

# National Assembly Debates

PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF THE SECOND SESSION (2002-2006) OF THE EIGHTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE REPUBLIC OF GUYANA HELD IN THE PARLIAMENT CHAMBER, PUBLIC BUILDINGS BRICKDAM, GEORGETOWN.

## Part I

80TH SITTING

2.00 PM

Monday 30 January 2006

### MEMBERS OF THE NATIONAL ASSEMBLY (69)

#### Speaker (1)

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

#### Members of the Government - People's Progressive Party/Civic (38)

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

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

\* *Non-Elected Minister*

\*\* *Elected Member from The United Force*

**Members of the Opposition (30)**  
**(i) People's National Congress/Reform (27)**

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

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

Mrs Sheila V.A. Holder, M.P.	
Mrs Shirley J. Melville, M.P.	- (Region No.9-Upper Takutu/Upper Essequibo)

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

Mr Ravindra Dev, M.P.

**OFFICERS**

Mr Sherlock E. Isaacs, *Clerk of the National Assembly*

Mrs Lilawatie Coonjah, *Deputy Clerk of the National Assembly*

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## **PRAYERS**

**The Clerk** reads the **Prayer**.

## **STATEMENTS BY MINISTERS**

### **Declared Disaster Areas In Regions 5 and 2**

**The Speaker:** The Honourable Minister of Fisheries, Crops and Livestock.

**Hon Satyadeow Sawh:** Mr Speaker, on Saturday, 28 January 2006, the Government of Guyana declared Administrative Regions 2 and 5 as disaster areas.

Those areas, like many others on the low lying coasts of Guyana, have been inundated after unusually high seasonal rains.

The declared disaster areas have been inundated for prolonged periods and the projections are that the situations will continue for weeks to come.

The timing of Saturday's declaration is as a result of Government's ongoing assessment of the flooding, that damage caused and the resources needed to comprehensively address these findings.

Since 29 December 2005, Mr Speaker, I have at every sitting of Parliament provided this House with reports on the flood situation on the coast of Guyana. Successive reports have highlighted the progressive negative impact on affected communities and the livelihood of its residents. Their rice and cash crop farms have been devastated, while the situation for cattle farmers in the Mahaica, Mahaicony and Abary Rivers have become dire.

In Region 2, Mr Speaker, water has receded in the area but the Pomeroon River continues to overflow its banks. No breaches are reported in the Capoey Lake or the Tapacuma Conservancy.

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Work continues in the draining of the water from the farmlands and the residential areas as all pumps, sluices and kokers are fully operational.

In Region 5, there is still extensive flooding, particularly in the Mahaica and the Mahaicony areas due to rainfall in the upper reaches and the release of water from the Maduni sluice on the East Demerara Water Conservancy. The rising water level flooding villages on the West Coast of Berbice is due to the Abary River overflowing its banks. The MMA Conservancy is intact with a GD level of 64.5 and dropping.

Some interventions by Government, Mr Speaker, include the distribution of wheat middling, molasses, veterinary supplies and financial assistance for rice and cash crop farmers. During my two earlier presentations to this House, Sir, I had documented the humanitarian actions of the PPP/C Government under the Official Acute Disaster Responses Programme in those affected areas. I had also documented the immediate mitigation and prevention programmes being executed by Central Government and other state agencies.

In continuing this trend, Sir, I will now point out in the 2006 Budget Estimates of revenues and expenditure where the PPP/C Administration has committed itself to funding major drainage and irrigation and rehabilitation projects using local and foreign funding sources. These projects are drawn from the recommendations of the report of the Drainage Task Force set up during the 2005 flood, and the UN body, ECLAC, that did the assessment of the impact of the flood.

Many of their medium-term project recommendations were not financed in 2005 and have contributed to the situation Guyana faces today.

The PPP/C Administration, in the context of the declaration of Disaster Areas in the Administrative Regions 2 and 5, has moved to launch an international appeal for assistance.

That appeal establishes Government's insistence on its ability to handle comprehensively the acute disaster response activities, while recognising Government's inability to adequately address the demand for resources to finance the return to sustainable livelihoods of affected households and particularly the execution of a programme of recovery that urgently addresses rehabilitation and maintenance of vital drainage structure and the dredging of the four rivers - Pomeroon, Mahaica, Mahaicony and Abary.

