how our agricultural production appears on paper in 2005, expressed as a percentage of 2000.

- Sugar was only 90 percent of what it was in 2000;
- Rice is only 93.6 percent of what it was in 2000. In fact, in 1999, rice production was 125.2 percent of what it was in 2000. So rice production has been progressively declining since 1999 and I will come to the reasons why, in due course.
- Coconut was only 75 percent of what it was in 2000;
- Cassava ... 44.7;
- Plantains, which the Honourable Robert told the media is one of the three 'Ps', by the increase of which he will enhance our national agriculture export capability, was only 15.4 percent.

Mr Speaker, my ten-year old son, Joseph cannot do worse than this.

Bananas went up to 142 percent;

- Mangoes went down to 42 percent; and
- Pineapples, which is another of the 'Ps' that the Honourable Minister has promised to make a pillar of agricultural production in this Nation

during his tenure as head of agriculture, was only 50 percent of what it was in 2000.

- Citrus, only 42 percent;
- Hot peppers - another 'P' was only 20 percent.

Here again, I do not think my son Joseph, at age ten could do worse.

- Bora and tomatoes were 18 and 17 percent, respectively of what they were in 2000.

The Honourable Robert has told the Nation that he will increase the National agricultural output, especially these three 'Ps' - of peppers, pineapples and plantains and it should be an easy task, since the three 'Ps' has nowhere to go but up, since they are already at rock bottom, right now. Thanks to Mr Persaud's not so functional predecessors.

Mr Speaker, the PPP's management of the agricultural situation to this Nation has been a complete disaster since 1992. What is even more astounding is that it is from this same sector of national endeavour that their main political support is derived. One can only ask why these people keep voting for them.

Now, for the Bill, which we are assembled here to discuss and hopefully to bury. The RPA's website tells the world that -

With the development processes of globalisation and increasing free trade, the once protected and guaranteed rice markets for Guyana are gradually vanishing. This puts a huge burden on the rice manufacturers to find new markets for their produce.

So, Mr Speaker, this puts the problem on the rice manufacturers' face and which I will outline today in context for the House and for the Nation. The RPA's website also says,

That it is working with other players in the industry to position farmers to ensure that their activities remain sustainable.

And the RPA forecast that rice producers in Guyana, including the millers are in for a tough time. Now, before I object to the objectives of this Bill, I would like to place on record as a house-keeping matter, requesting that all of the modifications to the Laws of Guyana in this National Assembly, specify the Chapter and Section of the existing law or Act that it seeks to modify or to change. For example, there are four other amendments before this Honourable House at this time, which are:

- (i) the Old Metal Dealers Bill 27/2006 and on the second page of that Bill it specifies that it is Chapter 91:08;
- (ii) there is a Bill 25/2006, which seeks to improve and again it says it is Chapter 107.
- (iii) Bill No.26 specifies also from Chapter 107; and
- (iv) there is a Bill No.24/2006, which seeks to modify the Constitutional Offices Remuneration of Holders Act, Chapter 27:11 of the Laws of Guyana.

This Rice Millers Bill Modification No.28/2006 does not tell me which Chapter and Section of The Laws of Guyana is affected and leaves me and indeed any researcher, with the unenviable task of searching all of the Laws of Guyana to find it, but during discussions this morning, it became apparent that this Act is 95:05 and I thank the Honourable Member for that information.

Therefore, my request therefore, is that all modifications to the existing laws of this nation which are brought to this House state what chapter and section of our laws it seeks to replace or to modify, since it makes research and investigation easier.

Now, for the specific Bill on which I will speak - Mr. Speaker, the Rice Factories Act seeks broadly to achieve three things:

- (i) it seeks to force manufacturers to pay an additional fee when applying for permit to establish a rice factory. It does not say how much, but hopefully in view of the current crisis in the rice sector it will not be too much;

- (ii) it seeks to force manufacturers to pay the farmers expeditiously by imposing an interest rate of two percent higher than prevailing commercial lending rate in the event of late payment, which is arbitrarily set by contract between the farmer and the miller between forty and sixty days, after delivery of paddy to the mill; and
- (iii) it sets a ceiling of disallowing any miller from owing farmers for paddy, a total amount of which is no more than five percent of the millers total gross turnover for the previous year.

He is saying that at any one time, that is, in the middle of a crop, no farmer should owe a total amount exceeding five percent of his total turnover of the previous year. Mr Speaker, it is impossible. This piece of legislation seeks to obtain cheap political mileage for the Government by deceiving the rice farmers into believing that something is being done about their serious cash flow conditions by penalizing the millers.

In the Laws of Guyana, Chapter 69:04 ... Mr Speaker, you would note that I am giving chapter and section for the Honourable Members. Chapter 69:04 lays out The National Cane Farming Committee Act. Under Section 12 of the Act, (iii) to (x) it sets out the way cane farmers will be paid and it can be summarized this way.

In the spring crop, seven days after delivery of the cane the manufacturer must pay twenty to thirty percent of what the average price for the previous year for sugar was and then not later than six months after such delivery a second payment of twenty to thirty percent is made and then the next year, on or before 31 March, after GUYSUCO has totalled all of the prices they received from all of the markets it sells sugar to and arrives at a total average cost then it makes its final payments to its cane farmers.

The payment schedule for the autumn crop is as follows:

- After seven days of delivering the cane to the factory a payment is made;

- then in December of that year, another payment is made; and
- then again on 31 March of the next year is the last payment.

Taken in this light, the Honourable Member's Bill seeking to get the rice millers to pay for paddy in full within forty-two days of delivery or pay interest at the rate of two percent over the prime lending rate of the day, before any sales are made to any buyer of rice by the miller anywhere in the world - a process, which the RPA tells us is becoming more tenuous daily the situation becomes ludicrous. The Honourable Member is asking the private rice millers to pay more expeditiously than GUYSUCO pays the sugar cane farmers. In fact, the GUYSUCO formula seeks to fleece the sugar cane farmers for upward of one year after they deliver cane to factories. The sugar cane farmers input is very valuable to the sugar corporation, Mr Speaker, supplying about fifty percent of the total national production and the Skeldon expansion visualises thirty percent of the expansion thirty.

In fact, it is also clear that the rice millers in Guyana are dropping like flies all around us,

- Angad Rupee on the West Bank,
- Ivor Allen in the Essequibo,
- Mankad in Mahaica or Mahaicony,
- Sankar at Blairmont,

just to name a few big millers who have gone belly-up over the past seven years. These people must have done the PPP/C Government a grave injustice at some time or the other, because this is the second time since 1992, with this Bill that you are trying to put them out of business.

I will not stand here to tell you that our rice millers are saints. Indeed, they are totally disorganised. What I am saying is that since quite a few of the bigger millers are going bankrupt, which is clear and tangible evidence that they are suffering a real economic problem among themselves I think that the problem of

the rice millers should be addressed by the Government before you seek to penalise them further, because this Act has the capacity to put more of them over the precipice of bankruptcy.

Mr Speaker, this worries me, because I am genuinely afraid that if the millers are financially unable to meet these new criteria of interest as contained in this Bill they may not buy paddy at all, or buy it, since it is a perishable commodity at reduced prices to the detriment of farmers, leaving the Honourable Member with egg all over his face. That is, the 1999 situation he referred to all over again, because for those who do not understand what happened in 1999, the situation arose because the rice industry, having enjoyed a brief period of preferential markets through the European OCT route, which came to an abrupt ending in 1996, the fallout of which nearly bankrupted the entire industry by 1999. A lot of what happened had to do with Fazal Ally, the PPP/C's RPA functionary and activist demanding that the millers pay a better price for paddy, which they were forced to do, but at the end of the day, the millers, unable to enforce the increased price, refused to buy the paddy and the entire industry ended up owing the Commercial Banks \$11 billion by 1999. The problems that millers have in Guyana are numerous, some of which are of their own making to be sure, but a lot of which are occasioned by a national situation, which is against private enterprise, especially private manufacturing.

To being with, none of these millers can afford to buy power from GPL. In fact, even GWI from whom they will have to buy water for parboiling, cannot afford to buy power from GPL and you can bring *Twenty-seven Trent* here, much less *Seven Trent* and nothing will change. The electrical cost of operating GWI is just too high, totalling around sixty percent of the total expenses and makes the delivery of water uneconomical and their charges are untenable to the consumer. Furthermore the rice millers have also been experiencing the pressure of rising fuel costs, so they are mostly generating their own power and are consequently in somewhat of a financial bind from the dual situation of -

- (i) the laws of certain preferential markets in the European Union; and

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- (ii) a non-existent local and enabling marketing-support situation.

In fact the local marketing situation seems to hinge on three wise men from the East coming here every crop and acting as middle-men. They buy the local production which they broker in Europe. This is the most ridiculous marketing strategy I have ever encountered for any major industry of any nation anywhere in the world.

- (iii) the cost of generating power,

So, I repeat the question. Why does the PPP/C want to put the private rice millers in this nation out of business? Does the PPP/C Government want to undo privatisation and go back into the rice milling business? There is mounting evidence that this is what they may be doing and that will be a tragic day for this nation.

So, Mr Speaker, this turns out to be a situation, which is prompted by the increasing difficulty of selling Guyana's rice abroad and the blame lies with the failure of successive PPP/C Ministers of Trade, who are more preoccupied with trade shows and Main Street Limes, rather than to guide the millers to a more efficient method for marketing their produce abroad, in order that they can in turn pay the farmers on time. For example, the local millers tell me that the Guyana Rice Development Board, (GRDB) and the Guyana Rice Millers and Exporters Development Association (GRMEDA) are completely non-functional, insofar as they are not helping the millers to organise themselves to be more efficient producers or to help them to

obtain market for Guyana's rice abroad. The GRDB's website, nevertheless, proudly proclaims this:

The functions of the GRDB are:

- *to develop the rice industry in Guyana and to promote the expansion of the export trade in the said industry*
- *to establish facilities for the conduct of research relating to rice and extend to farmers, to an established system, the benefits derived from such research.*
- *to engage in such for promotional and developmental activities which the Board deems necessary for the purpose of developing the rice industry.*

These entities, however, appear to be on the internet for show, to deceive the world that there are bodies in this country that the rice industry can depend on to guide the process of finding new markets and to encourage the local millers to combine their efforts to produce a better product in a timely fashion, so that they can get access to better markets. None of this is happening, so, the failure is with the Government and not with the millers. That is why the millers are so disorganised and unable to pay on time. Increasing their expenses will not solve this problem and I will guarantee it will lead to further economic problems in the sector with even later payments. Thank you. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Member Mr Dharamkumar Seeraj

Mr Dharamkumar Seeraj: Mr Speaker, I rise to give full support to Rice Factories (Amendment) Bill 2006 - Bill No.28/2006.

This piece of legislation is a genuine demonstration of broad-based consultation in putting forward the interest of the industry. It took some time and in another capacity, Mr Speaker, I, from

time to time indicated my dissatisfaction with the slow process - in that capacity in getting this Bill to the National Assembly. I say that because rice farmers who have been in the business of cultivating rice for over a century are trusting by

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nature, but the introduction of new players in the industry over the past decade and a half, sought from time to time to betray that trust and in the absence of self-regulations, it is my firm view that it is the duty of Government to put into place the mechanisms to protect the interests of the vast majority of farmers who otherwise do not have the resources and sometimes the technical know-how to handle these battles on their own.

Only yesterday, Mr Speaker, I had reason to send four farmers to seek legal advice on how to get pay for their produce that they supplied to various mills since September, and I think that all of us, from time to time go to the markets and if we purchase items that have long shelf-life, we cannot tell the vendors that when we consume these products then we will pay you for it. It is either you pay for it or you go away without it.

In the rice industry the situation is somewhat different with some of the players. There are examples of millers, who have a remarkable record of trading paddy with farmers and if I can give you a broad geographic spread, just to lay to rest the argument that this only happens in specific regions.

One company in Corentyne, Nandpersaud Company ... I was advised that if you speak good about people they will not sue you. Nandpersaud Company pays on delivery, most of the time and they purchase on an average 250,000 bags of paddy.

In the County of Demerara, Fairfield Rice makes payments of fifty percent within two weeks and the other fifty percent within a maximum of four weeks - in most cases within the other two weeks.

In Essequibo, the CARICOM Rice Mill has a remarkable record with payments to farmers also. Mr Speaker, these are mills that have been in operation for quite some time and unlike the sugar industry, where you have only a single buyer, which is

GUYSUCO of cane farmers produce ... GUYSUCO is not about to pack up and go away, but in the rice industry there is a number of players and Mr Vieira spoke about three wise men from the East. There is a number of players who have caused depression, who have caused suffering to farmers by their ability to utilise various legal mechanisms and a maze of different companies to come into the industry, get established, purchase farmers paddy in the good times and when things go bad, they up and jump ship.

Mr Speaker, there are companies like Genesis Enterprise; Jainarine Sawh; the Essequiibo Rice Producers Limited; a company by the name of Belmont, the Principal is Beresford; Pandora and I can go on and on of examples of companies that have betrayed the trust of rice farmers and it is our belief that you need firm legislation, you need to put teeth into the bark of the agency that is responsible to regulate the industry in the interest not only of the farmers, but also in the interest of the other millers who deal in an honourable way with the industry.
[Interruption]

The Speaker: Honourable Member, we have to be careful how we refer to people who do not have the right of reply in the National Assembly.

Mr Dharamkumar Seeraj: Thank you, Mr Speaker. I am certain that in my next presentation, I will be much more guided in my presentation. Mr Speaker, when the Honourable Member Mr Vieira rose to speak and said that he was representing the farmers, I felt very happy. At one time, I thought that I might not even need to rise and make a presentation, but then he went on to lambaste the very people he said he was representing and to cast blame on the farmers themselves in various ways. He was correct in quoting from the RPA's website. The RPA and the RPA's website have gained a lot of recognition internationally and rightly so we have been around since 14 September 1946. When we spoke about the challenges facing the industry, we spoke about those challenges ten years ago and they are in keeping with what is happening internationally with the distortion of agriculture production in developing countries; with unfair trade practices that are happening and we even quoted

examples. Take the United States of America, which has been supporting their rice production on an average for the past five years to the tune of 92 percent. That is why the website clearly states that we in Guyana, a Third-World developing country, a country that does not have the resources to subsidise production, that we would need to take cognisance of these new developments in the international trade of agriculture products, so that we can better regulate what is happening in our country, in our food production chain, so that we can maintain the places we have in the international market.

Mr Speaker, we do not feel that the payment of two percent over the prime rate for outstanding amounts over forty-two days is unreasonable.

In my discussions with millers in Guyana, they have not, in any strong way opposed this new piece of legislation - this Amendment - and that is because they have in the past utilised mechanisms to ensure that their trading of paddy with farmers is done on a fair basis.

Mr Speaker the millers, not at any time during the process of their operation, at all times have to owe less than five percent of their gross turnover. The legislation clearly says that at the time of renewing their licences. In order to have a new licence, they will have to satisfy at least ninety-five percent of their indebtedness to the farmers and that too, bearing in mind the examples that I have quoted before is not an unreasonable requirement.

Some of the millers who went out of business in the past, were faced with a number of difficulties, not all of them associated with the industry itself. There were cases where some players failed to adapt to a changing situation, failed to recognise what is happening on the international scene and make the necessary changes in their local operations. The OCT route was mentioned, that is the Other Country's Territory, which Guyana used to utilise as a mechanism of getting the rice into Europe, but again the trade through the OCT route was abused by some of the same people who used to benefit from that mechanism. It caused the management of the European Union to initiate

measures to bring a closure to that route, because of the abuse of the OCT route and there are other cases that contributed to the downfall of some of those players in the industry.

Fazal Ally, the former, late General Secretary of the Guyana Rice Producers Association was well respected by his constituents. *[Applause]* To blame him for the mistakes of other players in the industry is doing a great injustice to a person who is not here to defend himself and to answer. At the time when he served as the Leader of the Guyana Rice Producers Association, he used all his abilities the best way he could to represent the farmers, who he held close to his heart. We might not have at all times appreciated the methods that he used, but Mr Speaker, I can tell you that 99.9 percent of those times, his methods were effective and he had a great loyalty to his constituents.

Mr Speaker, the Guyana Rice Development Board went through a number of changes; some of those changes were also as a demand of structural adjustment programmes and some of those changes were as a result of demands by IFI. In another capacity again, I at all times, or at sometimes did not approve of what we were giving up as the GRDB, but we live in a pragmatic environment and we have to face reality. In looking at the macro picture, we recognise that sometimes you have to go back a pace in order to move forward three or four. The GRDB went through this process, but it is totally unfair to label the Rice Board as disorganised.

Mr Speaker, if I may say so, the Rice Producers Association is probably one of the best-organised farmers' institutions in the entire region. *[Applause]* The Guyana Rice Development Board, as the Government Regulatory Body, working within the confines of regulations, are doing their best to provide the kind of support that is needed to guide the industry to prosperity. To say that there is a lack of market is not true at all. As a matter of fact, the largest player in the industry, who purchases in excess of twenty-seven percent of all paddy produced per crop and export on an average fifty-seven percent of total rice export, a single company, at a meeting in early December last year; with the Honourable Minister of Agriculture, where I was present and also the General Manager of the Rice Development Board... the

principal owner of this company, when he was asked, why is it he has an outstanding amount, in excess of \$700 million at that time to farmers, if he was faced with a marketing problem. I clearly recall the gentleman saying that, Minister, all my rice is already sold and this is from the single, largest operator in the country, a company that exports. I think that number is going to be in excess of sixty percent of total exports for last year.

Against this background, Mr Speaker, it is even of more importance; it is even of vital, I would venture to say, that this Honourable House move unanimously to approve the Amendment to the Rice Factories (Amendment) Bill 2006 - Bill No.28/2006.

Mr Speaker, the other players in the industry - manufacturers, I hasten to add, in discussions out there with the Rice Producers Association, during the process of consultation, have given their support to this Amendment and it is my duty - a duty which I take pleasure in delivering - on behalf of my constituent to say that this Bill that is being proposed for our consideration has our fullest support. Thank you. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Member Mr Khemraj Ramjattan

Mr Khemraj Ramjattan: Mr Speaker, I rise first of all, to make some preliminary points, as regards the contents of the Amendment as presented to us here this evening. They have to do with the fact that this is an Amendment that is putting some additional teeth into the 1998 Rice Factories Act. I want to say that the agency in charge since 1998, although they had lots of teeth, did not do much biting and when it comes now to putting into the Amendment, simply a two percent more charge, I do not feel that, that necessarily is going to be the panacea to solve the problems we do have in the Rice Industry.

I only support what the Honourable Member Seeraj just mentioned and his knowledge of the industry and his wisdom in

the industry's business is in a sense matching up his predecessor, Fazal Ally. I want to say that we all have to look at this larger picture, what causes the delay of payments, especially in the context of Guyana? We must start living, cohabiting rather than colliding with the rice millers and the exporters. Government and the agencies of Government as regards this rice industry must learn not to collide, but to cohabit with rice millers and exporters and so, we have to start going back. What was the defect that generally caused the non-payments or the late payments since 1998? Genesis and those other companies that we are talking about that indeed were negative to the industry; they could have had their licences revoked.

The 1998 legislation gave the Board that teeth all those who are culprits in the industry could have been stopped, but none were, essentially. To go now and say that we are going to give a two percent to a certain contract that was there since 1998 and was not being enforced, is yet adding some other dentures, but it is not necessarily going to bite if your Board simply does not ensure that you do the necessary things and you go and start focusing very clinically at what is the problem. The problem is generally what happens to the exporters, who he contracted with and that is why the larger architecture of the rice industry must be looked into. Why is it then we cannot have lines of credit that could ensure that there is some amount of money that rice millers will have or exporters will have so that when they do have that hard time paying their farmers, they can extract from that. Government must not say that they do not have the money to do it; because they got \$167 million for Buddy's. So, if they cannot do it for rice farmers and millers who create so much employment, well please do not tell me that we do not have the funds for it, because it is at that larger level that the problem is. No rice miller expending lots of money to the infrastructural works that he has to do, such as bringing a rice mill, spending hundreds of thousands of US dollars, would want not to pay the rice farmers. It is because he has a bottleneck collecting and the Board is supposed to be enhancing that collection from whomsoever he sells his rice to. That is where the problem is. So, Mr Speaker, I am saying that indeed, there have been scoundrels in the industry. This will get to them. I do not know

how good it will do to ensure that the rice farmers get their money, because as you know Mr Speaker, even when you put that little interest that is two percent above, you still got to go to court and you know what happens in the court. That is why since 1998 this was not really working. You had so many farmers going to their millers, getting this written document signed up. Where do you have to take that document? You have to take the document to court. It is not when it is signed up that you can go and levy. You have to go to court and that is what caused the problems that are still in the industry. So you can create a piece of legislation, but its enforceability is not there, because we are not clinically looking at where the defects are. The bottleneck is getting the money from where these millers export it.

That is why there must be some assistance from the government in that respect or some levy or fund that should be created, so that when there is hardship you can then draw down from that. As I indicated if you can have it for hoteliers, this industry is long and supports a larger base of people and we should have that for the industry. *[Applause]*

I also want to make the point here, that this Bill also has a certain other motive behind it. It has to do with their saying that you know Mr Rice Farmer, we are on your side. We know that the Government is well-reputed to be on the rice farmers' side *[Interruption: 'They know that.']* They very well know that, but they do not know that this Government here is also doing a little *quid pro quo*. They want to get to know how much money they are making. So almost every contract now will have to be in written in form and you will have to ensure... and that audit trail will be there now, straight down to the rice farmer. That is transparency, but you must tell the rice farmer that ... *[Interruption: 'They know it']* I hope that they know it and I hope that you are going to enforce that accountability, so that they must start paying their taxes like public servants. *[Interruption: 'You are attacking the farmers now?']* I am not attacking the farmers. I am attacking you for not implementing your laws. Since 1998 we had it - eight years and it is not being implemented; is it being enforced. To just give a little interest

now and say well, we have the law; it is not really that enforceable.

Mr Speaker, I also want to make the other point, that it is important that this aspect of the matter where you are, in a sense citing the rice miller, for something that is going to affect the freedom of contract. I have a concern here. That concern has to do with, assuming a rice farmer wanting a higher interest than eight percent or somebody wanting a lower interest, knowing that we are now free-market in this country, as the President would tell the IDB and everybody, is it philosophically sound to start getting down into the freedom of contract where we start intervening to say that hold, *only six percent you have*. I want to know if that is correct at this time, knowing that that can affect freedom of contract. It is a serious philosophical point.

We have to understand that we here in Parliament telling those two parties, that we are not privy to them anymore. You have to have something in written contract and you have to pay six percent. That is an important consideration, because I do not know then how far the executive can go to start encroaching into that realm whereby, we should have the freedom of contract. That is the big concern I have with a piece of legislation like this, knowing that it is not being clinically targeted to the defects. It is somewhat diverting itself to an area of interventionist policy-making in the rice industry to the extent of intervening in a very fundamental philosophical principle that governs the free-market world - freedom of contract... [*Interruption: 'Have you read the Act?'*] I have read the Act, Mr Minister. I would want to congratulate the drafters in the sense that they consulted. I have spoken to some rice millers and they have indicated that there has been some kind of consultation and this is something that is good. [*Interruption: 'And they did not consult the church?'*] Well, I do not know about that, because I have not spoken to the church, but that is wrong. You must not discriminate...you must consult men of God just like you have consulted men of rice. [*Applause*]

So, it is essentially those two points that I wish to make. We must start getting clinical and we must start getting a little more ... We must not start interfering with this freedom of contract.

On that score, with those two major concerns, I still support it, there are people out there who are doing negative, adverse things to rice farmers and they must be gotten to. This Act in a sense does that, but it does not attack other aspects of the negative and adverse personnel within the industry and also the systems, international trade being one of those. So, we must have the Board and the agency doing their job in that regard and the government also intervening, like they intervened for hoteliers. Thank you very much. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Member Mr Anil Nandalall

Mr Mohabir A Nandalall: Mr Speaker, I rise to support the Bill tabled by the Honourable Minister of Agriculture that is presently before the House.

Mr Speaker, I do not think that anyone can dispute the contribution, which the rice industry has made over the last century to Guyana as a country.

I do not think anyone can dispute the significant contribution that rice has made to the Gross Domestic Product of independent Guyana, as well as the fact that the rice industry, has and continues to provide a source of livelihood for thousands of Guyanese, especially in our more populous Regions Nos. 2, 3, 4, 5 and 6.

Mr Speaker, all this legislation seeks to do is to bring some measure of protection to what many believe to be a very exploited industry. As the learned friend and Honourable Member, Mr Ramjattan said, this legislation is not the panacea of the rice industry, but it is a step towards reaching a solution.

It is my considered view that before this Bill can be properly looked at and before it can be properly analysed, it is necessary that one puts it in a particular historical and political perspective. The comments made by Mr Vieira, which I consider to be a colossal attack and a frontal attack on the PPP/C Administration, in respect to their commitment to the rice industry, provides me

with the platform to demonstrate and to explain and to remind this Honourable Assembly that the PPP from the inception has had a long harmonious and productive relationship with the rice farmers of this country. *[Applause]*

Mr Speaker, the Principal Act - not the Rice Farmers Act of 1998, but its predecessor was first propagated in 1933, some seven-three years ago. Unfortunately, it remains virtually unaltered, until it was wholly repealed by this administration in 1998, when the Principal Act of which this Bill is only an amendment, was passed by this present administration, in this Honourable Assembly.

Mr Speaker, what that 1933 Act did, it was only a one-piece legislation and what it did was that it required rice manufacturers to apply for and obtain a licence in order to license their premises to be used as rice factories and the application was made to a person holding an office described in the legislation as the Government District Commissioner. All the requirements that they had to satisfy was that the premises used for the production of rice, was a premises that satisfied the local hygienic and sanitary conditions of the day - a very loose requirement. That was all that that piece of legislation did and it stood unchanged in this country as part of our laws, until 1998. This present Amendment seeks to correct that and to correct a wholly inadequate legislation that regulated or sought to regulate, a virtually un-regulated segment of the rice industry.

Again, on the historical and political front, and to remind this Honourable Assembly of the People's Progressive Party's history and relationship with the rice industry, I wish to draw attention to perhaps, the most comprehensive and compendious piece of legislation ever enacted in our country. The legislation, to which I make reference, is the Rice Farmers Security of Tenure Act, which was passed by the 1956 People's Progressive Party Government, while they were in power. That piece of legislation, made into law for the first time, a whole framework of protective mechanisms, all designed to ensure, for the first time in the history of this country that there was some type of security of tenure accorded for people who planted rice in small holdings. The position that existed hither to that legislation was

that a large portion of land was controlled by a few land-owners and small rice farmers were renting those pieces of land, paying exorbitant rent and could have been ejected from those holdings with little or no recourse to protection from the law.

The Land Farmers Security of Tenure Act changed that permanently. Mr Speaker that was the legislation that set up in this country and which still obtains the Rice Assessment Committee and it caused the fixing of rent and the regulation of rent to be fixed by that Assessment Committee, having regard to a number of circumstances and having heard all the parties that are concerned. That is the piece of legislation that also converted all agreements of tenancy into a year-to-year lease, thereby giving the farmer a security of tenure. That is the piece of legislation that mandated a landowner to go the Rice Assessment Committee and establish certain grounds before he can get possession of rice lands, which were rented to rice farmers.

Mr Speaker, those positions did not exist before that piece of legislation. That piece of legislation revolutionised the rice industry in this country and that piece of legislation was passed by the PPP Government in 1956.

Mr Speaker, the RPA, as Honourable Member Mr Seeraj said was promulgated and formed by legislation since 1946, but importantly, Dr Cheddi Jagan assumed the Presidency of that organisation, since 1957. Since then, leaders of the People's Progressive Party have maintained a virtual control and dominance in the leadership of that organisation. That Organisation remains today as the only truly representative organisation for the rice producers of this country. So, when they question the PPP's commitment to the rice industry, they must take into account those factors.

I will speak about the Bill, Mr Ramjattan and the philosophical difficulties that you have with it. *[Laughter]* Mr Speaker, let me go to the Bill, as I am being urged upon by my learned friend, Mr Ramjattan. All, this Bill does ... and I will go through its important sections, section by section.

Section 3 says,

In any case where a producer sells paddy to a manufacturer, ... [Interruption: 'It is clauses.]

...

The clauses, I am sorry

Clause 3

...the manufacturer shall ensure that the sale is evidenced in writing in a Form in the Sixth Schedule.

What is wrong with this provision? What is philosophically unsound about a requirement in the law that a contract be in writing? From time immemorial, the law required agreement in relation to the sale of land to be in writing. What is so philosophically unsound about that? Mr Speaker, we are lawyers in this Assembly and you are well aware of the evidential problems that persons who are relying on oral contracts face in court, in establishing their case. Well, this Parliament is saying to the rice farmer and to the rice producer, to put your agreement in writing. What is so wrong with that? What is wrong with that?

What Mr Ramjattan also omitted to point out is that this provision gives to the rice farmer an added legal remedy, because under Section 72 of the **High Court** Act, a rice farmer who is owed a debt can go to a High Court judge and obtain an injunction restraining the rice miller from leaving the country, as the RPA General Secretary said, is a regular occurrence in the rice industry. This is very important weaponry in the arsenal of the rice farmer. It is very important weaponry, which never existed in the Laws of Guyana in respect of rice farming. *[Interruption]*

Mr Khemraj Ramjattan: That Amendment was since 1998; it must be in writing. Please, that was since 1998, Mr Speaker, and I am not saying that is what I am talking about. It was the interest. From information here, Mr Speaker, since 1998 the thing was in writing, the Statute said it would be in writing. I never addressed that to this Amendment.

The Speaker: You may continue, Honourable Member.

Mr Mohabir A Nandlall: Thank you very much, Mr Speaker.

Clause 3(b) of the legislation further provides that

...the manufacturer shall pay the producer interest for any late payment as specified...

What is wrong with that? What is wrong with that philosophically? *[Laughter]* Mr Speaker, any creditor in any part of the world is entitled to charge interest for a debt that is owed to that creditor. So nothing is wrong with that.

I move now to *Clause 6* of the Bill and it says it injects into the Principal Act an Amendment to this effect:

...the licensee's total debt owed to producers shall not, at any given time, exceed 5 percent of the licensee's gross turnover for the preceding calendar year.

What is wrong with that? What is wrong philosophically, religiously, commercially with that? *[Laughter]*

Mr Speaker, in relation to the point my learned friend and Honourable Member made in respect to interference with freedom to contract, in a different capacity you are the advisor of various commercial institutions in this country. You are well aware that those commercial institutions have a lending rate, that they charge interest at a lending rate of a particular percentage. That percentage is fixed by Statute yet people go to those banks and they borrow, knowing fully well that this is a condition precedent to the contract that they are going to enter into. So, what is wrong with that? *[Laughter]* So, the legal and philosophical arguments that are raised in relation to this Bill are clearly misconceived and hopelessly wrong.

Mr Speaker, all that this Bill seeks to do, is to add further protection to the rice industry. That is all that it seeks to do. I am aware and it has been published in the press that presently the

rice farmers of this country are owed in excess of G\$1B and the rice millers who owe them are flying around the world. I spoke with one of them from Holland only yesterday. So I have peculiar, personal knowledge about the situation. *[Noisy Interruption]*

The Speaker: Order please.

Mr Mohabir A Nandlall: Mr Speaker, what this Bill seeks to do ... *[Noisy Interruption]*

The Speaker: Honourable Members, order please.

Mr Mohabir A Nandlall: What this Bill seeks to do is to redress that imbalance and to remove the rice farmers from the days of exploitation to which they have been subjected over the years. That is all that this Bill seeks to do. As my friend says, what is wrong with that? What is wrong with protecting an industry that has served this country and the people of this country for over 100 years? What is wrong with that? *[Applause]*

We must develop and protect all our sectors, not only the tourism industry as Mr Ramjattan is adverting to. We have to develop and continue to develop the rice industry and that is all that this Bill seeks to do. Therefore, I commend that this Bill be adopted and approved unanimously by this Honourable House. Thank you very much *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Member Mr James McAllister

Mr James K McAllister: Mr Speaker, I really thought that the Honourable Member, Mr Nandlall would have at least withdrawn his comment in relation to this Amendment seeking to cause contracts to be put in writing, when he was so properly corrected by the Honourable Member, Mr Khemraj Ramjattan. He did not, apparently ... *[Interruption: 'Nothing is wrong with that']* Nothing is wrong with that. *[Laughter]*

Mr Speaker, I am sure that all of us assembled in this Honourable House agree on one fundamental issue and that is, that the rice industry is a very important sector, contributing significantly to our GDP.

We must also agree that the rice farmer is the most important stakeholder in that sector. We agree to that. *[Applause]*

Mr Speaker, the PNC/R-1G recognises and acknowledges that there exists a real problem with respect to the late payment and the non-payment of rice farmers. One does not have to be a rocket scientist to know that if rice farmers are not paid, it would affect them and they would have difficulties in going back to the land in the next crop. We know that that would have an effect on the total acreage that is cultivated and by extension; it would also have an effect on the ability of Guyana to meet its international commitment as relates to rice exports. The PNC/R believes that it is the Government's responsibility to ensure that this problem is addressed in a manner that will impact positively on the industry. In this regard, I must lament the tardiness of the Government. Why did it take so long for the Government to attempt to do something about this matter? Maybe the Honourable Minister can inform us why the PPP/C Government sat idly by while rice farmers suffered for so many years, if this government is so much in love with rice farmers? Why did you sit for so long without addressing this issue where rice farmers have reached the stage where they owed \$1B? Many of them have gone into bankruptcy and many of them have not been able to get up and to walk again. Nothing is wrong with that.

Mr Speaker, now that the Government has woken up from its Rip Van Winkle slumber, I wish to examine what the Government now proposes to do with this Amendment that the Honourable Mr Nandlall says nothing is wrong with it. I do not see him here. He said his piece and he stepped out.

There are two fundamental aspects of this Bill:

- (i) the provision that an interest of two percent should be paid, if there is late payment; and

- (ii) the placement of a cap on the amount millers can owe farmers without getting permission.

So, we have added a new dimension to this whole process, into the free-market arrangement in the rice industry, where we will put a cap of five percent. I will return to this matter a bit later. But it appears from reading this Bill that the Government is of the view that to deal with the real problem, the solution is to put pressure on the millers. Now, whether that is going to redound to the benefit of the industry, time will have to tell. There are certain things that could happen, and I believe would happen, if we have a situation where the millers are put under pressure – negative things. Millers, if they feel that they have entered into contracts, having not secured markets and not having full confidence that they are going to be able to deliver by the date in the contract, they are going to hold back and they are going to say to the farmer, keep your rice.

The Honourable Minister, himself said that rice is a special commodity. There is a time when it must be harvested and there is a time when it must be milled. What is the farmer going to do when this amendment here puts the miller in the situation where he is hesitant and he does not want to incur the wrath of the Government by going in a situation where he cannot deliver on his commitments? Mr Speaker, we know, the Minister knows and I am quite sure all the Members on the other side would attest to the fact, that if the farmers are forced to store their paddy without the proper facilities, they will lose quality and they will be affected in the same way that we are trying to prevent right now. In the same way we are saying to them, we are coming to protect you, if we put them in a situation where they have to store their paddy in improper facilities, they are going to be in the same situation or worse. So, we have to make a determination as to what we are really trying to do and what this Bill is really going to deliver.

Mr Speaker, because of this, farmers might be forced to enter into all sorts of deals with millers. When you come here and you say that we are going to do this and nothing is wrong with that, to protect farmers. When the farmer has his paddy and he has to get it out of his hand, he is going to enter into all sorts of deals

and he is probably going to even put on Schedule Six that he will accept payment in two years. I am going to come to that a bit later on, because I think we see where something is happening and is trying to come from through the back door as relates to the period for payment.

Let us look at the provisions of the Bill.

Clause 3 provides for interest to be paid, if payment is late. That is after the date stated in the Sixth Schedule and it is true that in the Sixth Schedule, the farmer and the miller are free to agree on a date for payment and one will believe that the miller should not put a date that he knows that he or she cannot deliver on. So, they are free to set their date, but I wonder if the Minister can explain his new power to amend, by regulation, the Schedules? And what impact this will have on this freedom of the miller and the farmer to set the date when payment is made, because I heard the Honourable Member Mr Seeraj talking about forty-two days - that payment must be made in forty-two days - and so we must ask ourselves that if you plan to amend the Schedule to say that payment must be made in forty-two days, tell the Honourable House now. Tell the millers, the farmers and everyone if you plan to amend the Schedule to say that payment should be made in forty-two days, because you know what ... that is going to be disastrous. The millers will cut and run, the farmers will be left with their paddy and the industry will go into a tailspin. All the things we are claiming that we are trying to prevent here will happen three times over. So, I wish to have some kind of explanation for this forty-two days that was mentioned by the Honourable Member, Mr Seeraj.

Clause 6 stipulates five percent - that no miller can owe more than five percent of his gross turnover in the previous year and the Honourable Member, Mr Nandlall said nothing is wrong with that. Now let me tell the Honourable Member, Mr Nandlall what is wrong with that. Five percent is a very, very low threshold. It is either you are saying to the miller go out of business or go and borrow (we will come to that a bit later on) or as provided for in the Act, or come to the Government for permission to buy rice. Because that is in effect what this provision is doing.

It is putting a cap on business and we are saying to business people, the Government must agree whether you can buy. So two men can face the tape and the Honourable Minister of Agriculture can determine that Mr X can buy and Mr Y cannot buy. I do not see in this Act here, any provisions for reasons or any criteria to determine who can buy and who cannot buy. It is just a sweeping authority given to the Minister and the Government, and the Honourable Member, Mr Nandlall, said nothing is wrong with that. Well, Mr Speaker, I want to say tonight that something is wrong with him. *[Laughter]*

Mr Speaker, how can we have this situation where ... Now let me go a bit more about this five percent before I move on. When we look at Clause 6, at this particular provision, we are seeing here that while they are telling us that Schedule Six allows the farmer and the miller to set the timing for payment, Clause 6, effectively says that the payment must be made in three months. Because any time you move above five percent, they are telling you that you have to pay in three months and the bulk of the business will be done in credit above five percent. So, we need to have an explanation. What is the real purpose here and why did you cap it at five percent? Is it really and truly an attempt by the Government to put its hand in the whole process? This introduces politics into business arrangements and it is a very, very dangerous development and the fact of the matter is the Honourable Member said, nothing is wrong with that.

Reading this Bill and listening to the Honourable Members, it is clear that it is the view that millers are demons; and we heard a long list of millers who defaulted and who abused and who took advantage of farmers. Now, before I proceed, let me state here for the record, not for one minute would the PNC/R-1G accept a position, where people set out to fleece farmers, where people set out to rob farmers. We believe that everything must be done to ensure that farmers are protected, but more so, we believe that everything must be done to ensure that the industry and the continued development of the rice industry are protected also. *[Applause]*

So, this situation about millers and millers are bad, we need to look at it and we need to understand that when we look at the

situation when things were good, there were no problems. When things were good, we did not hear this thing about farmers being owed and to establish this fact, I want to read from a research done by OXFAM, titled *Guyana's Rice Farmers and the Myth of the Free Market*. It says here,

The story begins in 1990 ...

That is two years before the PPP/C assumed office.

...when Guyana began to take advantage of preferential trading, an arrangement offered by the European Union to ACP countries, under the Lome Convention to export via Europe's OCT route.

For the next six years Guyana's rice semi-milled in the Netherlands Antilles entering Europe completely free of any duties or quota, at the time when rice shipped directly to Europe attracted a fifty percent levy and was restricted by a 145,000 tonne annual quota.

During these years the price of cargo, rice exported via the preferential OCT route was in excess of 1410 per tonne and because of the duty free access, exporters made handsome profits during this time, but so did farmers who earned \$2,200 per bag.

Mr Speaker, this report goes on to speak of farmers having been so successful investing and getting involved in development and so on, and things like that, but then the bottom fell out of the market.

Now, the Honourable Minister spoke about the unilateral dismantling of the OCT route, and I wish to come to that; because there was no unilateral dismantling of the OCT route. The farmers in this country must know that the problems that we are here today, saying that we are coming to solve were created right there on that side of the House and nothing is wrong with that. Honourable Clement, nothing is wrong with that. It was created on that side of the House. But I need to complete the

point that in the days when things were good, farmers were paid. So therefore, let us understand what really happened, because the Honourable Minister said that the dismantling of the OCT route was unilaterally done.

I have here, Mr Speaker, a letter. The Ministry of Foreign Affairs under the hand ... [*Interruption: 'Foreign Affairs or Foreign Trade?'*] ... In those days, it was Foreign Affairs and those were the good days ... under the hand of the Honourable Member Mr Clement J Rohee. [*Interruption: 'What does the J stand for?'*] You will see this signature after the Session. He says a number of things here, Mr Speaker, and this letter was addressed to the Permanent Representative of the Netherlands in Brussels. He says here,

Your Excellency,

I wish to express our profound objection to the New Draft Compromise proposal put forward by the EU Presidency in consultation with the Dutch Government.

What is this draft proposal that he was talking about? It becomes clear ... because I do not want to read the entire letter. It becomes clear when I read this other part. Here is what he was talking about. He goes on to say,

We therefore wish to stress once again, that Guyana Rice Industry has no interest in being linked in the long term relationship with the OCT.

What is wrong with that? And he goes on to say ... [*Interruption: 'Read it again'*] Let me read it again with your permission, Sir. It says here:

We therefore wish to stress once again that Guyana's Rice Industry has no interest in being linked into a long-term relationship with the OCT.

He goes on to say that -

The Guyana Government strongly suggests that the OCT quota be merged with ACP quota and to be controlled by the ACP.

This is a letter where the Guyana Government was advocating the scrapping of the OCT route that resulted in burdens on the rice farmers that resulted in a number of rice farmers going bankrupt and a number of millers going bankrupt also. The bottom fell out of the OCT. *[Interruption]*

Hon Clement J Rohee: Mr Speaker, on a point of order. With your permission, I think I need to clarify. *[Laughter]*

The Speaker: Under Standing Order you can elucidate.

Hon Clement J Rohee: Yes, I am raising a point of order, Mr Speaker.

The Speaker: No, you do not want a point of order.

Hon Clement J Rohee: Pardon me.

The Speaker: Under the rules, you can elucidate something. You want to elucidate ... and a very brief elucidation.

Hon Clement J Rohee: Yes, certainly. I had the privilege a few years ago of writing an article in which I elucidated on this very matter. I made it very clear that the situation that obtained at the time, that warranted my dispatch of such a letter, on the advice of the industry, was because there were certain players at the time, who were contaminating, by way of fraud, the type of rice that was being exported to Europe. Therefore, jeopardising Guyanese rice going into Europe. The Europeans began an investigation into this matter, Mr Speaker and that is why we sought to have the OCT rice market integrated into the ACP market and arrangements in order to give us a greater degree of comfort and a guarantee of our rice going to the European market. Thank you. *[Applause]*

Mr James K McAllister: Mr Speaker, the Honourable Member elucidated and therefore merely gave the information as to what went so wrong. All the Honourable Member is saying to us here tonight is that in order to get at the few, who he calls dishonest people in the OCT route, he destroyed the entire rice industry in

Guyana. *[Applause]* Mr Speaker, nothing is wrong with that.
[Noisy Interruption]

The Speaker: Order please, Honourable Members.

Mr James K McAllister: So, when we come here and we talk about the problems and so on and things like that. We must understand that the problems of payment came after the Rohee annihilation of the rice industry. That is when the problems of payment came. So, we see clearly that the problems that we are talking about here, is a problem of marketing. It is a marketing problem that we have to try and correct. We cannot just move in and knock the head off of the rice millers and say to the farmers, we are looking after your interest. In order to look after the interest of the farmers, you have to look after the interest of the industry. *[Applause]*

Mr Speaker, the Minister during a very amicable discourse I had with him yesterday, said to me...*[Interruption: 'Which Minister?']* ...the Honourable Minister of Agriculture said that the millers must borrow in order to buy. That is why five percent is not a problem; but we must ask ourselves if that is realistic. When we know of the problems that existed in the industry in 2000 and 2003; we know that a number of millers do not have credit and some of them are now trying to mill their way back into a stable situation. I do not want to call names, but which of those millers can go to the bank and say, we are here for \$600M, because we want to pay farmers? We need to have a situation where we can address this matter and Mr Speaker, I agree ... *[Interruption: 'The farmer must hold the bag' "The farmer must not hold the bag; it is Government who must hold the bag"]* The Government must hold the bag if you have an interest in the industry and the Bank of Guyana must establish ... *[Noisy Interruption]*

The Speaker: Honourable Members, this is getting very rowdy ... please ...

Mr James K McAllister: Mr Speaker, I will reclaim time. The Government of Guyana must establish a fund that millers can access. When they come and they can produce a valid contract and in order to pay farmers they must be able to draw down. If

you have the interest of the farmers is at heart, you will ensure that you have the kind of fund where the millers can access funds, because millers need support too. Millers and farmers, they are both important stakeholders in the industry. We cannot sink the millers and claim that we are trying to help the farmers, because they are inextricably linked. If the millers go down, the farmers will go down and anything is wrong with that.