It is the PPP/C Administration's conviction Sir, that Guyana will need significant and prompt support to give effect to such a comprehensive programme in the affected areas before the commencement of the 2006 May/June rains. Thank you Mr Speaker. *[Applause]*

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**PUBLIC BUSINESS  
MOTIONS**

**ITEM 1 - CONSIDERATION OF FINANCIAL PAPER NO. 9/2005**

**The Speaker:** Honourable Members, the Assembly will resolve it into Committee of Supply to consider Financial Paper No. 9/2005.

**ASSEMBLY IN COMMITTEE**

**The Chairman:** Honourable Minister of Finance.

**Hon Saisnarine Kowlessar:** Mr Chairman, in accordance with Article 171/2 of the Constitution, I signify that the Cabinet has recommended for consideration by the National Assembly the Motion for the approval of the proposals set out in Financial Paper No 9/2005 Supplementary Estimates Current and Capital for the period 14 December 2005 to 31 December 2005 totalling \$1,467,645,921 and I now move the Motion.

**Question Proposed**

**The Chairman:** Honourable Members, we shall consider the Paper as usual, that is the items shall be taken from both the Capital and the Current Estimates in order in which the Minister is responsible.

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**SECTION A - CURRENT ESTIMATES**

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

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Question is proposed that the sum of \$9,035,313 for Agency Code 01/1 - Office of the President, Head Office Administration - Chart of Account 6321 - Subsidies and Contributions to Local Organisations - stands part of the Estimates.

**Agency Code 01/1 - Office of the President, Head Office Administration - Chart of Account 6321 - Subsidies and Contribution to Local Organisations - \$9,035,313 - agreed to and ordered to stand part of the Estimates.**

**ITEM 2 - AGENCY CODE 03/1 - MINISTRY OF FINANCE, Ministry Administration - Chart of Account 6311**

Question is proposed that the sum of \$43,868,968 for Agency Code 03/1 - Ministry of Finance, Ministry Administration- Chart of Account 6311 - Rates and Taxes - stands part of the Estimates.

**Agency Code 03/1 - Ministry of Finance, Ministry Administration - Chart of Account 6311 - Rates and Taxes - \$ 43,868,968 - agreed to and ordered to stand part of the Estimates.**

**ITEM 2 - AGENCY CODE 03/1 - MINISTRY OF FINANCE, Ministry Administration - Chart of Account 6321**

Question is proposed that the sum of \$100,364,806 for Agency Code 03/1 - Ministry of Finance, Ministry Administration - Chart of Account 6321 - Subsidies and Contributions to Local Organisations - stands part of the Estimates.

**Agency Code 03/1 - Ministry of Finance, Ministry Administration, Chart of Account 6321 - Subsidies and Contributions to Local Organisations - \$ 100,364,806 - agreed to and ordered to stand part of the Estimates.**

**ITEM 3 - AGENCY CODE 03/2 - MINISTRY OF FINANCE, Accountant General's Department - Chart of Account 6294**

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Question is proposed that the sum of \$165,000,000 for Agency Code 03/2 - Ministry of Finance, Accountant General's Department - Chart of Account 6294 - Others - stands part of the Estimates.

**Agency Code 03/2 - Ministry of Finance, Accountant General's Department - Chart of Account 6294 - Others - \$165,000,000 - agreed to and ordered to stand part of the Estimates.**

**ITEM 4 - AGENCY CODE 07/1 - PARLIAMENT OFFICE, National Assembly - Chart of Account 6321**

Question is proposed that the sum of \$6,523,056 for Agency Code 07/1 - Parliament Office, National Assembly - Chart of Account 6321 - Subsidies and Contributions to Local Organisations - stands part of the Estimates.

**Agency Code 07/1 - Parliament Office, National Assembly - Chart of Account 6321 - Subsidies and Contributions to Local Organisations - \$6,523,056 - agreed to and ordered to stand part of the Estimates.**

**ITEM 5 - AGENCY CODE 31/1 MINISTRY OF PUBLIC WORKS AND COMMUNICATIONS, Ministry Administration - Chart of Account 6321**

Question is proposed that the sum of \$51,814,122 for Agency Code 31/1 Ministry of Public Works and Communications, Ministry Administration - Chart of Account 6321 - Subsidies and Contribution to Local Organisations - stands part of the Estimates.

**Agency Code 31/1 - Ministry of Public Works and Communications, Ministry Administration - Chart of Account 6321 - Subsidies and Contribution to Local Organisations - \$51,814,122 - agreed to and ordered to stand part of the Estimates.**

**ITEM 6 - AGENCY CODE 45/1 - MINISTRY OF HOUSING AND WATER, Housing and Water - Chart of Account 6321**



*Monday, 30 January 2006*

Question is proposed that the sum of \$450,000,000 for Agency Code 45/1 - Ministry of Housing and Water, Housing and Water - Chart of Account 6321 - Subsidies and Contributions to Local Organisations - stands part of the Estimates.