So, Mr Speaker, with all of these problems with this Bill - The Bill seems to be a simple Bill, but the fact of the matter is that it is attempting to address a very, very serious problem and it is addressing a problem in a very major sector of our economy which involves large numbers of people. We wish to recommend, that you send this Bill to a Select Committee, where we can sit and we can talk about it and we can find out, if in fact nothing is wrong with the various provisions as said by the Honourable Member, Mr Nandlal. I thank you very much.
[Applause]

The Speaker: Thank you very much Honourable Member.

The Honourable Minister of Agriculture

Hon Robert M Persaud: Mr Speaker, first of all, I must commend the articulation of support for the Amendment - fully from this side and certainly half-heartedly from the other side. As I indicated earlier, while this may not have been a fantastic debate, it certainly was one of great interest, seriousness and with a bit of humour.

Mr Speaker, I wish to address briefly, some of the issues raised by the Honourable Members on the other side. First of all, I would like to take them in the order of the presentation.

Reference was made to 1990 and there was an attempt to create the impression that the industry has been on a decline in terms of production and export. But the reality is that in 1990, we exported just only 90,000 metric tonnes and last year we exported in excess of 204,000 metric tonnes. *[Applause]* If you

extrapolate the numbers you will see for yourself. That is one point.

The other issue is when we refer to a particular year and we pick numbers up, we must also look at the circumstances and the issues that arose. In 2005, we need not speak or remind ourselves about that devastating flood, which significantly damaged the agricultural sector and hence, we would have seen a dip in production, but certainly I invite the Honourable Members and particularly, the Honourable Member Anthony Vieira to check the 2006 statistics and certainly he might be in for a surprise.

The other issue - in terms of references made to two or three millers, who might have gone under. For a number of reasons, the Honourable Member Seeraj referred to some. I do not want to be attacking or in any way insulting any particular miller or anyone, but just to say that in the world of business, every time that you have a closure, it becomes an opportunity too. That is one.

The second point is that, if we look at the number of millers section have gone under, look at the many more mills which have opened up and Mr Speaker, you cautioned about calling names. I was hoping I would be able to share that information, but I will heed your advice. I can refer to at least ...
[Interruption]

The Speaker: You can speak about people positively.

Hon Robert M Persaud: Oh, I can speak about people positively.

The Speaker: Not negatively

Hon Robert M Persaud: Oh, thank you very much. Well we can talk about the new mills such as:

- Nand Persaud and Sons on the Corentyne;
- Ramlakan and Sons on the Essequibo Coast;
- Nazimul Hack, the Strathaven Enterprise.

Also we can talk about:

- Guyana Stockfeed..

In addition to that, we have had some expansion in terms of ... people have ramped up the capacity of their mills from 1.5 tonne to in excess of 15 tonnes:

- K Dial; and
- CARICOM Rice Mills, which have introduced parboiled facilities and so forth.

To address also, the issue that there have been substantial investments by millers in the industry, this shows that things are buzzing in some regards.

The other issue that I want to address which the Honourable Member Mr Vieira spoke about, suggesting that there was some attempt to alienate our millers and exporters. I personally and I am sure, my predecessors would have done that... have called in the millers and the exporters and encouraged and promised them resources - financial and otherwise; to reform or to get activated the Guyana Rice Exporters and Manufacturers Development Association (GREMDA). You can ask Mr Peter De Groot and I am speaking positively about him, about our conversation in that regard, about us reactivating that Association to support millers and exporters, because we want to support them and we are willing to nurture that organisation - to work with them, to make them as strong and as effective as the Guyana Rice Producers Association. We have an interest in ensuring that all stakeholders survive and are equal players.

The other thing too is that several speakers have tried to frame the debate or tried to frame this Amendment, suggesting that it is an assault and an attack on millers. They are absolutely wrong and they know that. Perhaps for other reasons, this misrepresentation is being brought out.

The Honourable Member, Mr Ramjattan, talked about this conversation and that we have done consultations and many of the millers want this type of protection to farmers because, it is not only protection to farmers alone, which is the primary objective, but it is also protection of the entire industry; the viability of the entire industry. If that is what you want

Honourable Member Mr McAllister that is what we are doing in this Amendment.

The other issue too, Mr Speaker, that Mr Vieira raised is the issue of marketing suggesting that this is due to the poor work of the GRDB. We have always recognised that the GRDB, like any other institution in this country needs to be strengthened, and needs to have a greater degree of responsiveness to the sector. We have a sector that is preparing for new challenges that we want to make much more competitive. We have recognised that GRDB itself would have to be reorganised and strengthened, but to say that it has failed or that it has not fulfilled its mandate, I think, is a gross misrepresentation of the reality and certainly suggests mischief.

Mr Speaker, the presentation by Mr Ramjattan, the one that he kept re-emphasising; trying to invoke some sort of boogie that we want to control and Government wants to manipulate, suggesting that the amendments restrict freedom of contract ... I invite the Honourable Member to study the Principal Act carefully, as well as the Amendment and he will see for himself that that is not true.

In fact, the Sixth Schedule, which farmers and millers have been using since 1998, when the Rice Factories Act was passed and assented to - it was being used all the time; it was not restrictive. If you look at it carefully, you will see that everything has to be agreed to by both parties. Should the manufacturer and the producer want to come up with some sort of arrangement that is provided for in the Sixth Schedule, so suggesting that there is a lack of freedom has no basis? Certainly I invite the Honourable Member to re-look at that situation.

Mention was made suggesting that the Government has not been investing and also exploring special credit for the rice industry. I refer to the Rice Competitive Programme, which is €1.7 million. About 45 percent of that amount will be going to a rice-credit scheme, which we will be launching next month. Farmers, millers and other stakeholders involved in the industry will benefit from soft credit in that arrangement. *[Applause]* So to address the Honourable Member's concern, work is being done

and this is not a new disclosure I am making; this has been in the public domain for some time. Certainly the work that we have been doing to conclude this, we have been trying to keep stakeholders abreast in that regard.

Mr Speaker, I agree and I pre-empted that criticism in my earlier remarks by saying that there are other issues that we need to look at in terms of dealing with other constraints facing the rice industry. I said that we were looking at regulations. We are also looking at further amendments. Certainly, we will be involving all stakeholders as we try to move forward in developing an industry environment that is one that we will want to see growth in the sector.

Let me touch briefly on some of the points that Honourable Member, Mr McAllister referred to. As part of this project that we are doing, we recognise the need that we want to strengthen the hands of our farmers, that is why we have established over the last three years additional drying and storage facilities in different parts of the country. We have a programme to support more farmers and farmers' organisation working with the RPA to have greater storage and greater drying facilities, so that our farmers can benefit and negotiate from a position of strength. Millers also want this to happen, because they too have limitations in their capacity, so they are interested in this expanded capacity for farmers and others in the industry.

The Honourable Member, probably in another life will do well as a stand-up comedian, because he seems to be stretching things out of proportion. Trying to suggest that there is some motive that the Government has - political and otherwise - but I certainly urge the Honourable Member to see very carefully the honourable objectives that we have in this Bill in preserving the rice industry. Certainly it is not intended to make anyone out to be a demon or to disadvantage any particular stakeholder, but certainly it is there to expand and to see the growth of the industry.

To come back to Mr Ramjattan's point, I have just been reminded that it was the Government, when we had difficulties resulting from El Nino, La Nina and the flood, the Government

went to the banking sector and was able to waive certain provisions under the FEA to give farmers better conditions so that they can repay their loans at commercial banks. I am sure that he will certainly recall that, because then he was within the folds of this great Party.

In conclusion, again I want to commend the contributions, but I want to urge that we give urgent consideration, because I was hoping perhaps if Members have very strong reservations, they would have proposed amendments or that they would think it is necessary. Since, I did not see any specific amendment or specific weaknesses that have been pointed out by any Member, Mr Speaker, I want to urge my colleagues in this august Assembly to give due consideration and support to this Amendment. *[Applause]*

The Speaker: Thank you very much, Honourable Member.

Question put and agreed to.

Bill read a Second time.

IN COMMITTEE

The Chairman: Honourable Members, are there any amendments being proposed?

Clauses 1 to 9

Question put and agreed to.

Clauses 1 to 9, as printed, agreed to and ordered to stand part of the Bill.

Bill considered and approved.

Assembly resumed

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

The Speaker: Honourable Members, the time has passed for the suspension. I would recommend that we take the suspension for fifteen minutes on this occasion and resume thereafter.

I would also ask Members during the suspension to turn to Standing Order No. 43, which reads as follows:

It shall be out of order to anticipate a Bill by discussion upon a motion dealing with the subject matter of that Bill.

We have the Motion that is coming up and we have another - the Casino Gambling Bill has been tabled also. So, I want you to contemplate that during the suspension.

Mr Robert HO Corbin: Well, in that case, Mr Speaker, what is the position with the petition? It is because I anticipated the Motion that I did not seek to put that a division be taken on that petition earlier and also because it was on the Order Paper. So are you saying that it is not going to be debated this evening?

The Speaker: No, I am saying that, the Clause has attracted my attention. I am not saying that it is not going to be debated. If anybody wishes to make an issue of it, but it is there, it seems pretty clear to me. Thank you.

19:10H - SUSPENSION OF SITTING

1940H - RESUMPTION OF SITTING

We can now proceed with the next Item on the Order Paper.

**3. HEALTH FACILITIES LICENSING BILL 2006-
Bill No. 29/2006 published on
2006-12-21**

*A BILL intituled AN ACT to provide
for the licensing of Health
Facilities and for related matters*

Hon Dr Leslie S Ramsammy: Mr Speaker, Bill No.29/2006, the Health Facilities Licensing Bill, which is under my name, I would like to move in accordance with Standing Order 54(1)(c) that the Bill be referred to a Special Select Committee. Thank you.

Question that –

The Bill be referred to a Special Select Committee

Put and agreed to.

Motion is carried

Bill committed to a Special Select Committee

The Speaker: Honourable Members, the next item on our Order Paper is the Motion by Mrs Sheila Holder as set out in the Order Paper.

PRIVATE MEMBERS' BUSINESS

PUBLIC BUSINESS

MOTIONS

3.

GAMBLING

CASINO

WHEREAS the preamble of the Constitution of the Republic of Guyana proclaims that Guyanese should forego a system of governance that promotes concerted effort and broad-based participation in national decision-making in order to develop a viable economy and a harmonious community;

AND WHEREAS the Government of Guyana has declared its intention of introducing casino gambling as a possible boost to the country's tourism and hospitality industry with the proviso that the proposed casino gambling legislation will preclude Guyanese from participating in casino gambling in Guyana;

AND WHEREAS some sections of the religious community have expressed opposition to the introduction of casino gambling;

BE IT RESOLVED:

That the National Assembly call on Government to retain expertise within the University of Guyana to conduct a study, within the time frame of three months, to advise if casino gambling would add to Guyana's tourism product given the profile of visitors coming into Guyana or whether it would exaggerate the current crime situation;

BE IT FURTHER RESOLVED:

That the National Assembly direct Government to enlist the University of Guyana to provide advice on the practicality of Government's proposed intention to exclude Guyanese from engaging in casino gambling in Guyana in the context of administrative, budgetary and policing measures that would be required;

BE IT FURTHER RESOLVED:

That the National Assembly call on Government to retain the services of academics at the University of Guyana to advise under what conditions, if any, revenues from the gaming industry

would positively impact economic development in Guyana and mitigate the negatives associated with the gaming industry.

The Honourable Member Mrs Sheila Holder

Mrs Sheila VA Holder: Mr Speaker, I want to say at the very outset that in proposing this Motion, I have no doubt that it is unlikely to earn the approval of the Assembly, but I intend to proceed nonetheless to establish three main points.

- (i) That public policy ought not to be pulled out of a hat and decided arbitrarily by Government in breach of the Constitution of Guyana;
- (ii) That before the decision to introduce legalised gambling was made, it is imperative that an impact study be done to ascertain whether Guyana has the wherewithal to at least minimize the deleterious impact of casino gambling in the country; and
- (iii) That the intellectual capital residing in the University of Guyana should be enlisted by this Assembly to aide in arriving at informed decisions with a view to generally encouraging academics in that institution to utilise their skills more widely for the national good.

Mr Speaker, I want to make the point that since the PPP/C Government has gained the majority in the recent National Elections, it is entitled to devise its own legislative agenda. However, when that right clashes with those accorded the people by the Constitution, Government has a duty to heed the warnings of the people on matters that will affect their lives in predictable

ways; so states the fundamental principal contained in Article 13 of the Constitution and so it is proclaimed in the preamble as well. I quote:

Guyanese should forge a system of governance that promotes concerted effort and broad-based participation in national decision-making, in order to develop a viable economy and a harmonious community

Any prudent and accountable government would consider it mandatory to explain how come casino gambling is being considered, when it appears in no strategic national plan and since it was not considered as a viable option by the broad-based National Development Strategy brought forth some time ago. Given those facts, a thorough examination of the pros and cons by the society should be done. We have the University of Guyana, an institution of higher learning that has operated by and large for forty years without the kind of vibrant national input based on academic studies to guide and influence the crafting of public policy. So, Mr Speaker, there could be no better institution than the University of Guyana to be asked

-to conduct the studies proposed in this motion;

-to advise the Assembly accordingly on

-whether or not casino gambling would add to Guyana's tourism product;

-whether or not the proposal to exclude Guyanese from casinos, as proposed by His Excellency, the President, can be accomplished, given the country's governance difficulties and known failures;

But alas, Government has failed to see the wisdom of so doing. Instead they have arbitrarily decided that legalised gambling is good for Guyana. I understand that only newly-constructed hotels are likely to be considered, but since the number of casinos also arbitrarily likely to be decided based on no studies, all this is indeed problematic for a country entering into an industry that has known problems.

Mr Speaker, I want to make the point that my Motion was submitted to this Assembly since December - I believe the 14 December - and it is only now being debated because of the Christmas holidays, no doubt. The legislation currently being proposed was submitted on 20 December and I believe only available to Members of this House, last week. So, I just want to make the point that this Motion in no way anticipated the legislation that is likely to be debated in this House soon.

I also want to make the point that by hurrying to overturn the Prevention of Gambling Act; Government has signalled its dismissal of an informed study to guide their decision. It is, in fact, a take-it or leave-it decision or approach, because after all, they have indeed a Parliamentary majority to ensure that the Bill would be approved even if this Motion does not win the approval of the Assembly. I want to say, Mr Speaker, if this is going to be the approach, it does not auger well for the Ninth Parliament of Guyana.

Evidence abounds around the world that could guide this Assembly on the impact of legalised gambling, not only on gamblers, but also on non-gambling sections of the society where casinos are sited. According to sociologist, Dr David Phillips, of the University of California in San Diego, Las Vegas the gambling haven of the world has displayed the highest suicide rates in the United States for both residents and the gambling visitors. In Gulf Port, Mississippi suicide jumped over 200 percent after casino gambling was introduced, in neighbouring Biloxi suicide increased by over 1000 percent. So the statistics go for increased gambling addictions, increased bankruptcies for gamblers and others within the society where casinos reside. Crimes and family-related problems also increased astronomically. So, the concerns being expressed in the society today are not without foundation, but Government refuses to heed them from all appearances.

A few months ago, a National Gambling Impact Study was commissioned by the State of Buffalo in the United States of America. The Buffalo Commission found that as gamblers lose their money, the faster the socio-economic negatives increased. Its final report confirms that the gambling industry had created

new unprecedented levels of addicted gamblers, bankruptcies, crimes, suicide, exploitation of the poor and corruption. Indeed, giving credence to a 1999 US study on gambling done by a commission and this commission unanimously called for a moratorium on the expansion of gambling in the United States of America. Sadly, this has not happened and gambling has grown into a monster, the likes of which we in this country ought to be careful about.

From legalised casinos operating in two jurisdictions in the year of 1990, the United States now has over 400 casinos in 28 States being run mainly by a number of Indian tribes. Government has not adopted the custom of producing white papers as we know in this Assembly, but is obliged constitutionally to consult widely with relevant stakeholders. Government will say that it has adequately consulted, but questions have been raised by a number of organisations within civil society and specifically, the religious community, but it has only been provided with the usual cursory consultation and with little hope of influencing the decision to legalise casino gambling in the country.

This attitude, Mr Speaker, could be traced directly to Government's built-in Parliamentary majority, which as we witnessed before and is heading in the direction of arbitrary decisions bordering on that of a tyrannical dictatorship approach. To all those God-fearing people from the Christian community, the Hindu community and the Muslim faith who voted for this administration, I make a call to them now that the ball is in their court. Mr Speaker, if they disapprove with Government's position to introduce casino gambling, they have a duty to do something about it. I believe that they should raise their voices to demand accountability on this matter by insisting on a serious analysis of the consequences of moving in the direction of introducing legalised gambling in this country.

Mr Speaker, there is no logic to rushing to issue gambling licenses at a time when we have the World Cup Cricket, because there is no particular reason to believe that cricket fans are automatically going to be gambling-oriented. So, I want to urge that we do not make the mistake of rushing into introducing legalised gambling in time for World Cup Cricket.

I am fully conscious of the political double-standards that prevail around the world, where political parties, while in opposition calls for that which they refuse to deliver when elected to Government. I want to make the point that the Alliance for Change denounces this stance and commits to formulating in time to come, the views of some sectors, such as, the religious community in developing public policies; because we believe they represent a significant constituency whose religious principles are universal in their benefit. We have stated so in our Manifesto that we believe that it ought to be done and seriously considered by this administration. Thank you. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Minister of Home Affairs

Hon Clement J Rohee: Mr Speaker, the Motion we have before us, I have taken note of your words of guidance prior to the recess that we just had for fifteen minutes and I will seek to make my presentation within that context.

Speaking directly to the Motion that is before us, Mr Speaker, reference is made to the Constitution of Guyana and the Motion seeks to frame its arguments within that section of the Preamble of the Constitution, but I would wish to quote from another clause of the Preamble of the Constitution which states:

We the Guyanese people must seek to create a republican community practically aware that all the finances, industry, communications, education, business and technology of the world are global factors affecting, all in which all must engage and from which all must benefit.

Mr Speaker, I believe that these words in the Constitution of our country speak volumes and in fact, provide the basis for which the Government formulates its economic, financial and social policies. So, to argue or to even posit that there is an attempt to pull public policy out of a hat is I think, simply misdirection and

a position unfounded and is in no way related to the Constitution of this country on which the Government practices good governance.

Good governance must be seen in all of its manifestations. We must not look at good governance through the prism of the values that are associated with one section of our society; given the fact that we live in a secular democratic State and not a State that should be influenced by one section of the society or another.

Mr Speaker, I will continue to base my presentation following the constitutional basis upon which the factors that influence Government's policy and the world are moving.

The economic survey of the Caribbean of 2005 - 2006 published by ECLAC, which is the Economic Commission for Latin America and the Caribbean states that in the case of the Bahamas, which is a major casino gambling country and economy, the Report indicates that insofar, as the growth of the tourism sector is concerned, that this sector is expected to pick up pace in 2006.

It goes on to state that the Atlantis Tourist Resort Complex and those of us who are acquainted with the Atlantis Tourist Resort Complex would know that in this Complex, there is a major casino industry. The Atlantis Tourist Resort Complex is due to complete its Phase III expansion, a new providence in 2006, after which major construction is expected to begin in Cable Beach. That is the Bahamas, Mr Speaker.

In respect to Belize, where casino gaming is also a major contributor to the GDP of that country, the report states,

The tourism sector, the spearhead of the economy grew by 3.5 percent with a 3 percent increase in the number of long staying visitors
...

And it goes on to talk about the contribution of the cruise passengers and the impact it has had on the economy.

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7th Sitting

14:00h

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Part 4 of 5

For Suriname, our neighbour, which also has a casino gaming industry, the Report states that,

Basic services, hotels, restaurants and commerce also enjoys above the growth average.

I mentioned these particular facts, because the casino gaming industry has to be placed within the context of the tourism and the services industry of any country.

Let me refer, to the section of the Report, which treats with Guyana. There are four-and-a-half pages treating with the economy of Guyana:

1. the major trends;
2. economic policy;
3. monetary and exchange rate policies,;
4. the main variables; and
5. external sectors.

Mr Speaker, in none of the pages is any reference made, whatsoever to the tourism industry or the services sector. Now, this of course, cannot be an omission. The point is that the tourism industry and the tourism product, notwithstanding, how much we may want to talk about it in terms of eco-tourism are not on the radar. It does not figure in any way whatsoever on the radar of the economic survey published by ECLAC in relation to the Caribbean and this omission tells us a story. That is why I would wish to emphasize that when we seek to develop the tourism industry in whatever dimension, particularly in respect to casino gaming, this must be seen as an attempt by the government to give impetus to the tourism economy of this country.

Mr Speaker, I believe that since in this Motion, such great emphasis was placed on whether the tourism product will benefit in any way from the introduction of casino gaming in this country; I believe that the information that I have provided, clearly gives a picture of how this ought to happen.

Evidence around the world or I should say reference was made to the information that evidence abounds around the world about the deleterious effects of casino gambling. Now, it depends on what you are reading and it also depends on what you want to pick out from what is in the literature. I think a number of people in order to follow this event have gone to the internet and have pulled down a number of studies which give the pros and the cons of internet gambling ... which gives the advantages and the disadvantages. Those who wish to argue against casino gambling, because I have studied the literature that is advanced by those against casino gambling and I have studied the literature that is used by those who are in favour of casino gambling and they have basically used the same literature, they have basically used the same studies.

If you look at the authors of these documents... and I say without any fear of contradiction that it depends on what you would like to use to justify or to advance your side of the argument. Speaking for those on this side of the House, I have found a number of arguments that I could use to justify casino gambling - using the same documents, using the same studies that those on the other side of the House would wish, if they so desire to use to argue against casino gambling: But I do not think we need to argue this question in abstraction. I think we need to argue and put our arguments forward on the basis of the concrete realities existing in our country. There is no way we can argue on what is happening in the State of Nevada .There is no way we can argue on the base on what is happening in the State of New Jersey. There is no way we can do that; unless we are arguing in a general way. My arguments based on those countries that I referred to, are simple. These are developing countries. These are not developed industrialised States. These are developing countries within CARICOM which are seeking to find their way in a globalise world in which financial markets, economic,

political economy and so forth are major factors that determine the direction in which you ought to go.

Mr Speaker, there is absolutely no linkage - none whatsoever. I do not know where this view has arisen from, but there is absolutely no foundation for the view or the argument that has been raised, linking casino gambling to Cricket World Cup - none whatsoever. The Government never said Mr Speaker that we are seeking to put in place casino gambling to facilitate people coming to see Cricket World Cup. So, if you want to manufacture an argument to justify or to strengthen your case, then you are free to introduce that argument.

This practice has become an internationally recognised leisure time practice around the world. I have stood and I have sat in this very House, when I heard Members from the other side of the House, some of whom are not here today, who have challenged this Administration and who have accused this Administration of not understanding what is happening in the globalised world and the need for us to examine - not necessarily copy - but to examine what is happening in other countries and the case of Singapore was mentioned. So, what we are seeking to do, Mr Speaker, as we are compelled to do - the buck must stop somewhere.

Who it is that must drive the development of the country? The Government has a responsibility, but when it chooses the Opposition, they use arguments of convenience given certain situations to accuse us of not doing things to push the economy and when we do things to push the economy and development, they say we are not on the right track. So, damned you do, damned you don't.

Mr Speaker, I have seen a document and I do not wish to elaborate too much on this, but I have seen a document which purports that 40,000 people have signed, claiming that they are against casino gambling; but if I am to compare 40,000 with, I think, something like 750,000, I do not think it is a convincing number. Let us for the sake of argument say that that is a work in progress. Let us say that that is evolving. I simply wish to say that Guyana is a democracy and people are free to express their

opinions on any issue, which the Government announces publicly. That is what the nature of democracy is all about. I would wish to caution that religious groups which base their arguments upon certain doctrines should have no place in State decisions. Mr Speaker, nobody is compelled to participate in this form of entertainment. Nobody is compelled to participate in that. In fact, when you look at the GDP per capita of most Guyanese, compared to the GDP per capita of their fellow CARICOM brothers and sisters, I have to ask myself; whether they will be able to afford the luxury to do as what some people are suggesting, because it does not seem so to me. That is why I want to strongly suggest that this argument has either lost its way by those who are opposed to casino gambling or is misplaced.

Mr Speaker, you quite correctly said that there is a Bill that is coming soon before this House and I would wish to conclude on one note. There are several examples in world history and I would wish to only point to three:

There have been examples and experiences in world history, because when you look at the nature of the campaign that is being raised against casino gambling by certain circles, where they claim that they will do everything possible to stop the legislation of casino gambling being approved, now this has to be studied very carefully, because it is a national security implication here. If someone comes forward in a group and tells me, that they are going to do everything possible to stop this legislation from going through, Mr Speaker, I have to assume that implicit in such a statement are certain national security considerations. So, what we have emerging is a kind of a hate campaign of them and those. Those who are seeking to introduce casino gambling in Guyana are infidels.

Mr Speaker, I have to remind this Honourable House that in the late 1930s, similar campaigns were unleashed against people who believed in literary works and those literary works were burnt in bonfires in Europe, because those who were supposed to be educated were threats to those who did not believe and so they had to burn books in order to deny people the ability to know more.

Mr Speaker, in the United States, during the great depression, the House UN on American Committee of the US Congress carried out a campaign against progressive and democrats in the United States. The Catholic Church, during the period of the inquisition and witch trials, also carried out campaigns against people who had different opinions. This is not our position. This is not our position, but it seems as though the way the argument is being posited by some in our country, is that those on this side of the House, who seek to introduce casino gambling are a bunch of devils and are involved in a number of activities.

Mr Speaker, I would like to read from a book called the *TRIAL - A History from Socrates to OJ Simpson [Laughter]* written by Sadaka Kadri and this is what he said about such scenarios:

It would be several decades before the system reached maturity ...

That is the system of the inquisition, because it seems as though those who are promoting casino gambling are now before an inquisition.

...but the template was established within months on Fredrick's agreement with Gregory. Conrad of Marburg, a gaunt and zealous priest, who rode about on an ass had been snooping around the Rhineland on Rome's behalf for several years and he now began to send back some alarming reports. Although the only sectarians present in the region in significant numbers were the Waldenses whose heresy was essential to trudge around without shoes and preach that clerics would do well to do the same, Conrad claimed to have encountered practices far more troubling. The region was infested with people who celebrated Lucifer as the true creator, he warned. They believed among other outlandish things that the Eucharist should not be swallowed but spat into latrines. Converts were initiated at meetings attended by the devil himself, who generally assumed the form of a

toad; a pale-skinned man; a goose or an immense, black cat with a very stiff tail. After kissing his anus the heretics would extinguish the candles, fumble for each others genitals and embark on an orgy that ended only with another hellish manifestation - this time of a character with loins of fury, as a feline and chest more radiant than the sun.

Mr Speaker,

Travelling from town to town in the company of two sinister side kicks; a certain Conrad Torso; and a character with one arm and one eye known only as Johanis, he was soon finding heretics wherever he looked. As the baleful trio progressed shaving the heads of suspects, who named their accomplices and incinerating those who did not, accusations ricocheted even higher up the social scale.

In 1233, Germany's Bishops and Nobles finally realised that if they did not stand together, they would burn separately.

Mr Speaker, I made this reference because of the way this discussion is going. I want to caution that those who are seeking to put the Government and the Administration in a situation that they are not conforming to the views of others and are therefore deemed and caste a particular light, will certainly not help this debate to go forward. Thank you very much. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Member, Mr Robert Corbin

Mr Robert HO Corbin: No

The Speaker: Is Mr Norton to speak now?

The Honourable Member Mr Norton

Mr Aubrey C Norton: Mr Speaker, I can understand that after the Honourable Member Rohee, you are confused.

The Speaker: I am not confused. I was given a list with Mr Corbin as No. 3

Mr Aubrey C Norton: Thanks Mr Speaker, but I just felt that it was the ill effects of a bad presentation.

I do not intend to descend to the Nadir of the previous speaker. Manzoor no pun intended, but I must comment on a few things that were said.

Most fundamental, is that the Honourable Member suggested to us that there is need to generate wealth, et cetera and therefore the Government is resorting to casino gambling. It is a tacit acceptance that this Government has failed in other areas to bring investment and so, as last resort is casino gambling. *[Applause]*

Mr Speaker, the Honourable Member said that Guyana is a democracy and that people are free, but if we look at what the Government is suggesting as it relates to casino gambling, you will see that a lot of Guyanese will be excluded from participating in this democracy. In fact, we hope that all can be excluded.

Mr Speaker, I want to turn directly to the Motion and I will return to Mr Rohee's tourism and eco-tourism a little later.

The Motion says that the University of Guyana is conduct a study within the timeframe of three months to provide advice if casino gambling would add to Guyana's tourism product, given the profile of visitors coming to Guyana or whether it would exaggerate the current crime situation.

Mr Speaker, I submit that to do that is restrictive. You can have a situation where both things happen, that is, it contributes to tourism, but it also exaggerates and I will add, exacerbates the crime situation in Guyana. When you look at the two things that are being compared, this presentation or this Motion is suggesting that if the benefits derived from casino gambling outweigh the social ills, it is seemingly suggesting that we should go ahead with it.

But Mr Speaker, I want to make this point. No one will doubt that casino gambling might very well bring economic benefits to Guyana. The real question is, if the social cost, the social ills and the spin-off problems that will come, will redound to the benefit of Guyana or if it will destroy us in the long term? I believe that casino gambling in this regard poses serious dangers while we can talk about some economic benefits. So, any study at the University of Guyana, I believe should be undertaken. I do not have a problem with that, but I doubt whether it can be done in three months to really assess the impact, et cetera.

I want to make the added point, Mr Speaker, that it goes on to say that -

The National Assembly directs Government to enlist the University of Guyana to provide advice on the practicality of Government's proposed intention to exclude Guyanese from engaging in casino gambling ...

For me, Mr Speaker, the issue is not whether it is a practicality, it is whether it is constitutional and to me, it is unconstitutional. The Government has no right in this regard. The Constitution says in Article 40 -

Every person in Guyana is entitled to the basic right to a happy, creative and productive life, free from hunger, ignorance and want.

This is what is fundamental, that right include, the fundamental rights and freedoms of the individual. This Motion must take cognisance of the fact that what is intended is seeking to violate the individual rights to go wherever that individual pleases by what is being suggested here by the Government. So, while I understand the intention of the Motion, one has to be careful, because it is raising the question and in fact, helping the Government to study whether you should progress with something that is unconstitutional and I do not think that that is acceptable.

Mr Speaker, what is worse is that we are talking about a proposal that is seeking to reintroduce class in Guyana, because by the

very formulation, hotel, guests, et cetera, will be allowed to be there and those without the resources, the ordinary Guyana man will not be there and you and I know who will be there - Odinga, you will surely be there. The point is it re-institutes the class differences that we have talked about. It is discriminatory in nature and we should never in this country ... and not only casino gambling, any Bill, support this kind of idea.

I noticed in today's paper and I want to quote directly what is being said. The Honourable Prime Minister is quoted as saying:

Government is committed to putting the necessary controls in place to avoid the negative social activities, which may be there for temptation.

Mr Speaker, a country that is listed 117 on the scale of corruption by Transparency International, such a country is trying to tell me that that level of corruption and they will put in place mechanisms to deal with the negative consequences.

They have been unable to put in place mechanisms to deal with the deportees, who are coming home and are drug affected and roaming this country.

They have been unable to put in place mechanisms to deal with money laundering.

This Administration has been unable to put in place mechanisms to ensure that the Police Force performs in a certain way, yet the Honourable Prime Minister tells us that they will put in place the mechanisms to militate against the social ills - wishful thinking will not be achieved.

As it relates to regulations, Mr Speaker, whenever this Government promises to put regulations in place, those regulations do not come. The Bill passes and year go and years come, we never see the regulations and so, the track record does not suggest the willingness and the ability or the competence to put them in place.

Mr Speaker, why would we want to believe that we would be able to control the social ills, when we have seen in this society

what one element of the negative of society - drugs and drug trafficking did to this system. There were times, when some lorded over even the Guyana Police Force. If you cannot monitor and control a few locals who become powerful, because of their access to illegality, tell me Honourable Prime Minister, how are you going to deal with the inflows as they relate to casino gambling which is concomitant *gangsterism*? [Applause]

You know, everything must have a philosophy or at least most things. I see a philosophy in what is suggested here and one of the philosophies that is suggested in this entire ... what I would call the casino gambling fiasco, is the willingness to ensure that there is no competition. When you look at the proposals that are emerging, they are restricting how many casinos should be there, so right away you will have a monopoly. Right away, you have a mechanism that is anti-competition and where there is domination by one and two, tell me how are you going to control the situation you are talking about? This whole idea runs counter to the liberalisation process that the world is involved in.

Mr Speaker, remember it was the Honourable Member Mr Rohee and I think at one time the Honourable Prime Minister who was suggesting that we have to look at what is happening in the world and adapt to the global context. Well, the global context believes in competition and this idea is anti-competition. [Applause] Explain the contradiction to us. You know, I was looking for an age limit somewhere. I was hoping that somewhere somebody will say that persons of this age would not be allowed, et cetera and even that I did not see. So again, I am worrying whether there will be controls.

The tendency is to compare. I saw the Honourable Prime Minister noted that the advent of technology, which enables gambling in the virtual world of the Internet, is already upon us.

He goes on; in any event, an analysis of the current situation in Guyana shows that there are already several gaming activities in the form of lottery and horseracing.

He continues, the Prime Minister reiterated that the primary purpose for the introduction of the legislation is to track and

develop the tourism sector by providing this as one form of entertainment.

Mr Speaker, there are a few points to be made here. It is regularly being suggested that because the world is doing X, we should follow. I want to posit in this House that all of us here should be independent-thinking people and we should look at the world, and see what the world has, and then we look at our society, and seek to determine what is relevant to our society. It is true, Mr Speaker that you can go on the Internet and see pornography. Is the Prime Minister saying to me that because you can go on the Internet and see pornography, we are going to legalise it in Guyana and possibly add some things to it? I hope not.

So, I am wary when people tell me about globalisation out of context. I accept the dynamics of the world situation. I accept that globalisation is a powerful force and I accept that there are many elements of globalisation we do not have control over, but we have control over whether we go for casino gambling or not and it is not any force of globalisation that is pushing it. It is private interest and sometimes I understand that there are people who are afraid that after World Cup, businesses might not be viable. Mr Speaker, those considerations should not push us in the direction we are going.

Mr Speaker, I turn to tourism. The tendency in the presentation by the Honourable Member Mr Clement Rohee, was suggesting and pointing to the Bahamas, to Singapore and all around, but one of the things he is not doing is pointing to Guyana. If we are to develop a successful tourist industry, do not tell me what entails in the Bahamas. I can utilise the experiences of the Bahamas, but as is understand it, our comparative advantage lies in eco-tourism and what is probably necessary is for Government to take the required measures, so that a sensible and decent eco-tourist industry can develop in Guyana. Do not suggest that the road to go is casino gambling. There are other potentials that exist and it is in fact, the failure of Government to look in the other directions and develop them successfully that has resulted in a situation where they have to resort to casino gambling.

I believe that Guyana has enough problems and I think all of us will acknowledge that. We do not want, therefore, to add new problems to this situation and I worry that the road that we are going down is a road, which will produce a number of social ills for which we will lack the capacity to deal with and then we will have to come with a Bill to deal with the spin-off consequences. I urge this House to look at this question carefully; to look at the social ills. I urge you to look at the economic benefits, but to recognise that those economic benefits will come at a cost and we have already shown that we lack the capacity and the ability to deal with those problems that will emerge.

Mr Speaker, in concluding, I worry as well that we seem to believe that *some gamble good and some gamble bad*. In a large measure, when I see what is occurring, we see a situation in which today we include lottery, tomorrow it is casino gambling. We do not know what is next, but what I found useful is the fact that there is still some feeling that gambling is not the best thing for our society. We are still getting that feeling and I am hoping that that little opening will open new vistas.

I sat in this House today and I heard the Honourable Minister of Agriculture and I think it was the Honourable Member who has left, talking about the consultation with the farmers. I remembered that and you know, when I heard that it dawned on me that the religious community has strong views on this issue, but we did not see the consultation that is talked about in other areas. I wonder if we govern with special strokes for some folks. I do not believe that a society can be efficaciously governed, if we do not have general principles by which we live and one of the principles we should seek to develop is the principle that wherever an interest is affected by a particular legislation there should be proper consultation. A lot of times we miss the democracy have two meanings.

The first meaning the democracy has is that the majority must rule. Nobody doubts that, but it also has a second meaning and if you go to Arthur Lewis - *The Policies of West Africa*, you will see it.

The second meaning is that those affected by a decision should be consulted and the part and parcel of that decision. *[Applause]*

I believe that if Guyana is to progress we need to be able to consult and to involve all those who have an interest.

I must submit, I found Honourable Member Mr. Rohee's presentation characterised by temerity, audacity and sometimes very pernicious. I will tell you why I say that.

I believe that is misplaced for anybody to come to this Assembly and tell us that this issue is a matter of national security. In fact that is a threat.

Unfortunately, Mr Speaker, we are in a position where the executive believe that they can do as they like, when they like, however they like, but one of the things they must sometimes acknowledge is that they will not be able to do it to whomever you like.

I get the impression that the Minister's statement was to suggest that we will Benschop the church community and that will be a sad day. It will be a sad day.

You cannot and you should not use this Honourable House to send threats to any interest. Therefore I wish to record our dissatisfaction and I hope the Members on the Government bench ... I know it is not a good thing to scold your colleagues in public, but I hope that in the quiet precincts of the offices; you will do the correct thing. *[Applause]*

Mr. Speaker, I conclude by urging that we need far more than a study here. We need a total revisit to the issue. There are many of us in this society who believes that casino gambling will contribute negatively to this society. I thank you. *[Applause]*

The Speaker: Thank you Honourable Member

The Honourable Minister in the Ministry of Education

Hon Dr Desrey Fox: Mr Speaker, Honourable Members of this House, I rise to contribute to this debate on the Motion of casino gambling.

Mr. Speaker, in Guyana presently there have been at least four approaches to denouncing the introduction of casino gambling in Guyana. These include:

-The *religious approach* which denounces it on moral grounds.

- The *sociological and anthropological approach*, particularly via the sociology of gambling, which denounces it in terms of how it affects the society and how it is dangerous to the very fabric of society. In this sense, the argument is that casino gambling is responsible for such social ills as:

-greatly increased crimes;

-homelessness;

-the destruction of family and society;

-the many problems that will result from compulsive

and pathological gamblers;

-bankruptcies;

-suicides;

-divorce;

-addictions; and

-other crimes.

- The *political approach* as has also been adumbrated in today's petition read in the House and in this very Honourable House the casino gambling Motion will be denounced, just because it is tabled by the majority PPP/C.

- The *economic approach* is not in the category of denouncement rather it is the only positive thing

that they said about casino gambling. In this sense, I believe that it will boost tax revenue, bring more international tourists to Guyana and will promote decent-paying jobs. This argument as it relates to the economic benefits of this big-time gaming is being denied and is being ignored at all times in its denouncements.

Focusing on the four approaches described before, I would first like to deal with the religious denouncements of casino gambling in Guyana, which are based on moral grounds. We are aware that there are other issues in our society, which the religious organizations have ignored, in spite of how morally wrong they are, in spite of the impact of these on the very integrity and pride of humans. For example, the role of the church in the past and present for systematically usurping people's rights through their own culture and identity by working hard to convert people, gambling away the rights and lives of minorities in this country to satisfy their own agendas in the name of the Almighty. For instance, churches supported the invasion of minority societies by giving them Bibles for their lands, while promising them Heaven for their homelands on earth. The role of the church in supporting the slavery of our ancestors and now hypocritically, the off-springs of these very churches are now attacking casino gambling as the great evil for Guyana.

In addition, there are several great evils in our society, such as the emergence of questionable overnight priests and denominations, even as our country is known for the largest number of churches per capita in the world. Are these being questioned and investigated? Are church members pursuing this by way of protest? The hypocritical approaches by the church on such issues as homosexuality; sexual abuse of young males and females; money laundering in some churches; collecting revenue from the poor to upkeep the churches and finance themselves and even to decide on what percentage of their salaries members should give to the church, are well known. Yet no one has complained about this.

There are others that I cannot deal with right now, Mr Speaker, but the gist of what I am saying is that the church itself has issues

to deal with on moral grounds, particularly as this relates to the administration and operations of their churches and their contributions on the social ills of society. The church should be the institution to give spiritual guidance to the society and to inculcate moral values to deal with the problem of order in society, yet the church is now a big time business in Guyana.

Secondly, the sociological and anthropological arguments for casino gambling postulates that casino gambling greatly enhances crime; is destructive to individuals and families; is addictive, leads to a problem of compulsive gamblers and leads to gambling behaviour that compromises, disrupts or damages personal family or vocational pursuits or personal indebtedness. This is recognised and considered from the experiences of other societies where casino gambling is the norm.

Mr Speaker, there are social problems in our society that can have the same effects on us. Why is it that these are not pursued with the same vigour?

We are faced with a higher incidence of murder, theft, drugs and drug addiction, AIDS, and sexual assault on our children, our adult males, females and even the elderly. We now have strip clubs and some forms of gambling takes place in our society at different levels. So much so, that we know how to play Lotto, pull tab games, Bingo, at churches too, horseracing, card games, power ball lottery on the television and nowadays, online gambling, affiliated games and charitable gambling. Yes, we participate fully in these.

In fact, some of us in this Honourable House have probably participated in such events. With all of this familiarity and all the other ills of society discussed, why is casino gambling being singled out as the great evil for Guyana?

Mr Speaker, in spite of all the social ills which have been identified and analysed through sociological and anthropological studies and there are a lot of these, both on the Internet and books, particularly in the First World Countries, casino gambling has been on the rise throughout the world.

The fourth issue about economic gain is articulated in the following:

In the early 1970s in the United States, when the only legal gambling was in Nevada, the amount of money legally gathered in 1974, was \$17.3B and by 1993, the number ballooned to \$394.3B, far more than the amount spent on all other forms of entertainment combined.

- In the United States, the average gambling expenditure per person was US\$200 in 1999.
- In Australia it was \$400;
- In Minnesota it was \$500.
- Tribal Native American Indian casinos revenue topped \$16.7B in 2003 as Indian casino gambling continues to grow across the United States.

Surveys on the situation as presented by the Native American Indian Gaming Commission, show that there was an increase of more than \$2B in casino gambling revenue or 13.7 percent, over the 2002 total.

- The Connecticut two Native Indian Casinos Foxwoods and Mohegan Sun are presently the most profitable gaming facilities in the world. The twenty-four casinos in the 7 Eastern States brought \$4.4B of those revenues.
- The Mohegan Sun has in its employment 10,000 people; and
- Foxwoods operated by the Mashantucket Pequot Tribe, employs about 13,000 persons.
- Casinos run by at least 200 Native American Indian Tribes brought in more than \$16.7B in 2003, up more than US\$2B in 2002 at more than 300 operations in twenty-eight States.

Mr Speaker, while the statistics is not reflective of Guyana, the foregoing shows that casino gambling in Guyana can contribute in a substantial way to the revenue of this country, even as we seek to boost our tourism industry and compete at this level with other countries.

Mr Speaker, permit me to make some observations. The question of why gambling is so popular in spite of its many consequences is a difficult question to answer, even as we also question the flaws of human behaviour. This has been studied extensively, but there are few satisfactory answers. However, one of the biggest problems is simply a case of misunderstanding. Therefore, although many people are aware of the moral and religious arguments against casino gambling and some are aware of the economic and social costs, there are other issues which are less often discussed and whose understanding is important. These are the issues to which I will now give my attention.

The issue of misunderstanding the gambling odds and understanding what these are should serve as guidance to all Guyanese, but more importantly to the religious community, especially in terms of guiding their flock.

Mr Speaker, many people do not understand how bad the odds are in gambling. They do not understand the huge and tiny numbers involved in gambling odds. Learning about these odds will convince many people that gambling, generally, is not the harmless pastime they thought it was. It is therefore important that persons understand that the odds in gambling favour the house. For example, the house take on a slot machine can be as high as thirty-five percent. This means that if you bet \$10, you can expect to walk away with \$65; if you bet \$100, you can expect to keep only \$65. The more you play, the more you lose.

Although it looks as though some gamblers are ahead temporarily, in the long run the odds will prevail and the gambler will lose. This simple principle explains why the casinos take in so much money. In an example of this, the Foxwoods Casino in Connecticut netted and gamblers there lost about \$500M in 1994. These odds become clearer when we think of a simple example, like an unfair coin. If a coin is weighted to come up heads sixty-

five percent of the time, no one will be willing to play a game where they are forced to bet on tails. In fact, the person who designed the game should be considered a cheat and a fraud, but this is what happens in the casino and the lottery. Somehow, when the rare win is called a jackpot and it is accompanied by bills and lights, the odds become obscure in our minds and we suddenly think that this is a legitimate game. We can win after all.

The worse odds are in the large multi-state lotteries, like the power ball. Chances of winning here are worse than in one in 54 million. Put into perspective, this means that if all the losers of 1 drawing of this lottery were to line up, the line would stretch most of the way around the world. Therefore, in all of Guyana, many of the citizens have weekly lottery habits, but very few people understand the odds and very few people continue to win. Most of the gamblers do not ask or have never asked for the necessary information to figure the odds nor do they know how to figure this, even when they get the information. Luck - some think that they are luckier than the average person, so that they are more experienced.

Mr Speaker, from the foregoing observations it can be concluded that the more people understand the mechanisms of gambling the more they are unlikely to gamble, except to say that there will always be people who will want to gamble, in spite of the odds.