**Agency Code 45/1 - Ministry of Housing and Water, Housing and Water - Chart of Account 6321 - Subsidies and Contributions to Local Organisations - \$450,000,000 - agreed to and ordered to stand part of the Estimates.**

**ITEM 7 - AGENCY CODE 51/3 - MINISTRY OF HOME AFFAIRS, Guyana Prison Service - Chart of Account 6302**

Question is proposed that the sum of \$2,000,375 for Agency Code 51/3 - Ministry of Home Affairs, Guyana Prison Service - Chart of Account 6302 - Training - stands part of the Estimates.

**Agency Code 51/3 - Ministry of Home Affairs, Guyana Prison Service - Chart of Account 6302 - Training - \$2,000,375 - agreed to and ordered to stand part of the Estimates.**

**ITEM 8 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Head Quarters - Chart of Account 6231**

Question is proposed that the sum of \$3,020,000 for Agency Code 53/1 - Guyana Defence Force, Head Quarters - Chart of Account 6231 - Fuel and Lubricants - stands part of the Estimates.

**Agency Code 53/1 - Guyana Defence Force, Head Quarters - Chart of Account 6231 - Fuel and Lubricants - \$3,020,000 - agreed to and ordered to stand part of the Estimates.**

**ITEM 8 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Head Quarters - Chart of Account 6271**

Question is proposed that the sum of \$6,800,000 for Agency Code 53/1 - Guyana Defence Force, Head Quarters - Chart of Account 6271 - Telephone Charges - stands part of the Estimates.

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**Agency Code 53/1 - Guyana Defence Force, Head Quarters - Chart of Account 6271 - Telephone Charges - \$6,800,000 - agreed to and ordered to stand part of the Estimates.**

**ITEM 8 - AGENCY CODE 53/1 - GUYANA DEFENCE FORCE, Head Quarters - Chart of Account 6292**

Question is proposed that the sum of \$20,000,000 for Agency Code 53/1 - Guyana Defence Force, Head Quarters - Chart of Account 6292 - Dietary - stands part of the Estimates.

**Agency Code 53/1 - Guyana Defence Force, Head Quarter -, Chart of Account 6292 - Dietary - \$20,000,000 - agreed to and ordered to stand part of the Estimates.**

**ITEM 9 - AGENCY CODE 77/4 - REGION 7: HEALTH SERVICES - Chart of Account 6261**

Question is proposed that the sum of \$350,000 for Agency Code 77/4 - Region 7: Health Services - Chart of Account 6261 - Local Travel and Subsistence - stands part of the Estimates.

**Agency Code 77/4 - Region 7: Health Services - Chart of Account 6261 - Local Travel and Subsistence - \$350,000 - agreed to and ordered to stand part of the Estimates.**

**ITEM 9 - AGENCY CODE 77/4 REGION 7: HEALTH SERVICES - Chart of Account 6265**

Question is proposed that the sum of \$1,370,000 for Agency Code 77/4 - Region 7 - Health Services - Chart of Account 6265 - Other Transport Travel and Postage - stands part of the Estimates.

**Agency Code 77/4 - Region 7: Health Services - Chart of Account 6265 - Other Transport Travel and Postage - \$1,370,000 - agreed to and ordered to stand part of the Estimates.**

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## **SECTION B - CAPITAL ESTIMATES**

**ITEM 1 - AGENCY CODE 501 - OFFICE OF THE PRESIDENT - Chart of Account 25001**

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Question is proposed that the sum of \$1,200,000 for Agency Code 501, Office of the President - Chart of Account 25001 - Purchase of Equipment- stands part of the Estimates.

**Agency Code 501 - Office of the President - Chart of Account 25001 - Purchase of Equipment - \$1,200,000 - agreed to and ordered to stand part of the Estimates.**

**ITEM 2 - AGENCY CODE 505 - PARLIAMENT BUILDING -Chart of Account 25003**

Question is proposed that the sum of \$4,143,180 for Agency Code 505 - Parliament Building - Chart of Account 25003 - Parliament Office - stands part of the Estimates.

**Agency Code 505 - Parliament Building - Chart of Account 25003 - Parliament Office - \$4,143,180 - agreed to and ordered to stand part of the Estimates.**

**ITEM 3 - AGENCY CODE 507 - MINISTRY OF HOME AFFAIRS - Chart of Account 26004**

Question is proposed that the sum of \$1,400,000 for Agency Code 507 Ministry of Home Affairs - Chart of Account 26004 - Other Equipment - Prisons - stands part of the Estimates.