While I have addressed some arguments on the principles of casino gambling, I now move my attention to the Resolve Clauses of the Honourable Member, Mrs Sheila Holder's Motion. The purpose of the study, according to the Resolve Clause is to advise if casino gambling would add to Guyana's tourism product, given the profile of visitors coming into Guyana. This is a loaded statement designed to give a negative answer. This is because the current profile of our visitors to Guyana includes visiting friends and relatives, business people, some adventurers, nature travellers, visitors who enjoy leisure and recreation. It follows that casino gambling would not appeal significantly to these categories, so what this resolve does is, given the existing visitor profile in Guyana, casino gambling cannot add to this. However, the introduction of casino

gambling would add to this visitor profile and add to the tourism product generally.

The second Resolve Clause calls for UG to give advice on the exclusion of Guyanese. Well, here we want cake and bake. We have been hearing of opposition to the introduction of such gambling. This resolve suggests that it may be impractical to exclude Guyanese generally. We are speaking to the non-widespread in its availability of gaming to Guyanese. Noting some of the ills; we have argued that one must not have the activity widespread in its availability to Guyanese. Such limitations have worked well in several countries, where casinos exist. Belize and the Bahamas are two notable examples. In fact, Belize has had phenomenal growth in tourism since casinos have been introduced over ten years ago. Bahamian casino gambling is decades old and excludes nationals. They have also attracted the multi-billion dollar US investments, in terms of the Atlantis project. Bahamian tourism is intricately linked with gambling by non-nationals.

Mr Speaker, the final Resolve Clause is again another loaded statement. This matter has been settled and many countries have used their revenues for such gaming and mitigate the negative consequences. Recent reports from Atlantic City, New Jersey gave these statistics. In 2006, eight percent tax on the US\$5.2B profits yielded \$417M, which was ploughed into social services, senior citizens and the disabled. Also, some \$65.2M has been garnished for redevelopment especially for those displaced. My colleagues before me have detailed other reasons why we cannot support this Motion.

In conclusion, Mr Speaker, the casino gambling Motion tabled here today creates a history in casino gambling for Guyana and the intention is to control its operations for the entertainment of patrons and tourists who visit Guyana. It will be done in a controlled and manageable way and it will not be widespread and will not be opened to the general public.

Mr Speaker and Honourable Members of this House, I am grateful for the opportunity to contribute to this debate. Thank you. *[Applause]*

The Speaker: Thank you very much Honourable Member

The Honourable Member Mr Ramjattan

Mr Khemraj Ramjattan: Mr Speaker, I just want to indicate that what I heard just now was that which I thought you had wanted to prohibit from the very inception, and that is, we must not venture into matters about the Bill. All of us are rather surprised. I suppose it is because of her first speech, was it? It could very well have been that.

I want to be short. We in Guyana, to set up any little business, to set up any little new industry, are required to do what is called an Environmental Impact Assessment. To have some license to deal with old metals, you have to go and give the Minister certain things to ensure that you are not going to disobey the laws of the environment and you are not going to be socially hazardous in the implementation of the business project that you have in mind - a Social Impact Assessment and an Environmental Assessment.

This major thing called casino gambling, an institution that in other countries has proven negatives that were related to the Honourable Assembly by the Honourable Member Mrs Sheila Holder, about suicide rates and all of that in other countries, notwithstanding the economic benefits -

Why is it that we cannot have an impact assessment from that institution our University before we bring it here?

Why is it that we have to behave as if we must be dictators and plug it down and pass it through the law?

Why is it that we do not understand from educated people what our policing facilities are?

We cannot even police the old metals business; we are going to police the casino gambling business?

They cannot even distinguish between metals. How are they are going to distinguish between the varied and multi-varieties of frauds, the various frauds that we can have - the money laundering? We cannot even set up a supervisory authority under

the Money Laundering Act as yet. It is an extremely important thing. This is the government that has indicated that whenever we are going to come up with a policy; the policy must be solidly founded on scientific evidence. They say that the National Development Strategy (NDS) all the policies therein, we must consult and they consulted. They went to the experts on economics; they went to the experts on housing and they came up with what the experts thereafter would have advised. But on casino gambling, as the Motion has it, please let us go to the experts. Where is your white paper on it? What will be the economic growth when you open it? Do not lie to this August Assembly. We have had lots of lies recently; cost-of-living will go down under the VAT, it has gone up. Oh, there will be no problems with casino gambling. How are we so certain? We are saying in the Alliance for Change, it is a necessary thing.

Let me say this, Mr Speaker, in all of the countries that they have talked about where casino gambling has been implemented and is going on, there were social impact assessments from some university or a study. This occurred even in the Bahamas, but not in Guyana and that is the inclusive form of governance we want. We are going to say, here we want it and so be it. All we are asking, like all the other countries, have a social impact assessment. Are we ready with the policing authorities? Are we ready with the physical infrastructure? Have we done a survey as to how many visitors will come because of casino gambling? We have not had that. How it will affect the areas? It is also an important part that we must to pay attention to. It has to do with, once you open the door, how wide will it open? That is a serious impact, because we are passing or proposing that a study must be done and it has to do with the legality of whether we can discriminate in favour only of foreigners. Once we have it there, you rest assured that there will be a litigation coming from the same government department, stating in the High Court, why should not residents go and gamble? Is it not discriminatory? And then you will probably add a court ruling that states all Guyanese can go. It is discriminatory.

Let me say that that will even open the doors wider. The Motion has before it is: what are some of the implications, once that door

is opened? Could we then seal this so that Guyanese will not go, or will there be some brilliant lawyer who will open it wider? All of that is important in a study and so it should be, just like how all other policies are either given the pros and cons about them, all other policies that were brought here, why not this? Mr Speaker, it obviously does go to show that there are other sinister reasons behind it. That is, you want to accommodate certain persons, rather than principles, because if you want to accommodate principles, you are going to do this impact assessment study - whether it is the University of Guyana or some other person. That is the important thing; so it is important. Remember, policy is not necessarily logic. It is experience. As I have informed this House on previous occasions, indeed there must be some form of international imitations, but we must also have local inventions. It is not only that which is overseas and you bring here. Otherwise, logically we could pass a law next week asking for red light districts, and we will have a lot of foreigners coming in and it will make lots of money. But should we have that? It is important that we understand the implications of any piece of legislation and the policy behind it before we enter into that. Even in the campaign; we had an election; I never heard them talk about this. They never mentioned it to the electorate and I was at the meetings. Did you talk about it? No, they did not talk about it at all. Now, they are here, saying, oh yes, we are a majority party and as such we have the authority. Well that is not the good governance principles that we are talking about. I want to ask this: Why then did you not make it an election issue? All of a sudden you are saying ... It is not in the NDS Strategy and it is not in the Poverty Reduction Strategy. I have it here – 2005. You did not mention it in tourism. You indicated on your election platform that we are essentially going to have eco-tourism. It is rather surprising today that Mr Clement Rohee indicated that eco-tourism is not even on their radar. They did not mention to the tourism authority about casino gambling prior to the elections. They mentioned eco-tourism, but that is gone - casino gambling. We will have tourist coming in. It is obviously an argument of convenience and what I would regard as trickery and it is important that we understand that we must not do that kind of

thing. What I feel that we should be doing is the safest thing that all governments should be doing; getting the experts to deal with the issue and with forecasting; what will be the social implications, but surely not people who obviously are not experts at all. We must deal with ... as though we were talking about the concrete realities of Guyana. What are the concrete realities of Guyana to begin with, for something of this nature? It was rather surprising, Mr Speaker, that we have people who are indicating across the floor that there must be certain, what you call economic benefits. Yes, but what kind of economic benefits are important? Along with those implications that will be very uneconomical, but it was not. Almost all policies, you have done over there, even when I was over there too, had to be scientifically studied before you come up with it. Why all of a sudden, no we do not want it? What is the problem with a social impact assessment? My goodness and it shows the double standards of you over there. That is what it does; it shows the double standards you speak about. Yes and it is so important, Mr Speaker.

In rebuttal to Dr. Desrey Fox, I want to make the point too; in this Motion, we are not talking about religious arguments at all. We are stating that we want a scientific analysis, the projections and the forecast. We know that the religious communities ... *[Interruption: 'Show us the document.']* Where is the document? *[Noisy Interruption]*

The Speaker: Honourable Members, let us have some order, please.

Mr Khemraj Ramjattan: Mr Rohee, where is the document, why do you not want to bring it here? That is what the Bahamian government did with the religious community and it showed them something. Those who proposed casino gambling sometime in the 1960s ... Yes, what document is that? You do not want to be transparent? Yes, probably that was written by you; probably that is something similar which caused the uprooting of the OCT route. *[Laughter]* So, I want to make the point that we must not have double standards here, because the sinister motive of it is showing up itself and it is now creating raised eyebrows by everybody. It is important that we understand

that we do have, at least, an exploratory study as to the implications and the best institution ... why did we create the University of Guyana to bypass it on an important disputed policy like this is oppressed? It is very important then that we do the Honourable thing, live the standards that we have set ourselves and do the honourable thing of creating this scientific study and analysis as to all aspects of this casino gambling before we bring it here. Thank you very much. *[Applause]*

The Speaker: Thank you Honourable Member

The Honourable Member Mr Irfaan Ali

Mr Mohamed Irfaan Ali: Mr Speaker, I rise to speak on the Motion presented in the name of Mrs Sheila Holder to this Honourable House.

I am somewhat surprised at the Honourable Member Mr Ramjattan scolding of the Honourable Member Dr Fox, speaking out of context on the Motion and the Hon Norton took the same line of action and was not mentioned by Mr Ramjattan.

However, I am very happy he mentioned the Honourable Member Dr Fox, because in the Motion, the Honourable Member is asking for a study to be conducted, but of course we are proud of all our graduates and product of the University of Guyana. We have an analysis that was given to this House, free of cost by a doctor of Anthropology from the University of Guyana, but we do not want to accept that. It seems as if we have studies from particular persons from the University of Guyana that we want to accept. So Honourable Member, I recommend for the reading of every Member of this House, a document prepared by the Honourable Member, Dr Fox, who has a Doctorate of Anthropology at the University of Guyana. Having said that I am also disappointed at the fact that Mr Ramjattan, who is sounding deserving praises for the University of Guyana in this Honourable House took the opportunity during the campaign to bring another man, outside of Guyana, Dick Morris to forecast to him. Why at that time he did not take the services of the

University of Guyana? It seems as if you have convenient times when to adopt convenient measures. *[Applause]* You are talking about double standards, clean up your house first.

Mr Speaker, I respectfully submit to the views that the mere mention of the word *casino* causes people to conjure images of negativity in their minds. This is because and I submit to their perception, to a large extent fuelled by the media of a casino as a gaming room with slot machines and game tables, perhaps with the hotels and basic facilities or the negative images projected by Las Vegas mafia style movies.

However, casinos can be seen as they intended to be. In fact, that is a leisure entertainment and business zone. We are talking about integrated development, with hotels, restaurants, shopping, convention space and a small but essential part which offers games that makes the entire project financially viable. *[Applause]*

When we speak about the negative impact of casinos, in a recent statement on the National Policy of Her Majesty's government - the government policy on casinos, that is, the British government policy on casinos is based on three broad objectives and these three broad objectives are:

- (i) to protect children and other vulnerable groups from harm;
- (ii) to prevent gambling being a source of crime or disorder; and
- (iii) to ensure that gambling is conducted in a fair and open way.

Mr Speaker, when we turn to the Motion presented to the Honourable House, it states:

AND WHEREAS, some sections of the religious community have expressed opposition to the introduction of casino gambling

We are cognisant of the fact ... and we on this side of the House respect the views of our fellow brothers and sisters. After all, we promoted democracy, we propagate democracy and democracy is

part of our agenda. At the same time, Mr Speaker and Honourable Members we live in a multi-cultural, multi-ethnic society and we have to learn to adapt to things that we may not like and things that are outside of our individual choice for the national good. In this respect, Mr Speaker, as I may choose to do and you may choose to do and the members of the religious communities may choose to do - especially the leaders of the religious community. You have the democratic right to educate your followers, to take your followers in the direction that you think is beneficial for them and they themselves would have the democratic right to choose between gambling or not gambling. That right is not taken away, but that right is being given and restored even after the intended passing of this Motion.

Mr Speaker, a recent statement by the National Gambling Impact Study Commission, tabled in its final Report and I quote:

Many of the positive economic impacts are in fact easy to point out; if not always quantifiable. Sleepy beaches Water have become metropolitan cities almost overnight. Skyscrapers rise on the beaches of once-fading tourist areas. Legends of employees testify to the hope and opportunities that the casinos have brought them and their families and some Asian nations have leapt from prolonged neglect and deprivation to sudden abundance.

This is the revitalisation of tourism - the revitalisation to the economic sector of countries that was described as prolonged neglect on the introduction of casinos. So we do not need any study to convince us that casinos have economic benefits for us. Neither do we need any study to tell us if there are negative or positive implications, that is a given. Neither do we need a study to be convened to tell us that the religious communities oppose or do not oppose the casinos. They have already spoken on the matter. So what are we going to convene a study for? What is the purpose? All the answers that we seek have already been given; and I am surprised at the Honourable Member, Ramjattan. Even he has answered his position on the matter.

Mr Speaker, on the issue of tourism and crime, gaming has not only made the desert bloom in Las Vegas, but it has made it the largest-growing city in the United States. We must not forget, Mr Speaker that Las Vegas was a mere strip of desert and today, it is the fastest growing city in the United States. We are talking about statistics. According to the National Gaming Impact Study Commission Report; legalised casino gambling in America grew ten percent in 1975, compared to twenty-nine percent growth in 1998. Figures from the US Census Bureau showed that the capital of the US Gaming Industry, Las Vegas, was the fastest growing metropolitan area in the country between 1990 and 2000, with 83.3 percent population increase. It is still the most rapidly growing major US city, both in terms of population and in the amount of new construction. According to the Las Vegas Convention and Visitors Authority, the number of visitors to the city has increased from 6.7 million in 1970 to 35.5 million in 2003. During the same period, gross gaming revenues of greater Las Vegas grew steadily from US\$3.6M to US \$7.8B and overall visitors' dollar contribution jumped from \$1.1B to \$32.8B. The city is now the top tourist destination in the country as well as the most popular convention site. This is the same city that underwent an identity crisis during the 1990s, spending a decade pursuing a family approach to the planning of resort properties.

Mr Speaker, we are talking about best practices and we are talking about examples. Here is the living example of how casinos have positively benefited the city of Las Vegas. What we are asking for on this Honourable side of the House is to have your support in helping us to implement a regulation that would guarantee we upkeep our societal benefits, that we promote our religious beliefs as steadfastly as we are doing now and at the same time, promote economic development for all of Guyana. Guyana is not the only country that has such a multi-cultural approach to development. Look at Singapore. The same concerns were raised in Singapore. Yet, Mr Speaker, Singapore implemented casino gambling and is having a prosperous industry, both in tourism and economic development.

We are talking about integrated development and that is the purpose. The Motion is speaking about tourism. In my

introduction, I said that a small but important space in the macro-development would be set aside for such a facility, but that small and essential space is what will make the facility financially viable.

Mr Speaker, in Nevada, revenues from casino profits accounts for more than fifty percent of the State's revenue. The general perception of casino as a corrupter and crime is derived from a Hollywood perception expressed in mafia movies. The reality, however, is that casinos have been flourishing all over the US and in other countries with no corresponding drastic increases in crime.

Mr Speaker, when Singapore was toying with the idea of developing integrated resorts to boost their tourism industry; they were faced with some of our same issues as the IR included a gaming component. In 1985, when Singapore experienced a severe recession, casino gambling was mooted, but not enacted.

In 2002, the Economic Recovery Committee in looking at new strategies to grow the economy recommended a world-class gaming facility and that was recommended by the Tourism Work Group. Yet, it was not enacted. However, in 2004, the inevitable was unavoidable and the Economic Commission, with responsibility for monitoring the economy became worried and again called for a re-examination. This time a positive change was recommended for three major casinos. The decision was primarily based on three global issues.

The Honourable Member Mr Norton raised the issue of globalisation in the negative sense. We all know that globalisation has negative and positive impacts. The greatest writer in this part of the world on globalisation is the late Dr Cheddi Jagan and he outlined these impacts for you. He clearly defined these impacts for you.

Mr Speaker, the three primary reasons that Singapore went the route of casino gambling were:

- (i) They were losing tourism.

In order to maintain competitiveness in the tourism sector and to maintain the tourism share, they went the route of casino gambling;

(ii) Cities re-inventing themselves.

New York City, in order to draw more tourists, is putting up a spectacular eye-catching gate in Central Park, fostered with casino as its side attraction.

Paris built an artificial beach along River Sere, with nightlong street parties. During the first party, the Mayor was injured and as he was carried away, he told the crowd to carry on partying. In Britain, the British Governor wants to allow Las Vegas-styled casinos - super casinos in Britain. The building of one such facility has already been agreed upon.

Singapore concluded that without integrated resorts, it will take fifteen years or more to tender out the land in the individual parcels. But, with integrated resorts, the same can be achieved within four years.

These are studies that not only have been completed, but implemented and proven successful.

Important to note is that Singapore took these bold steps notwithstanding the fact that Singapore has a brand image of a clean, peaceful, honest, safe, law-abiding and a wholesome place to live and bring up families. Most of all, it is Islamic.

So, Mr Speaker, although casino gambling was introduced, Singapore still remains as a society that is viewed as peaceful, honest, safe, law-abiding and a welcome place to live and for family-upbringing.

We sometimes leave the shores of Guyana and boast about the quality of life in Sydney, London, Geneva and other major capitals. All these places have casinos, yet the standard of living is high. Do we hear about the big outcries and societal issues? The government would and I have no doubt to question this, because I have confidence in the Ministry of Home Affairs and the Guyana Police Force, that they would exercise whatever

power is vested in them to ensure that the environment is safe and protected. *[Applause]* It is unfortunate ... Mr Speaker, I must point out to this Honourable House the contradictory way the Opposition continuously tries to argue. One day when they wake up, they are praising the Police Force and another day when they wake up from their slumber, they realise, oh, we are going to curse them today. Whenever it is convenient for them to take a particular position, they do so.

Mr Speaker, the Honourable Member, Mr Ramjattan may need to explain to us at a later date, why after praising the University of Guyana and the quality of their product, he brought Dick Morris to project for him? Maybe he had vested interest.

In conclusion, on this side of the House, we are of the firm view and we strongly support the views of every section of our society. We listen and strongly support the views of our religious community, but we have a decision to take in the interest of economic development, societal development and the importation of foreign investments into our country. So, we have to make a cautious decision as to the best interest of Guyana as a whole. In saying that, Mr Speaker, I want to say that there is no perceived merit in going the way of the Motion, recommending a study, when the Honourable Member Dr Fox, who has a Doctorate in Anthropology, can advise you on further information you may require. I conclude by saying that I do not support this Motion. Thank you. *[Applause]*

The Speaker: Thank you Honourable Member.

Honourable Member, Mr Corbin ...

Yes, Honourable Prime Minister.

Suspension of Standing Order No.10.3

Hon Samuel AA Hinds: Mr Speaker, if you will allow me, taking note of the time and the remaining business, I would like to move a motion under Standing Order No. 10.3, that the Sitting of the House be continued until the business is ended.

The Speaker: I am glad you were looking at the Standing Orders, Honourable Prime Minister, and can quote them. I intended to say at a later stage that the time has now arrived when we ought to think or we ought come to the conclusion that it is no longer feasible or soon it will no longer be feasible for us to conduct the business of the National Assembly, once every fortnight. It is unlikely that I will agree or I will accept motions to continuously extend the hour of sittings beyond 22:00h. It is no longer feasible and we have to think very soon that we must convene the National Assembly more than twice the month in order to conclude our business. I take it that Honourable Members agree with that.

Put and agreed to.

Motion carried.

The Honourable Member Mr Corbin

Mr Robert HO Corbin: Thank you, Mr Speaker, I am also conscious of the time factor and since I have a vested interest in another Motion, which I hope the Prime Minister does not want to escape from, I am glad that he moved the motion to work to a finish. I will be brief.

Mr Speaker, where there is no vision a people perishes.

For the last two hours, I sat in this seat here in this House in amazement. I listened to the kind` of arguments, which could ultimately justify a Motion coming to this House, suggesting that because of economic benefits to this country, we could legalise smuggling of drugs, in and out of this country. That is the kind of logic that we have here. If we study the economic benefits and how the people of Guyana will progress, then after all we saw, Mr Speaker, arguments which suggested that because some countries have implemented and have been legally permitting casino gambling and despite the fact that they have been having both economic benefits and social and other disadvantages that should motivate us to do likewise.

It is ironic, Mr Speaker, that apart from the Bahamas, and I do not rate the Bahamas with Guyana, because the Bahamian dollar is on par with the United States dollar. It is ironic that the only country that comes closest to Guyana's level of development that has been quoted as a reference point is Bahamas. We have heard about the United Kingdom, London, Singapore and we cannot compare Singapore even with population and levels of development. I wonder if we have abdicated our functions to make laws for the peace, order and good governance of this country, which the Constitution mandates us to do, in this Honourable House. In making laws for peace, order and good governance; one always have to put certain set criteria and one cannot look only at the economic benefits of any programme. One has to look at the entire impact of any decision that one is making on the development of the country. While in principle, I do not believe that the way this Motion is worded will satisfy our desires, in that it opens the door in our opinion for perhaps a study to come back and say that because the economic benefits are good, we should allow it; the kind of reaction to this Motion has revealed an attitude on the part of the administration - not new to the People's National Congress/Reform - One Guyana, but perhaps new to other stakeholders in Guyana -

an attitude of intolerance,

an attitude of arrogance,

an attitude of unresponsiveness to the views of others in our country; and

the violation of the very norms and values, which you say that you will uphold in this country.

Many of the speakers this afternoon, in using arguments to justify their positions, referred to some study or the other. In fact, having listened to so many speakers, I threw aside my prepared presentation and even a study I was going to use, done in 2000 by the House of Representatives of the United States of casino gambling in Atlantic City - a very detailed study, with statistics and so on.

Mr Rohee is right on one subject this afternoon. All these studies can be used to justify arguments on any side of the spectrum, but I have also seen people using even religious books and putting their own interpretations and coming to the conclusions that they would like to arrive at. So, the issue is not what these studies necessarily reflect. The issue is what is good for Guyana. That is the issue. I find that the rejection of a proposal to even have a study to determine whether what you are going to do is good for the country is most reprehensible.

In order to attract international support for this country, Mr Speaker, when this Government was fighting hard for international donor support, they agreed with the Carter Centre that they would involve a number of prominent Guyana professionals and scholars - nearly a hundred of them and produce the National Development Strategy Project. That document outlined, I believe in very clear terms, how people with the requisite knowledge felt that this country could accelerate its economic development. So convinced were the managers of that programme that out of it, a Poverty Development and a Poverty Alleviation Programme was developed and marketed to the international community in order to attract funding to this country, to alleviate poverty. Debt write-offs that the Government boasts about on the basis of our National Development Strategy, I would like the goodly Minister of Home Affairs, Mr Rohee or the last speaker, perhaps and our researcher from the University and I respect the Member's work - Dr Fox. I have no problem with her work. But I ask, whether with all this professional expertise, if I can be shown a single sentence in the National Development Strategy, which refers to anything that says that casino gambling, is going to alleviate poverty and promote the development of this country.

And when some of the speakers made their presentations here this afternoon, I had to close my eyes, because they could not really be speaking of Guyana - skyscrapers and all and I am thinking of all 83,000 square miles, which as a people we are unable to traverse.

The answer to our problem proposed now, in the absence of a study, is to pass a law that will permit, not one but a maximum of

thirty casinos in this country - three in each region. That is how ridiculous it is and when the Minister of Agriculture was speaking of what really represents our potential for economic development, our arable lands and the problems with our rice farmers, I wonder what he will do, if in the midst of Black Bush Polder somebody suggests that the real problem solver for the Corentyne is no longer rice - put a casino in Black Bush Polder. Take one to Corriverton and another one to the ferry-stelling that you are going across to Suriname and tell the rice farmers to no longer plant rice - casino problems, the revenue is so much, I heard some statistics from some other countries of how many millions - yes, millions and therefore, you will probably set up a social welfare system to dole out money to the farmers.

The Honourable Member spoke about examining concrete realities, what are the concrete realities of Guyana? Concrete realities of Guyana are:

- (i) we have less than 1 million people;
- (ii) we have large land, minerals and other resources for which there are several studies, not *guesstimates*, which point out what has to be done to develop those resources.

When I heard the Honourable Dr Fox speak, I wondered whether she is impressed that perhaps a casino between Annai and Lethem is going to promote the development of the indigenous people. Already we have removed a lot of their independence by creating a dependency on the centre and handouts and now we are going to move them completely off their source of self-reliant existence, when you put things like that there. I therefore want to rule out the argument, which the government seeks to use to justify the need for casino gambling.

Therefore, we have to ask ourselves what is the real reason for this haste in granting casino licenses or introducing casino legislation in Guyana. Mr Speaker, lest I be accused of being inconsistent as one speaker earlier attempted to suggest, I read from a document, Wednesday, 22 February 2006. You can get this from the Internet. This is not 2007 - 22 February 2006 and it was authored by me. It was a press statement from the People's

National Congress/Reform issued on that date. It was before the general elections and this is what we had to say:

It has come to the attention of the People's National Congress/Reform that the morally bankrupt Jagdeo administration is forging ahead with plans to allow the establishment of not one, but several casinos, including one in the Rupununi.

You could find it - 22 February, 2006. No, I am saying that we started to make this issue public since February 2006. We did not just raise it on this, but I just want to read a few excerpts of this statement, but it is available online.

The PNC/R is concerned that Government has taken ...

You know how they stay, plan to take, because our information was that the deal was already made.

... a unilateral decision to allow casino gambling. The arbitrary and unilateral action puts into perspective, the pretence that consultative democracy exists in Guyana and puts a lie to the PPP/C's claims of inclusive governance ...

And I apologise for the word *lie*, Sir, I was just using it in the context of the quotation from this press statement.

The Speaker: You are quoting.

Mr Robert HO Corbin: Yes, I was quoting. This is on the 22 February, 2006. So, I do not want the people of Guyana to be under any illusion that this is something just dreamed up. No! This is what the PNC/R had to say.

The PNC/R will hold itself ready to engage in full consultations on casino gambling with all the stakeholders. The process will include consultation with religious organisations, women's organisations, organisations representing youths and indigenous

communities, the private sector, civil society and other stakeholders.

And a little way ... I do not want to read the whole thing, because people can read it, but I think someone spoke about the PNC/R taking inconsistent positions with respect of the Police, but I just want to say to the gentleman, perhaps he is too young at his business. The PNC/R will never give any blanket approval and commendation to any agency in this country, having regard to our own experience but if they deserve praise, we will shower that praise where it is deserved.

I commended the new Minister of Social Services when she started to do a few things ... when she introduced the pension book. Didn't you read our press statement? She did something good, but I must condemn you now for recklessly pursuing the introduction of this casino gambling in the face of known public concerns about this dangerous precedent in this country. But, further this statement goes on, just two other paragraphs I will read:

At present, our country is experiencing some of the most heinous and brutal manifestations of runaway crime. All this is happening against a background of a dying economy, which can no longer deliver basic needs to the vast majority of the citizens.

Given that Guyana is now rated as one of the most corrupt countries on earth, none of us can be assured that all the rules to protect Guyanese from the addictive influence of routine gambling will not be bent and flouted for a few dollars more in the hands of the very people appointed to protect us.

It is for a few dollars more that we had the phenomena of phantom killings of many of our young men of this country - for a few dollars more - and for a few dollars more, much evil has gone on in this world.

So, Mr Speaker, if indeed the Government was serious about the speech delivered in this Parliament, I think it was on the 28 September, by his Excellency, the President, where the policy programme and the policy guidelines, which would guide this administration throughout the period of this Ninth Parliament was outlined, I believe that the Government has breached the social contract, which exists between the people of Guyana and the government of this country.

The President stood in this hallowed Chamber and said that the Government will be guided by a new spirit of consultation, with all agencies.

We read in the papers of direct commitments given to various stakeholders, including the religious community that on this particular issue, for which advance notice was given of a grave concern that there will be consultation. Yet, we are here in this Parliament today discussing this Motion, which seeks to provide some room for the Government to put itself in order. This Motion has given the Government an opportunity to put themselves right, even though we do not agree, as I said, with the intent, but it has provided an opportunity to delay. We are faced, while discussing this Motion with the headlines in today's *Kaieteur News - Casino Bill, Critics behind the times*. In other words, the Prime Minister is telling us; before we get here that the exercises that we are engaged in are exercises in futility.

I sought to get a view from the Prime Minister before I came back into this House; I thought it would have been unnecessary for us to deal with this Motion, having regards to your admonition, Mr Speaker, about Clause 43 of the Standing Orders. I thought that again, the Government had another way out, because here in this Parliament this afternoon, we had a unique experience of a petition being presented to all of us Parliamentarians by major stakeholders of the religious community. They were saying that even though they have strong views against it, my understanding of what I read is saying that the casino gambling not be legalised in Guyana for the Cricket World Cup 2007 or at any time, without consulting the major stakeholders, means that our Government is being held to ransom by vested interests.

In other words, they are concerned with the haste and the fact that we have treated them with scant disrespect and have proceeded without consultation. They have provided an opportunity for this Parliament to really do what is expected of us, to examine the issues raised here and deliberate upon them. Prime Minister hinted to me that it might be an exercise in futility. I got the impression that it will be an exercise in futility, unless he gets up and tell me I am wrong and I will be happy to withdraw my words, but I got the impression that we are engaging in an exercise in futility, but I hope not.

Mr Speaker, I want to say that in the face of a petition coming to this Parliament, following what I would consider all the legal and constitutional procedures to attract the decision makers of this land, we are faced with two strange developments today.

The Police barriers moved even further out to prevent the citizens of this country coming close by to hear what is happening in this Parliament. *[Applause]*

Secondly, the veiled threat by the Honourable Minister of Home Affairs to suggest that he is ready to deal with those who have a difference of opinion, when we have the constitutional process being adopted here.

At a press conference earlier today, I said to the people of Guyana that we are in for very difficult times with this arrogance on the part of the administration. Stakeholders in Guyana are going to become more aware of the proverbial nature of the beast that we have to deal with in the administration of the affairs of our country, but my ... *[Interruption]*

Hon Clement J Rohee: Mr Speaker, if I may be allowed to elucidate.

The Speaker: You may.

Hon Clement J Rohee: When we are told in this Honourable House by the Honourable Opposition Leader and other speakers that casino gambling is going to allow money launderers, smugglers and ... *[Interruption]*

Mr Robert HO Corbin: On a point of order, Mr Speaker, I do not really understand which Standing Order permits the Member to elucidate like this. I am either out of order or I am not in order, but not to interrupt my speech to make a speech. I must admit that I am not familiar with all the provisions of this new Standing Order, which was just amended but I doubt ...
[Interruption]

The Speaker: *[Reads]*

40 - Interruptions.

Subject to these Standing Orders, no Member shall interrupt another Member except,

- (a) *by rising on a point of order..., et cetera;*
- (b) *to elucidate some matter raised by that Member in the course of his or her speech.*

Mr Robert HO Corbin: So I could get up at any time anybody speaks.

The Speaker: You can get up three times.

Mr Robert HO Corbin: Thank you.

The Speaker: You can get up at any time to elucidate on a matter but ... *[Interruption]*

Mr Robert HO Corbin: I thank you for the guidance.

The Speaker: But, all of this is subject to the approval of the Speaker and in terms of the elucidation, is subject to whether the person speaking agrees *[Interruption]* ... Mr Williams, I am speaking ... subject to whether the Member who is speaking, agrees to give way.

Mr Robert HO Corbin: Well, I will give way to the Honourable Member if he is getting up to say that he is not threatening anybody and so on, but he was about to go into other things. I thought that is what he was going to clarify that he is

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not threatening anybody and that is why I sat down, but he seems to be going into a speech, but if he is doing that, I will give way to him.

Hon Clement J Rohee: Mr Speaker, I think if I am allowed to finish my elucidation, very briefly ... *[Interruption]*

The Speaker: In elucidating, Honourable Member, this is a very brief response. I will not allow a Member who is on his legs to be interrupted by a long speech.

Hon Clement J Rohee: Mr Speaker, long speeches are not my virtue. I simply wish to say, Mr Speaker, that when I spoke about threats to national security, it was in the context that if it is being suggested that casino gambling is going to facilitate money laundering, that it will facilitate the growth of the underworld, that it will lead to drug lords taking control of the economy and so on, that therefore constitutes a threat to the country's national security.

Mr Robert HO Corbin: I am happy, Mr Speaker, that the Minister has corrected the situation and I am happy that the records will so record, but this afternoon, we are confronted not only with a petition from the Christian community, but as I stepped out from this door this afternoon, I received from the Central Islamic Organisation of Guyana a document signed by one Al-Haji Fazil Feroze - from the Central Islamic Organisation of Guyana, basically suggesting the same thing - that the Islamic community, not from Singapore, but from Guyana, is concerned about the development of this casino gambling in our country. What does the government do? The government lays the Bill and the Prime Minister announces I think that they are going ahead. I would like to recommend to this Honourable House that the Members of Parliament takes seriously, not only the petition of the Christian church presented to us this afternoon, but also

the Islamic community that the Government withdraws this Bill irrespective of whether they agree to commission a study at the University of Guyana or not, but the government has within its power, the authority to delay the Second Reading of this Bill as they have already laid it, as they did today with the Health Bill which was similarly condemned by the Medical Association for non-consultation and to put this Bill, not before a Special Select Committee, but to commit this Bill to serious consultation among stakeholders in Guyana.

I am not saying that the PNC/R will change its position, because there are some people in the PNC/R, like myself, whether it goes to consultation or not, I believe very strongly and personally that casino gambling should not be introduced in this country and so even if it goes to consultation I would not fool you about it, *[Applause]* ... and I have good reasons to do that. Even though I have those views personally, I did not seek to impose my views on Members of the Party and that is why on the 22 February, when we got wind of this information, the press statement that we issued, said that we would engage in consultations. I knew my personal view of it, but because of the principle of democracy, we allowed discussions and if we are going to run the country, we believe that there should be wider discussions and I believe people even in the PNC/R - our Members, who might share the view that nothing is wrong with casino gambling. That does not represent the total view of the Party leadership at this time.

I want to advise the Government that if they are serious about the oath that we all took when we entered this hallowed Chamber that this is a time to lead by example. I would not want to go into the sources of my information. I will leave that to the political arena. We are dealing with too serious a business, this afternoon for me to deal with those matters. I say that we have a problem in this country, where major sections of our community, representing more than fifty percent of the population are saying to us that they have a concern with what we are doing. What should be our response? I say the moral and constitutional thing to do is to answer properly to those persons who have put us here to represent their interests. That is what I would recommend to

you. *[Applause]* I hope that while the Government may reject the Motion, because I have gotten signals that they are not going to support it, they still have an opportunity because they have power in their hands and we have a petition from the Christian community and a letter from the Islamic community or a press statement from them. No, it is a letter because it says *respected Members of Parliament*. I thought it was a release. It has come to us too ... *respected Members of Parliament*.

So, we have petitions from two major sections of the society and I think that this will be the real test of whether this Government is serious about the mandate they have to run the affairs of this country. Thank you very much, Mr Speaker. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Member Mr Odinga Lumumba

Mr Odinga N Lumumba: Mr Speaker, I rise to speak against the Motion, as presented by the Honourable Member of Parliament, Mrs Sheila Holder. There are so many Members on the other side. Before I make my statement, I would like to make a few comments, in particular as it relates to some of the previous speakers.

First of all, I am very happy today to speak frankly and some of the words and statements from the Members on the other side, I think were very good and gracious. The Opposition Leader, from his presentation today seems that he is on a very good course of ethics and that shows a lot of courage. I remember that in 1980 ... *[Interruption: 'You were a PNC Member' ... "Of course, I was"]* ... Something happened in 1980 and this nation did not get an opportunity. I am glad; I want to talk about it a little tonight. Casino gambling is a serious discourse and we have to make serious decisions and in this process we must respect everybody's opinion and we must respect the church and we must listen to the church and we must listen to every citizen. But I remember in 1980, every single right of the Guyanese citizens were violated and Mr Corbin and some of us were part

of that process. I was against that process [*Laughter*] and you said that I was against that process and would have been happy to hear in 1980 that when the rights of the Guyanese citizens were violated, that we should have asked for a national discourse and everyone knows what that was. [*Applause*] It was a right that constitutional changes that gave one man in the name of His Excellency then, Mr Forbes Burnham, all the power that the world could have given to one man and there was no national discourse. I am saying to you and I am glad today, that Mr Corbin has accepted the fact as Opposition Leader, that whenever we have major issues, there must be national discourse. But there was no greater opportunity then ... [*Interruption*]

Mr Robert HO Corbin: On a point of order, Mr Speaker, I am saying that the Honourable Member is inaccurate as far as I know. He may argue about the process and he may argue about the methodology or the creditability of it, but I do not think that anyone can say that there was not a referendum in 1978 in this country. [*Laughter*] Hold on. We are getting away with a lot of misinformation and too much of rewriting of history. [*Noisy Interruption*]

The Speaker: Let us have some order please.

Mr Robert HO Corbin: We may question the methodology and all of this, but there was consultation with even the trade union and they complained. At the end of it all, Mr Speaker, it is on record that the trade union commented, that some of their recommendations or most of it were not put in the 1980 Constitution. [*Interruption*]

The Speaker: Isn't this an abuse of his privilege, Sir?

Mr Robert HO Corbin: So, I am saying that it is wrong and incorrect to say that there were no consultations in 1978 or 1980. [*Noisy Interruption*] You could criticise the process.

Mr Odinga N Lumumba: Mr Speaker, all I am saying is that the most profound right of any human being is his right to choose and a right to say no. That right was taken away from every

single human being including animals in Guyana in 1980
[Applause] I am not saying today

that our approach is totally correct, but what I am saying today, is that at a minimum, we are having a public discourse in Parliament on the democratic rules and regulations as to where we are going. *[Applause]*

Mr Speaker, I am saying further, that as far as I know, this Government and the Members of this Government have never at any time denied the church the right to operate in this society. *[Applause]*

I will not be a Member of this Government, Mr Speaker, if at any time this Government denies the church the right to be equal with any citizen or any agency in this country. *[Applause]*

Mr Speaker, my friend, Mr Norton, spoke about casino gambling and its negatives. Casino gambling has not destroyed the Bahamas, it has not destroyed St Vincent, it has not destroyed Antigua and it has not destroyed Suriname. As a matter of fact, the quality of life in those countries is higher than in Guyana. Mr Speaker, people in Guyana are migrating to those countries. They are not migrating to Guyana, but this government has never said that casino gambling is the only way out and the only solution. This Government has never said so.

It is important that the Guyanese public understands that gaming activities, which includes horse tracks, dog tracks, lottery of various types, bingos and casinos are geared and can be geared towards the development of society. Lotto is a form of gambling, horseracing is a form of gambling and bingo is a form of gambling. Mr Speaker, my mother who lived in America for a number of years is a decent lady, nobody can question that and I know for a fact that every month that she and about forty elderly women used to go to Atlantic City have their fun and then return home. I know that there are Members across the floor, who have no problem with casino gambling. So, we need not be hypocritical in this discourse.

Mr Speaker, these activities I referred to are part of the Caribbean, the USA, Europe and the world at large. These activities are not new. I do not believe that these activities

require the type of studies suggested by the Honourable Member Mrs Holder and the other persons who spoke on behalf of her Motion. What is so peculiar about Guyana that makes us so different from a cow or the Bahamas? Mr Speaker, the Government respects the view of Honourable Member Mrs Holder and the church; therefore, we in the Government must approach this matter as part of a national economic development strategy. It is our position that casino gambling is just an arm of economic development. It is not the end; it is just an arm of economic development.

Mr Speaker, I would like to briefly focus on the studies and papers that were put together by Terrence Repond, from the Office of Institutional Research, Aldgate College:

Casino gambling has experienced dramatic growth in the United States during the past seven years. Because this growth has occurred recently, there have been few systematic studies of its effects ...

And that is very important.

During the last decade, annual industrial rates averaged nine percent and revenue passed \$10B. The source of this growth is both intensive and extensive. Casino gambling is but the latest growth wave in a series of gambling booms. Almost every State in the United States now allow some form of gambling activity, including lotteries, racing and bingos.

Casino gambling itself, can take many forms, including machine gaming, table gaming and State-controlled gaming. The variety of gaming forms complicates the task of identifying its impacts ...

We all will acknowledge that. Mr Speaker, it is very important that we search for knowledge when we do not have all at hand. The introduction and literary review raised numerous questions

about the regional, economic effects of gambling and this section attempts to answer,

Counties and countries are attracted to the casino development options, because they are experiencing economic problems and see it as a solution to their economic difficulties.

And I repeat,

Countries are attracted to the casino development option because they are experiencing economic problems and see it as a solution to their economic difficulties. Casino development is a good way to stimulate economic growth. New casino operations contribute to the growth of the state and local sector of the host countries and counties. Casinos result in fewer residents drawing on public assistance.

Fewer residents on the dole - fewer residents coming to the Ministry of Human Services and saying please give me some money; please give me a bag of food.

Casino development does not benefit necessarily other industries. Some types of casinos are more likely to stimulate economic growth than others.

The type of counties that receive casinos during the period of this analysis can be characterised as economically depressed. Generally, casino counties had poor economic fortune during the 1970s and the 1980s. A new baseline of 1987 has been selected in order to isolate the effect of casino counties, which began surfacing during the years 1989 to 1993.

Driving this overall effect was the service sector, which drew, nearly 100 percent.

Mr Speaker, for us to condemn this industry as a whole, will be to condemn 132 countries. I do not know where the Opposition

got this knowledge base that they are in a position to condemn 132 countries that are participants in some form of gaming activities. Let us, for example, Mr Speaker, note the following countries that are participants.

We have countries like:

- Singapore, which we can basically say is a hard-line Muslim country to some extent

- Caribbean countries such as:

 - the Bahamas

 - Antigua

 - Dominican Republic and

 - Curacao.

- Central American countries such as:

 - Costa Rica and

 - Panama

- South American countries such as:

 - Suriname

 - Ecuador

 - Argentina

 - Uruguay and

 - Venezuela

- European countries such as

 - Portugal

 - Belgium

 - Cyprus

 - Ireland

 - Poland

 - Finland

- France and
- Russia - the bastion of communism
- England, the home of the Anglican Church
- Italy, the home of the Pope
- Germany
- Africa
 - South Africa
 - Mozambique and
 - Zimbabwe
- North America
 - Canada; and
 - The United States.
- Asia
 - India, the home of over one billion people
 - South Korea
 - Nepal and
 - Macao.

Mr Speaker, there are over 4,300 individual centres that have implemented these activities, such as casinos, horse tracks, dog tracks and cruise ships. We like to quote North America, in particular the United States. North America seems to be leading the world and one tends to look at the United States when we want to address issues of modernisation and economic development strategy. Let us look at this:

- Canada, 122 centres for gaming;
- 6. Mexico, 3;
- 7. the United States 1600;
- 8. Africa 168;
- 9. Asia 198;

10. the Caribbean 115;
11. Central and South America 277;
12. Europe 1650; and
13. Oceanic 476.

Mr Speaker, well over 4000 centres in the world and Macao 450,000 - 60 kilometres.

It is clear that these activities for whatever reason, Sir, are now a focus of attention throughout the world as a mechanism of economic development. They are part of the worldwide private sector engine of growth. Mr Speaker, let me give you some more information and I think this information is necessary, because we do not need to behave like we are in the market, we need to really discuss the facts and have a serious debate and we should not deal with propaganda. The Government's position is that this is a part of our economic development strategy. This is a mechanism to move the poor to the middle class.

In 2005, here is the gaming revenue from eleven States of America - \$4.93B:

- Colorado \$101M;
- Illinois \$749M;
- Indiana \$777M;
- Iowa \$267M;
- Louisiana \$521M;
- Michigan \$331M and this is United States Dollars;
- Mississippi \$301M;
- Missouri \$430M;
- Nevada \$952M; and
- New Jersey \$490M.

Mr Speaker, let me say this. Here are some statistics concerning employment in the commercial casino segment of the gaming industry of the United States. Commercial casinos provided

direct employment for over 354,000 persons and generated an additional 450,000 jobs in related business. So, we cannot be narrow-minded. It is not about these casinos. It is about the spin-off. It is about the indirect jobs. It is about the amount of people that will come to the airport. It is about the departure taxes. It is about the taxi services. It is about the same poor people that we are concerned about, including the PNCR-1G, who will elevate themselves and have access to more income. During the past decade, the casino workforce has increased more than seventy-nine percent from 198,000 to 354,000 to 1990. This is the reality of casinos. This is the reality of the gaming industry.

Mr Speaker, allow me to present a little bit more information. Let us talk about US\$1B coming to Guyana. I want the Opposition Leader to think what it means in terms of improving our sea defence system. What does it mean for hydro development? What does it mean for a fight against the deadly disease HIV/AIDS? What does it mean for our security service? What does it mean for low-income housing development?

Mr Speaker, if we had more money we would have given all of Sophia lights and water. Mr Corbin knows that in his time the people in Sophia were left in the mud. We came and brought lights and water, but with US\$1B, how much more would we be able to do. These realities worldwide do not need studies. We are not unique.

Mr Speaker, allow me to continue my response to Member of Parliament, Mrs Holder, who is a good and noble Guyanese and I do not want to detract from the fact that she is serious about her presentation. Mr Speaker, the spread of casinos and the role in tourist development ... There is an article by William Ellington and I would like to quote:

Casino gaming industries in many countries have experienced substantial growth and expansion in the 1990s, much has been a direct result of explicit strategies adopted by States, provincial or national governments, which believes that casinos can be an important

catalyst in creating or otherwise stimulating growth and tourism within the borders.

However, the success of a growth surge in tourism does have some mixed views. The actual impact on casino development as it contributes to tourism has been dependent on a variety of circumstances. The form of legal gambling that is most associated with tourism is casino gaming. Other popular forms of gambling, such as lotteries, races, charitable gambling, et cetera do provide some input for the local markets.

In terms of the future of casino gambling, Mr Ellington said:

In terms of public perception, casinos have quickly been transferred from dens of inequity to major catalysts for addressing a wide variety of economic concerns. With the exception of Asia, most regions of the world have softened their stance on prohibitions against casino gambling and have instead attempted to use casinos to address various economic objectives, including tourism development, economic development, tax revenue generation, job creation, et cetera.

Mr Speaker, I can go on and on, but that is not important here, tonight. What is important here tonight is to understand that this Government will stop at nothing to ensure that the Guyanese public have a better quality of life. [Applause] Unlike what the Opposition may want to say, we are not recklessly going down the road of casino gambling. We are not reckless. People talked about money laundering. Money laundering is all over the world. The great noble America with all of its resources, there is still money laundering in America, so it is in England, in Europe and in Russia. Show me the country in the world where there is no money-laundering. Show me the country in the world that does not have crime.

The question is, Mr Speaker, is that the Opposition has failed with any form of empirical evidence to show us that casino gambling, in one, two or three casinos in Guyana will increase

crime. The crime wave that we went through recently was not based on casino gambling. Where was the casino last year and the year before, and the year before? What are we talking about on casino gambling and crime? So, Mr Speaker, I am not going to stand here and say that crime will not be a problem. We do not know. But I believe that we have learned enough and we can reach from the experiences of other countries and we can learn how they function in other countries and put systems in place to ensure that the casino licence will be not be abused. I ask the Opposition not to condemn, but to work with us to see how we can implement a strategy that is geared towards moving the poor from the beggar-line; a strategy that will ensure that thousands more Guyanese can build their own homes.

As for the church, it is important even though we disagree on this issue that we continue to work with the church. The PPP/C has been a historical friend of the church. The PPP/C is not a just friend of the church and history will show that during the struggle of freedom and liberty in Guyana, the church should clearly state which side the Government was on and which side the other folks on the other side was on. Thank you. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Member Mrs Holder

Mrs Sheila VA Holder: As I anticipated, Mr Speaker, this debate did not disappoint in the extent to which it has been contentious. As indicated in my presentation, earlier this evening, I anticipated that the government benches would have rejected the proposals advanced in the Motion. It has been predictable.

Mr Speaker, the Honourable Member, General Secretary of the governing political party sits there and declares that it is senseless for us to have advocated a study to ascertain whether or not what they are proposing to introduce in this country, in the form of casino gambling will bring with it the deleterious consequences that we know exist in other jurisdictions. The fact that the Honourable Member dares to sit there and blatantly

make such a statement, suggests something that I think we must all take under consideration this evening. I think as the Honourable Leader of the Opposition indicated earlier this evening, that we have witnessed here this evening, a level of arrogance from the governing political party that suggests that their will should be done. I want to point out this evening, that there is a bigger power, the God Almighty who may very well wreak his wrath upon you.

I want to warn you this evening that you are dealing with that which you know very little and I want to caution you not to move into a realm that you have very little knowledge, because you are tampering with a force far more powerful than yours.

Mr Speaker, this evening I sat and I listened with some degree of concern to the arguments that were advanced, about a request that in normal circumstances would have been seen as reasonable, because all the Motion seeks to do is to ascertain to what extent, that which we have been told this evening from the Government benches have merit. The fact that there is a fear associated with this request suggests to me that they may very well know that there is reason to doubt that there could be presented in a study, scientific and academic that will support that which they tell us here, this evening. Had they indicated a willingness to go the route of commissioning a study, one would have concluded with some amount of reasonableness, some amount logic and some amount of perhaps support for that which they have sought to advance here this evening, but that was not to be.

Mr Speaker, we had a census conducted in this country in 2002 that indicated that in this population of just about 725,000 people, over ninety percent declared that they were members of one of the major religious communities in this society and yet, we have here this evening, witnessed that the Government benches have sought to some extent to dismiss the religious community that has advised the Members of this Assembly to heed their warning. Mr Speaker, the warning in the letter presented to me by the Central Islamic Organisation of Guyana, stated:

It is our view that this decision was taken without adequate consultation and it is not reflective of the views of the vast majority of God fearing and/or otherwise morally-conscious Guyanese, Muslims or not.

Mr Speaker, I have been advised, by I believe the Honourable Member, Dr Fox and by her colleague Member, Honourable Member, Mohamed Ali that she has conducted a study and that rather than waste the time of the academics at the University of Guyana, we should seek to take on the advisement that which Dr Fox has done. Well, I hope that that study will be made available to the Opposition Members of this Assembly.

I am surprised that even though it exists none of the Members of the Government benches have sought to quote from it extensively to enhance the arguments that they have advanced here this evening against the Motion and against a study.

Before concluding, I believe that I have a responsibility to respond to one aspect of the comments made by Honourable Member Mr Rohee, who referred to the need, he said of good governance and he said very specifically that good governance should not be seen through the prism of one section of the society and he went on to say that he perceived a threat from religious community, with respect to national security for what I believe was contained in this letter from the Central Islamic Organisation of Guyana. Those comments to some extent were assuaged by his colleagues, particularly the Honourable Member Mr Lumumba, who sought just now to reassure Members of this House and representatives of the religious community that the Government continues to exhibit respect for sections of the religious community. [*Interruption: 'All section's*] ... all sections of the religious communities ... I want to express appreciation for those reassurances, because without a doubt, the comments by his colleagues were not interpreted in the manner in which he sought to explain. So, we are happy to hear that our fears were unfounded.

Mr Speaker, another comment made by Dr Fox, that it will bring more of tourism and that tourism will benefit from the

introduction of casino gambling and yet there was no consultation done with the tourism authority. I want to make the point that unless you are prepared to submit hard evidence about the value and the quantum of benefits to be derived, you open the door for disbelief and for these arguments to be refuted and that so far, you have failed to do. I understand as well that some of the arguments advanced suggest that the resolution clauses specifying that specific studies should ascertain how prudent and how worthy were the suggestions proposed to exclude Guyanese from casino gambling and the Honourable Member from this side of the House, Mr Norton suggested that I may have moved in an incorrect direction by not recognising the unconstitutionality of the proposal made by His Excellency the President.

Well, from my perspective, I believe that it was not for me to so suggest, but to leave it to those who were doing the impact study to so say and I believe that were that study to be approved, such a comment may have indeed been forthcoming from those in the University of Guyana.

Mr Speaker, in closing, I just want to make this point that the administration must come to realise that even though it has a majority in this House and that it can, with its majority vote down motions of this sort, they have a responsibility enshrined in our Constitution to do a little more than that. Article 15 of the Constitution that is not very often quoted requires the goal of economic development and it says:

... includes the objective of laying the material basis for the greater possible satisfaction of the peoples growing material, cultural and intellectual requirements, as well as the diametrically stable development of their personality, creativity, entrepreneurial skills and cooperative relations in a plural society. The State shall intervene to mitigate any deleterious effects of competition on individuals or groups of individuals.

I want to rest my case by submitting that you have not given us much encouragement that you understand the whole force of this Article of the Constitution. I thank you. *[Applause]*

The Speaker: Thank you Honourable Member.

Hon Samuel AA Hinds: Mr Speaker, I would like under Standing Order No. 39.2 here, to say a few words on behalf of the Government.

The Speaker: Yes, you can.

Hon Samuel AA Hinds: The accusation has been made that the Government is acting arrogantly. I would like to deny that. I would like to maintain that the Government is respectful of the opinions of all of our religious people - Christian, Hindu, Muslim and other civic groups. I would like to point out, as Honourable Member Mr Corbin allowed that there is very much information available. There are many reports and studies already available and as he himself allowed and as a Member on our side had said, one can use the same studies and the same reports to support different positions on this question. So, bearing that in mind, it is for that reason that we do not accept that it would be helpful to pursue the proposal from the Honourable Member Holder. Our belief is that it would take more than three months, as the Honourable Member, himself suggested and we think that it would bring us to the same inconclusive point, either way. We should take on board the representation by the Honourable Member Mr Irfaan Ali, who I think showed that in a pretty strict and moral society in Singapore - accepted to be strict and moral - that they considered the question too, as adding to their tourism development and adding to their total economic possibilities. They considered this question a number of times and on the third time there, they accepted it and they are proceeding. Recently, we saw in various places the construction that they will be putting up to develop a significant gaming area which would add to the attractiveness of their tourism product.

So, Mr Speaker, that is our position. Indeed, we take a very pragmatic and practical approach.

We recall all the arguments, put forward at the time of introducing the lottery into Guyana and we are thankful that as far as we know, many of the dangers that were spoken about then have not been realised. We expect that as we go forward and try to bring here in Guyana developments in tourism and create the many new jobs for our people, we believe that we ought to go ahead and make sure that it works for us. We think that on this matter, where people have such ingrained and fundamental positions, that discussing and consulting for a very long time is hardly helpful. The fact that Honourable Member over there could have spoken about this matter, over a year ago and could have spoken in such great detail seems to suggest that he was privy to some sort of information and I hope that they came openly and that he was successful. It was not a matter of him obtaining information by some unlawful routes from what we on this side, as the Government may have been thinking. I think that if we just go back, these things were discussed by the President himself. They were introduced into our country a year ago and I think Mr Da Silva here and in one of the printouts that the Honourable Member Mr Rohee has here, there is reference to a statement made by Mr Da Silva on considering introducing casino legislation in Guyana to add to our tourism product.

So, Mr Speaker, on behalf of the Government's side, I would like to deny without any reservation, the charge that we are acting arrogantly. We are acting in a practical and pragmatic manner and we are acting in a manner to minimize the duration of bitterness and angry confrontation. We believe that once we get through this and we get on with it, it will be like the lottery. It will be put into place and all those who are concerned about the dangers, we want them to join with us to be alert to the dangers and help us to prevent such dangers happening in Guyana. With this, Mr Speaker, I thank you for allowing me to reply.
[Applause]

The Speaker: Thank you Honourable Member.

Question put and not carried.

Motion negatived

Honourable Members, we can now move on to the next Motion.

5. THE GUYANA FIDUCIARY OVERSIGHT PROJECT

WHEREAS The Guyana Fiduciary Oversight Project Final Framework and Guidelines report, Volume 2, has recommended at component 6 of its recommendations that, 'Parliament should employ its own staff, and the Speaker should appoint the Clerk of the House after consultation with all parties';

AND WHEREAS the same recommendation is contained in the Sir Michael Davies Report, Commonwealth Senior Parliamentary Staff Advisor, entitled 'Needs Assessment of the Guyana National Assembly';

AND WHEREAS the Government signalled its acceptance of these recommendations in the 2005 Draft Poverty Reduction Report released on the 21st June, 2005;

AND WHEREAS the basis of these recommendations is the need for Parliament to be fully independent of the Executive; that the Clerk has no concerns for his employment position, and in turn the Clerk should become the employer of Staff in the Parliamentary

precincts and ensure that they are free of political influence;

NOW THEREFORE BE IT RESOLVED:

That a Special Select Committee be appointed to examine this recommendation with a view to advising the National Assembly on the steps to be undertaken by the Government to enable the Clerk to become the employing authority of the Staff of the Parliament Office;

AND BE IT FURTHER RESOLVED:

That the Committee examine the present constitutional arrangement for the appointment of the Clerk and advise the National Assembly whether there is need for a change and what change that should be;

AND BE IT FURTHER RESOLVED:

That the Special Select Committee submit its final report three months after its appointment

The Honourable Member Mr Everall Franklin; you may now proceed

Mr Everall N Franklin: Mr Speaker, I rise to present the Motion entitled Guyana Fiduciary Oversight Project. This Motion seeks to strengthen democracy in general by creating real conditions for the separation of powers between the Executive and Parliament, which to my mind is of utmost importance in any democracy, but in particular very young ones such as ours. The supreme organs of democratic powers stated in Chapter 5 of the Constitution are as follows:

- Parliament;
- The President; and
- Cabinet.

In order that democratic power is effectively used, each organ must be supported by well-trained, efficient and motivated staff. Allow me to quote from the President's Address to this Ninth Parliament:

Not only does your office bestow a great prestige, but it also carries enormous responsibilities. I encourage all of you to be faithful to the timeless principle of service and to be detached from ambitions of power and trappings of office. I urge you to execute your duties with pride, simplicity and integrity and to find in this service a higher calling. There can be no greater honour than to be called to the service of ones country. This privilege is magnified when elected to the Nations' highest deliberative and decision-making forum. I am confident that through your conduct and deportment in this Chamber, you will bring dignity and respect, not only to your office, but also by extension to this Ninth Parliament of Guyana.

Pride, integrity, service, honour, privilege, dignity and respect are some of the key words found in the above quote. These are apt descriptions and attributes, which ought to be synonymous with all who make up this Ninth Parliament, but especially parliamentary staff. It cannot be sufficient to agree to changes in the way we manage our affairs and then sit back and do nothing to advance agreed changes. The pursuit of democracy then becomes illusive and I daresay, its achievements impossible.

There are often boasts about the progressiveness of our present Constitution, which in many ways has improve and contains a framework for meaningful engagement in dealing with national affairs.

However, a framework is useless unless we have the courage to actually build according to the plan set out by such framework. Far too often we await a blessing of our friends abroad - donor agencies, consultants, special advisers and the list could go on and on. I too am guilty of presenting findings of such helpers in this Motion, but from my very short presence in this House, I may have thought that it was standard procedure in getting the other side of the House to actually listen to what one had to say.

Though I welcome all the help we can get, I am strongly of the view that if the progress of this country along with the improvement of the quality of life for its citizens is a primary objective, of those of us sitting here, then collectively we must recognise which changes are needed for us to actually progress, even if by one step at a time.

The best-designed framework for the mansion of a better Guyana will mean absolutely nothing if the builders are not given the tools to construct what is required in this 21st Century. Therefore, it is imperative that the Parliament should be accorded the status and space to truly support and further the democracy, which this Nation deserves. I am aware that Government accepted the recommendation stated in this Motion in the 2005 Draft Poverty Reduction Report, released on 21 June, 2005 and can assume that since the campaign began long before that date, time may have been precious and consideration for other important matters had to take a back bench - no pun intended. But, the effective functioning of a State, to me, is of the utmost importance and cannot wait any longer. We must redirect our views towards the mechanisms, which are in place for us to better examine the affairs of Government and state, such as the Parliamentary Committees and must strive to be efficient in dealing with matters that are of enormous importance regarding the governance of this Nation. This can only be achieved if the necessary support staff is trained and motivated to go beyond the call of duty and make a career out of the work they now perform. We must create the conditions where a career in Parliament truly becomes a privilege and is sought after by our young graduates from our highest institutions of learning. Issues that could make or break us are the ones that stare us in the face and we often opt

to leave them languishing in committees, which hardly ever met, so I am told. The time has come for us to be serious ... *[Interruption: 'Who tell you that?...' "I will tell you later"]* about a better Guyana, mature politics and a much-touted trust.

To achieve the above noble aims beginning in Parliament, the support staff with the required training, exposure and means cannot any longer be ignored. Tremendous quality can be brought to the work of this Assembly, be it in committees or in debates, with the necessary research and investigative capacity in place. This Motion seeks to accelerate the process of achieving such capacity.

To summarise, Parliament should employ its own staff and be fully independent of the Executive. The de-linking of the Parliamentary staff from the public service would protect the staff from political influence of the Executive. It goes to follow that Parliament would have its own budget to be administered by the Parliament in such a manner that conforms with standard forms of financial accountability. Government authority to spend comes from Parliament, thus it would seem logical that Parliament should not be treated like other Government departments. The Clerk should have no concerns for his employment position. The effectiveness of Parliament depends; not only on its Members, but probably more so, on an assured Clerk who is fearless when giving advice. He or she should not be concerned whether or not a Member, especially those from the Government side agrees with his recommendations or directions as it relates to the rules governing Parliament.

The Clerk should become the employer of staff in the Parliamentary precincts. Discipline, along with staff welfare should be managed by the Clerk and persons working in Parliament must understand that their tenure must and will be under scrutiny and review. The Clerk must ensure that they, the staff are free of political influence. There must be no confusion as to the integrity of the Parliamentary staff, with regard to their impartiality. The Clerk must ensure that staff does not indulge in any form of party politics. The Parliamentary staff must be developed into a professional group of individuals, serving each

and every Member of Parliament with assured dignity and confidence.

Appointment of a Special Select Committee would examine this recommendation with a view to advise the Assembly on the part necessary to enable the Clerk to become the employing authority of parliamentary staff. The Committee will also examine the present constitutional arrangements for appointing the Clerk with a view to advise the Assembly on any required changes and report its findings within ninety days.

I trust that Honourable Members will support this motion in its entirety. Thank you. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Minister of Health

Hon Dr Leslie S Ramsammy: Mr Speaker, it is late in the night and I want to start a very short address by assuring the Honourable Member, that he is a Member of a National Assembly that function very differently from a National Assembly of a previous era. So, I am in a position to tell the House that we on this side support this Motion and we would support sending this specific recommendation to a Special Select Committee.

Mr Speaker, this is one of seventy-nine recommendations that another Special Select Committee - a Special Select Committee on Needs Assessment - which was established, I think on 27 October, 2005 to consider the recommendations of the so-called Davies Report. The Needs Assessment Report was done in Parliament and thirty-eight recommendations emanated from that report and subsequently on 15 December, 2005, the National Assembly mandated that Special Select Committee to look at forty-one recommendations that were contained in the Guyana Fiduciary Oversight Report or the so-called Bradford Report. Recommendation No.6 in fact, referred to the staffing of the Parliament.. The Special Select Committee on Needs

Assessment, in fact, completed a number of the recommendations and made recommendations on implementation and indeed, the new Standing Order, the Ninth Parliament is using as a result of the work of that Special Select Committee.

The constitutional and democratic regimes under which we operate have been changing since 1992 and no one can doubt that we operate under different regimes and as we go, we are strengthening our Parliament and we are strengthening the democratic institutions and I can actually itemise all the things we have done. The Eight Parliament was an entirely different Parliament with sector committees and so on and the Ninth one is operating on even more improvements. We are consolidating our democracy. We are not perfect yet, but we are consolidating that democracy. One of the things we could not determine during that Special Select Committee was exactly how we deal with this recommendation. So, the Special Select Committee agreed that we would refer this recommendation to the Parliamentary Management Committee.

We on this side of the House have no objections for the Ninth Parliament to say, well, we are going to bring it back to a Special Select Committee and we on this side of the House will work in such a Special Select Committee to bring it to a conclusion in terms of this recommendation.

So, Mr Speaker, at this late hour, I want to use this opportunity to show that we work in a different Parliament. It is a participatory Parliament, a participatory democracy that we are working with and we will not agree at all times, but on this Motion we do agree. So, Mr Speaker, I give my support. *[Applause]*

The Speaker: Thank you, Honourable Member.

The Honourable Member, Mrs Volda Lawrence.

Mrs Volda A Lawrence: Mr Speaker, I rise on behalf of the Peoples National Congress Reform - One Guyana in support of the Motion.

Both the Bradford Guyana Fiduciary Oversight Project Financial Framework and Guidelines Report and Sir Michael Davies Needs Assessment Report, emphasized the need for Parliament to employ its own staff and that the Speaker should appoint the Clerk of the National Assembly after consultation with all parties. These reports point out that the basic tenet of Parliamentary independence is the ability of the House to determine, who its staff is? The reports also pointed out that Article 57 of the Constitution, which provides for the appointment of the Clerk by the President on advise of the Speaker is unhealthy for the separation of powers and that Article 158 No.4, which puts the emoluments of the Clerk and Deputy Clerk effectively in the hands of the Executive also makes of little or no import the separation of power.

With respect to the employment of staff, they had recommended that the final authority should be the National Assembly and no doubt through a board or commission. Mr Speaker, since the Government has signalled its acceptance of these recommendations, in the 2005 Draft Poverty Reduction Strategy Progress Report, which was released on 21 June, 2005, there should be no difficulty in the implementation of these recommendations. I recall that these reports had been referred to a Special Select Committee in the last session of the Eighth Parliament. That Committee recommended that the National Assembly should refer the employment of the Parliamentary Staff to the Parliamentary Management Committee for its attention. On appearing before this Special Select Committee on 13 March, 2006, you, Mr Speaker, advised them that you had recognised through one of its report - an interim report - that it had referred a number of issues to the Parliamentary Management Committee, which you felt were outside of the PMC's purview. You cautioned the Special Select Committee about the need to fully understand the role of the PMC with a view to determine what matters were to be referred to it.

You went further, Sir, to drive home the point that the role of the PMC was to administer the business of the National Assembly and not that of Parliament Office. You were right, Sir, because what is needed to be done in respect of this recommendation

emanating from the two reports of the consultants is exactly what the Honourable Member Mr Franklin's Motion is seeking to have done at this stage.

Mr Speaker, there are various models which could be followed to create an independent body with respect to the employment of Parliament Office Staff. In passing, I just have to mention our own Audit Office. When we speak of the staff serving this Assembly, let us look at how aptly Phillip Marsden described the Parliamentary Staff serving the House of Commons in the United Kingdom and I quote:

The Staff which serves the House of Commons within the Palace of Westminster are not answerable in any way to the government of the day, nor are they appointed by politicians or political organisations. If they were, their usefulness would disappear overnight. They are servants of the House and it is this long-preserved independence from political control that has endowed them with their own special value to the smooth running of the machinery of government. Within the Palace precincts they are rigidly, almost religiously non-political. Whatever the complexion of the government in office, the House can be certain of receiving that completely impartial and professionally expert service for which its officers enjoy a reputation second to none and upon which all Members can and do rely on unhesitatingly regardless of party affiliation, religious distinction or personal differences of temperaments, because these officials are servants of the House and have not to rely on political patronage, either for their appointment or for their continuation in office. They are able to devote the whole of their lives to their task and to develop their individual capacities to a very high standard of professionalism.

Mr Speaker, I recommend that in the interest of our own Parliament and its independence, we pay heed to this description. When we speak of the independence of Parliament, we must look at its staff, which is its secretariat and I posit the following:

- (i) The Parliament Secretariat must not be under the administrative control of any Ministry or body outside of the Parliament;
- (ii) Salaries and allowances of officers and staff of the Parliament Secretariat must be a charge expenditure upon the Consolidated Fund of Guyana;
- (iii) Budget of the Parliament's Secretariat must be finally approved by the Speaker who obtains the advice of a Parliament Secretariat Commission or Board on it, before forwarding the same to the Ministry of Finance for its incorporation in the National Annual Budget. The Minister of Finance must not scrutinise the Budget of the Parliament Secretariat, as it does in the case of budgets of other Ministries;
- (iv) There should be provided in a Parliament Secretariat Act, a five member Parliament Secretariat Commission or Board, with the Speaker as its Chairman and four other members of the commission. A member of the commission can nominate a MP to represent him or her in the commission;
- (v) The Commission must have advisory functions in respect of determination of the strength of officers and staff of the Parliament Secretariat. Increase and decrease in their numbers, creation and abolition of posts, preparation of annual budget and expenditure of money provided in the budget, et cetera;
- (vi) The Speaker must be invested with all administrative and financial powers of the

Secretariat and be made accountable to Parliament in respect of all works done by the Parliament Secretariat; and lastly,

- (vii) The Act must specify the duties and responsibilities of the Parliament Secretariat. The Act must also provide that Parliament Secretariat, shall be constituted with officers and staff recruited according to procedures prescribed by rules. The Clerk of the National Assembly will be responsible to the Speaker for proper performance of functioning by the Secretariat.

On the appointment of the Clerk, Mr Speaker, the Parliament Secretariat may be described as a professional public service structure of officers and staff headed by the Clerk of the National Assembly. The Clerk or if you wish call him or her, the secretary of any legislator is an important functionary of in the Parliament arena. At most national levels, legislators in Asia, including those in India, Pakistan, Sri Lanka and Nepal and some in Europe designates him or her as Secretary-General, while we in the Commonwealth of Nations prefer to call them the Clerk of the House.

While the principal function of the Clerk of the National Assembly, like his counterparts in other legislators is to assist and advise the Speaker in the matter of exercise of powers and functions belonging to him under the Constitution and Standing Orders. Mr Speaker, it must be looked at in the context that a large number of his parliamentary functions are laid down in the Standing Orders, but there are many others emanating from the practices and conventions.

Mr Speaker, the first two functions should not be looked at and they should be that he works as the Secretary to the Parliament and he works as the Secretary to Parliamentary Committees, but above all, the functions must also incorporate administrative activities. According to the report of the Special Select Committee on the appointment of the Clerk, the Committee has failed to reach a consensus and its recommending that the

National Assembly refers the recommendation to the Standing Committee for Constitutional Reform stating the two positions of the Committee. Some Members were inclined to accept the recommendations while some Members favoured that appointments he made by the National Assembly.

Our position today, Mr Speaker, is that the National Assembly through its Speaker appoints the Clerk of the National Assembly and the Deputy Clerk of the National Assembly, as recommended by the consultants. Thank you. *[Applause]*

The Speaker: Thank you Honourable Member.

The Honourable Minister of Labour

Hon Manzoor Nadir: Sorry, Mr Speaker. I decline.

The Speaker: The Honourable Member, Sheila Holder

Mrs Sheila VA Holder: Mr Speaker, on behalf of the Alliance For Change, I would like to offer our admiration of the Honourable Member Mr Franklin for being astute enough in proposing this Motion, because I believe it would have been very difficult for the Government to refuse to support it; because in fact, it was the Government who commissioned and accepted the Fiduciary Oversight Project prepared by the Bradford and Associates Consultancy Firm. Government has in fact also gone down in the records as supporting the principle of separation of powers, which the Constitution obliges them to do and which the international covenants and agreements, signed and ratified by them would also require, such as the Inter-American Development Democratic Charter of Organisations of American States.

So, what the Motion really does is simply identify a parliamentary process for implementation of the agreed recommendations pertaining to the National Assembly. There exists, Mr Speaker, substantial evidence that shows linkages between open and transparent governments, linkages between open and transparent private sector processes and that of

improved social and economic outcomes. There are others of course, that are well known, between empowered and informed voters who understand the importance of changing governments from time to time to enhance contest between political parties to bring about higher economic growth and greater political stability through fair electoral processes. The Alliance for Change is encouraged by the maturity demonstrated by the Guyanese electorate in this regard in the last elections.

Mr Speaker, it is therefore appropriate that a Special Select Committee of the Assembly be asked to examine the recommendations made in the Bradford Report.

It is also important that it should bring into affect the implementation schedule that the consulting firm devised with the Government.

It is also important to offer advice on steps in the Select Committee what Government should do to enable the Parliament, through the Clerk to become the employing authority of parliamentary staff.

It is the first weakness; I believe that was identified by Sir Michael Davies when he visited.

Mr Speaker, I think at this late hour, it is wholly appropriate that the Assembly should close agreeing on this Motion. I thank you. *[Applause]*

The Speaker: I have several other names listed. Are there any other speakers, except Mr Franklin to respond? *[Pause]* No.

The Honourable Member Mr Franklin

Mr Everall N Franklin: Mr Speaker, Honourable Members, I thank you for your support in this Motion and look forward to working assiduously in getting a lot of what is necessary done as quickly as possible. Thank you. *[Applause]*

Question put and agreed to.

Motion carried

Motion Committed to a Special Select Committee

Honourable Members, we now have an unusual procedure, which is reflected in our new Standing Orders. This concludes our business for today, save and except one item. So, I will now ask the Prime Minister at this stage to move the adjournment of the Assembly. Please bear with me. Will you please move the adjournment of the Assembly?

Hon Samuel AA Hinds: Mr Speaker, I rise to move that this Assembly be adjourned to next Friday 19 January.

The Speaker: Thank you.

23:27H

Assembly Adjourned.

Honourable Members, there is a new provision under our Standing Orders, that is Standing Order No.11(4) which permits *a debate to take place on any matter for which a Minister has responsibility and which may be raised by a Member, who has obtained the right to raise the matter.* Mr Robert Corbin has obtained the right to raise a matter and at the end of his presentation, the Minister responsible for the matter shall reply. Under the Standing Orders, the Member who has obtained the right to raise the matter on the adjournment and the Minister who is replying shall each be entitled to address the Assembly for fifteen minutes and this time shall not be extended.

The Honourable Member, Mr Robert Corbin, you may now proceed.

Announced Sale by IAM Gold of its seventy percent shares in OMAI Bauxite Operation to the Chinese Company BOSAI

Mr Robert HO Corbin: Thank you Mr Speaker. I guess in time, we will get used to this new rule.

On 21 December, last, I have sought leave in vain to have the Assembly adjourned on a matter of urgent public importance to discuss and announce the impending sale of IAM Gold of a

seventy percent share in OMAI Bauxite Mines Inc, the successor company to LINMINE to BOSAI Mineral Group, a Chinese company.

The significance of the bauxite industry in Guyana is not unknown and its importance to the economic survival of Linden cannot be overemphasized. The world knows that Linden has been a depressed town for a number of years and the promised Economic Advancement Programme for the town with the assistance of the EEC through LEAP and LEAF are yet to be realised. Indeed, instead of advancement it is known that in the town of Linden today, the community remains somewhat depressed. Unemployment and lack of employment opportunities are still present and there is some old information at my disposal - an astronomical rise in the incidence of HIV/AIDS and I suspect that the Minister may be aware of this in the Linden town; serious decline of standards and the rise in poverty - all synonymous with what is now Linden and indeed which is contrary to its old reputation. The workforce has dwindled at the Bauxite industry over the period of time and indeed just two months before the elections, the entire workforce was laid off for some two months and had to be rescued by the National Treasury, where a pay-out of I think, \$25,000 a month and the people of Guyana had to come to the rescue of the workers of Linden.

It is in this context, Mr Speaker, that I believe that any matter which affects the bauxite industry, particularly if it is changing hands to an unknown entity and the people of Guyana are not alerted, it raises some alarm signals, having regard to the history of dealing with the disposal of the company in the past and the preservation of the rights of workers, in particular.

Mr Speaker, IAM Gold on 19 December announced in Canada not in Guyana that it has entered into an agreement with BOSAI for the sale of its interest of OBMI and OMAI Services Inc, for a transaction value of approximately \$46M, including the assumption of \$18M third-party debt. This was not just hearsay. This was an official release that I saw from the company release posted on their website and on several mineral companies' websites around the world. Yahoo News had it on their news

page and CCN Matthews on 19 December, this is a Toronto report. It had this to say in the report and I would like to quote from what that newspaper said on 19 December, because the Parliament met, I think, on the 21 December. On the 19 December, this is what the paper said:

...IAM Gold is pleased to announce that it has entered into an agreement with BOSAI Minerals Limited for the sale of its interest in OMAI Bauxite Mining Inc. for a transaction value of approximately \$46M.

It goes on to say, and this is what I would like to emphasize.

Under the terms of the agreement, the effective date of the transaction will be 31 December, 2006. Subsequently to a confirmatory review of the assets by BOSAI Minerals, IAM Gold will receive consideration of approximately \$28M in cash from BOSAI Minerals, subject to working capital and other adjustments.

Kaieteur News of 20 December 2006, had this to say, after reporting on the fact of this and all of this is before the last Parliament.

Contacted last evening, the Prime Minister Samuel Hinds, who has responsibility for the Mining Sector said that he had not seen any communication to suggest that a deal had been reached. He added, however, that a take over by BOSAI Minerals is not unusual.

On Saturday, 30 December 2006, we had most surprising news in the Stabroek News. This is what the Stabroek News reported on Saturday, 30 December.

The sale of OMAI Bauxite Inc, OBMI by IAM Gold to BOSAI Mineral Group Company Ltd. is not a done deal, President Jagdeo said on Thursday...

And he goes on to say:

We have broad information about what the deal is...

the President said,

... but the details will still have to come to us.

This is a little further down:

Head of the Privatisation Unit, Mr Brassington who is integrally involved in the original deal to sell the seventy percent stakes of CAMBIOR, was unavailable for comment

And this is reported by AFP on the 21 December, as follows:

Guyana's President, Bharat Jagdeo, expressed concern that government was 'in the dark' about a \$46M buyout by China BOSAI Minerals Group of a seventy percent share in a bauxite company controlled by Canada's IAM Gold. Jagdeo said that his administration will not recognise the deal because the Government, which holds the remaining thirty percent in OMAI Bauxite Mining Corporated was not consulted.

This is AFP on 21 December. He went on to say that -

Prime Minister Samuel Hinds, who is responsible for the mining sector had written OBMI and BOSAI Minerals Group, but has not yet received any response.

Well, Mr Speaker, if all that is reported in the newspapers is coming from those persons, who are responsible for the management of our bauxite interests. It begs the question whether the Government of Guyana is really the regulatory authority referred to by OMAI IAM Gold in their release; or more importantly, whether we are still a 30-percent shareholder of this company. The facts, however, are that on the 8 December, 2004, the Official Gazette ... and I have a copy of it - No.145 of 2004, published Order No. 32/2004 made under the Public Corporations Act in 1988 and it is cited as the Linden Mining Enterprise Limited Transfer of Assets Order 2004. That Order listed in the First and Second Schedules the assets

transferred to the new company OBMI. It makes interesting reading of the matters in that Order. Time does not permit me to deal with the details but the fact is that here, in the Official Gazette, the nation was notified that in effect, all of the existing assets of the then LINMINE were valued at US \$5, 223,208 or the equivalent of thirty percent share in the new company. CAMBIOR's seventy percent was valued at US \$12M. I do not want to deal with this aspect of valuation, because I had attempted to get the details in a letter two years ago from the Prime Minister and did not get really the information I required then. I had to use other means to get it. I know the Government will claim that that valuation was done acting on the advice of Deloitte and Touché, a valuation dated 19 October, 2004.

The point is relevant, however, to the claim that CAMBIOR paid \$5M in cash for this company. I have pursued several documents, I spent two nights looking at them and I am yet to see the Government receiving a single cent for the sale of the company. What I did see was a document dated 8 December 2004, purporting to be a receipt of \$5M by OBMI from CAMBIOR, pursuant to Clause 32 (a) of the Agreement for the LINMINE restructuring Project, which in fact ... Well, that was dated 6 June 2002 and in effect it said that that money was to be paid into the new company.

So, in effect, it is not that the people of Guyana received any funds of the investment by this company into the Bauxite Industry. What in fact happened is that the seventy percent owner had put in \$5M in a company in which he had seventy percent. So, really you had to pro-rate that when you say that the company paid that. It is relevant also for this Agreement for which, the company has maybe made a windfall profit.

It should be noted too, that in those agreements, there were provisions made for waiver of taxes, waiver of royalties for a number of years and let me say that I am not challenging the necessity of these incentives for investment companies or to attract investment to Guyana. In fact, I think the PNCR-IG can claim credit for having led the way in this direction and providing the necessary incentives for companies such as Telecoms and so on to be here.

Mr Speaker, it is relevant to say that the Company when they took over took certain undertakings and that is the only part I really would like to ... What was the understanding when this company took over? I would like to quickly look at what is referred to as the Shareholders Agreement, as to what the seventy company should have done according to this shareholder. I am reading from Article 2 of it and it says,

The mutual objectives of the shareholders among other things are:

- 14. to provide for the restructuring,, rehabilitation and development of the Linden Bauxite Operations in a manner that will lead to commercial sustainability of the bauxite industry to the Linden region;*
- 15. to operate a company in a profitable manner in accordance with the business plan;*
 - to expand production lines of the Linden Bauxite Operations in particular, its refractory and metalurgical grade ore, in order to be competitive on the international market; and*
 - to provide employment and training for local workers and the agreement shall be construed to give objectives.*

The point I am making, it is rather strange that such a major transaction could have taken place when we are a thirty-percent owner, without our representative being informed and the people of Guyana are left in the dark about what will be the implications of the sale of this company to a former competitor, if I may use such a word. Although BOSAI, itself may not have been a competitor to LINMINE Bauxite; Chinese bauxite has largely been responsible for the undermining of the market for calcine

grade bauxite in the international market, largely because it is much cheaper to produce than Guyana bauxite.

Here we are selling seventy percent of the company without the knowledge of at least ... if the papers are to be believed, to a company that is associated with interests that were in strong competition to our bauxite exports. Now, it is possible that that could be beneficial to the bauxite industry of Guyana - economies of scale and all of that. We do not know. But if it is a fact, that they in fact undermined our position in the international market, I do not think that the people of Guyana can be comfortable, unless the Government gives some adequate explanation as to what is taking place. I would think that the Minister ought to give us some assurance about the details of this transaction. What assurances do we have for the people of Linden? What about the commitments of CAMBIOR in the original agreement, about producing cheaper bauxite and seeking markets? Looking on the internet, this new company - BOSAI, only last year acquired aluminium interests in the province of China. They just opened an aluminium refinery. OMAI Bauxite Mines have concluded that in order for Linden to be viable, they needed to open an aluminium plant. What does this sale mean? Does this new company undertake still to implement that plan for the bauxite? I know I am constrained.

Finally, what is transparency and I am really saying that I think that this matter needs urgent answers, as it could affect the entire development of Linden. Thank you, Mr Speaker. *[Applause]*

The Speaker: Thank you, Mr Corbin.

The Honourable Prime Minister

Hon Samuel AA Hinds: Mr Speaker and Honourable Members, I think that a bit of history of the offer of sale by CAMBIOR of its seventy-percent interest in OBMI, we need to just pick up on what occurred along that way. I think following the formation of OBMI two to three years ago, things picked up rapidly and it is not true as the Honourable Member seemed to indicate, that

nothing happened. In fact very much happened. There is a new electricity generating plant in Linden, which is providing reliable electricity there. There has been rehabilitation of two kilns. Indeed initially; the recovery took place much faster than was planned. It was in the original business plan or an earlier business plan - a Phase I - to repair one kiln and indeed the company went ahead to Phase II to get two kilns into operation and you would see that they also worked to re-arrange the supply of bauxite, so that it is brought out of the mine by trucks. On one side of the road - the washer pond road - and arrangement was made so that it is now passed under a tunnel into the plant. So, much has been done over the period of time and initially it was recovering much faster than had been planned. But then last year, for reasons no one seems to be definite about or to provide very definite reasons for whatever the cause last year, there seemed to be a time when the bottom fell out of the market, demand fell away, pricing became difficult and as we know, the seventy-percent partner said that we would have to close the operation for a two-month period because the inventories were high and as the Honourable Member said, the Government took some decisions, yes, using the money from the Consolidated Fund to assist the people in Linden to cushion the impact. Let me say ... I think the Honourable Member spoke about some of the intentions and some of the commitments of the company, I think in Article 2 of the Shareholders Agreement to run it properly and profitably. I think everyone makes that aspiration - to run a company profitably, but I think the Honourable himself will know that that is our aspiration, but it is not always what we achieve. It is our aspiration, but it is not always achieved. In terms of improving the efficiency of the operation there is no doubt that OBMI with CAMBIOR as seventy-percent partner, achieved quite a significant improvement in reduction of costs in the mining area for which they are particularly experienced, in that they rearranged the operation in the mines and reduced the numbers employed by maybe from some number in the order of 400 in the mines to about sixty/seventy in the mines. There is no doubt in the mining area that they achieved a great reduction in cost, but in the plant area, some of their original hopes and aspirations were not met or were not met to the same degree.

So, it does appear that the cost reduction was not met, but let me say that from since about nationalisation time or soon after, we were in a position where roughly speaking we were getting \$70 in revenue in earnings for about \$100 in expenditure. This has been the history from about soon after nationalisation and some achievements have been made by CAMBIOR during the period of the time that CAMBIOR has been seventy percent owner.

On the question of their sale of shares, yes it was said, but I would say that at the Government level, we had no more information that was public information and indeed there was a process in train, which would have no results, except we know that the process was in train until a decision is reached and the decision was not reached until about the 19 December with CAMBIOR IAM Gold to sell their shares to BOSAI and subsequent to that, we have been receiving additional information. The Government in this matter is in three different situations or different parts of the Government are in three different situations. Yes certainly we are thirty-percent shareholder on the one hand. Secondly a number of agencies like the GGMC have a regulatory function; and thirdly, the Government as the political Government in the country for overall development and so on has a position on this matter.

At this moment, we are pursuing all three areas. So, yes, when the President said sometime around the 20th or the 23rd that this was not a done deal, I think he was emphasizing or restating a certain position that I had made, I think, it was in this same Honourable House when the matter was first introduced, that it was not a done deal. Having CAMBIOR IAM Gold; having through this process identified BOSAI and come to an agreement for sale of shares to BOSAI, we then had the next situation which is for them to put it to the Government or to put it at the board of OBMI or maybe at the shareholders level of OBMI and give the government as shareholder the right of first refusal to match the offer from BOSAI. This matter is under consideration since then and there is no determination as yet on what the Government will do - whether the Government will exercise its right of first refusal or not. So that is there.

There is a number of other things. In fact, these books run to print many inches of agreements and the persons involved with the experience and expertise are going through all of those issues. I think that the workers and the interest of the workers is something we bear in mind and that is why I have said that we have had a situation from since the 1970s, where the cost of production has been more than the receipts and this continues to be the challenge to make these bauxite operations in Guyana profitable.

Indeed in our period, we have had a period of an Australian group brought in by the World Bank and we have had this period and even though each one may have made some improvements, they have not quite closed the gap and this is a great difficulty that the Government is concerned about.

No worker has been dismissed and certainly the Government will go to all ends to ensure that no worker is dismissed and this operation is continued.

There have been three matters that have been concerning us. One of them is the question of this apparent windfall that IAM Gold may be making in this transaction. There are transactions that have taken place along the way, where IAM Gold, CAMBIOR before it, advanced money from the parent company to progress the work. I said earlier they went forward from Phase I to Phase II of the recovery much faster and they did advance some money so that they are making a case, which the relevant expert people will have to confirm. That they did advance more monies and they did put into the company more monies than the original \$10M that was in the original agreement and this is happening. So, they are actually saying that they are getting fewer returns than what they had put into it.

A second issue has been the question of some of the interpretations of the statement - the same press release that you read, Honourable Member, where it says, I think that third party debt had been removed. You said \$46M is the transaction value, but they are receiving \$28M in cash. It seems to imply that a third party debt had been paid up and we are holding the position that if that is so, as they have been saying, then that debt on the

balance sheet of OBMI ought to be removed and this is one of the issues being pursued at the moment.

On the question of BOSAI and Chinese, and I can say BOSAI itself, having been a competitor to the operations in Linden, yes, that has been an issue and our position at this time, is that whilst with CAMBIOR IAM Gold we did sense a need for clauses to speak to a situation - an eventuality that if the bauxite market in the world was to fall; if iron and steel were to fall and the bauxite market was to fall, then it may be a proper business decision to interrupt operations or even to close operations. But in the case of BOSAI, where it has all the production facilities in China, we need to address the question as to what happens and yes, we are addressing that question with BOSAI and if this deal is to proceed, there will have to be additional new clauses to speak beforehand to any such eventuality that may occur.

So, I would like to assure the Honourable Member and assure this House and all the people of Guyana that the Government is paying great attention to this matter and the Government has a number of days or a month to conclude a position in a timely way and the Government is challenging their interpretation as to when the clock started and therefore when it stopped. This is one of the things that we have challenged.

So, we will make a good timely study of what we ought to do with this approach for the interest of CAMBIOR IAM Gold to be sold to BOSAI.

Let me say, that BOSAI have been here and they have made representations, which look reasonably good also and as you said there, they have recently gone into aluminium; they are keen on developing an aluminium plant, they are keen on looking to rehabilitate the old aluminium plant and they are keen on developing Hydro and smelter too. They have made those representations to us and we would take the requisite time to reflect and study it and then come to a decision. Thank you, Sir.

The Speaker: Thank you very much Honourable Member.

Honourable Members, I would like to thank you very much for your cooperation and your contributions today.

NA 30 Oct 2006

- (i) Parliamentary Seminar and
- (ii) Absence of the Speaker of the National Assembly

During next week, we have a seminar. While I will be at the seminar, I would like to inform Members that I will be away from this Sitting for a few weeks, on leave. During that time, my colleague, Mrs Riehl has kindly consented to take the hot seat and this will be during a very critical period, during the Budget debate, which I think will take place before I return.

I will ask Members to kindly give Mrs Riehl the kind of cooperation that you have given to me in the past. I would also like to remind Members that the Clerk and the staff of the National Assembly bear extraordinary burdens, particularly the Clerk in ordinary times, so when we have extraordinary times; like seminars and Budget debates the burdens are even greater. So, I will ask you to also give your cooperation to the Clerk and the staff of the Parliament Office. Thank you very much. The National Assembly is adjourned to the 19th January 2007.

Adjourned accordingly at 23:59H