**Agency Code 507 - Ministry of Home Affairs - Chart of Account 26004 - Other Equipment - Prisons - \$1,400,000 - agreed to and ordered to stand part of the Estimates.**

**ITEM 4 - AGENCY CODE 508 - MINISTRY OF AGRICULTURE - Chart of Account 13003**

Question is proposed that the sum of \$423,861,032 for Agency Code 508 - Ministry of Agriculture - Chart of Account 13003 - Rehabilitation of D&I Areas - stands part of the Estimates.

**Agency Code 508 - Ministry of Agriculture - Chart of Account 13003 - Rehabilitation of D&I Areas - \$423,861,032 - agreed to and ordered to stand part of the Estimates.**

**ITEM 5 - AGENCY CODE 514 - MINISTRY OF LEGAL AFFAIRS - Chart of Account 24001**

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Question is proposed that the sum of \$4,145,335 for Agency Code 514 - Ministry of Legal Affairs - Chart of Account 24001 - Land and Water Transport - stands part of the Estimates.

**Agency Code 514 - Ministry of Legal Affairs - Chart of Account 24001- Land and Water Transport - \$4,145,335 - agreed to and ordered to stand part of the Estimates.**

**ITEM 6 - AGENCY CODE 516 - MINISTRY OF HEALTH - Chart of Account 25001**

Question is proposed that the sum of \$3,414,332 for Agency Code 516 - Ministry of Health - Chart of Account 25001 - Office Equipment and Furniture - stands part of the Estimates.

**Agency Code 516 - Ministry of Health - Chart of Account 25001 - Office Equipment and Furniture - \$3,414,332 - agreed to and ordered to stand part of the Estimates.**

**ITEM 7 - AGENCY CODE 519 - PUBLIC WORKS AND COMMUNICATIONS - Chart of Account 15005**

Question is proposed that the sum of \$3,291,147 for Agency Code 519 - Public Works and Communications - Chart of Account 15005 - Emergency Works - stands part of the Estimates.

**Agency Code 519 - Public Works and Communications - Chart of Account 15005- Emergency works - \$3,291,147 - agreed to and ordered to stand part of the Estimates.**

**ITEM 8 - AGENCY CODE 520 - MINISTRY OF PUBLIC WORKS AND COMMUNICATIONS - Chart of Account 16003**

Question is proposed that the sum of \$300,000 for Agency Code 520 - Ministry of Public Works and Communications - Chart of Account 16003 - Stelling - stands part of the Estimates.

**Agency Code 520 Ministry of Public Works and Communications -Chart of Account 16003 - Stelling - \$300,000 - agreed to and ordered to stand part of the Estimates.**

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**ITEM 9 - AGENCY CODE 548 - MINISTRY OF PUBLIC WORKS AND COMMUNICATIONS**

**- Chart of Account 12001**

Question is proposed that the sum of \$120,000,000 for Agency Code 548 - Ministry of Public Works and Communications - Chart of Account 12001 - Bridges - stands part of the Estimates.

**Agency Code 548 - Ministry of Public Works and Communications - Chart of Account 12001 - Bridges - \$120,000,000 - agreed to and ordered to stand part of the Estimates.**

**ITEM 9 - AGENCY CODE 548 - MINISTRY OF PUBLIC WORKS AND COMMUNICATIONS**

**- Chart of Account 14005**

Question is proposed that the sum of \$45,744,255 for Agency Code 548 - Ministry of Public Works - Chart of Account 14005 - Miscellaneous Roads - stands part of the Estimates.

**Agency Code 548 - Ministry of Public Works and Communications - Chart of Account 14005 - Miscellaneous Roads - \$ 45,744,255 - agreed to and ordered to stand part of the Estimates.**

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

Question -

That the Committee of Supply approves the proposals set out in Financial Paper No. 9/2005, Schedule of Supplementary Estimates, for the period 14 December 2005 to 31 December 2005 totalling \$1,467,645,921.

**Put and agreed to.**

**Assembly Resumed**

**The Speaker:** The Honourable Minister of Finance.

**Hon Saisnarine Kowlessar:** Mr Speaker, I beg to report to the Assembly that Committee of Supply has considered the proposals set out in Financial Paper No. 9/2005 and passed it without amendment and I now move that this Assembly doth agree with the Committee in the said Resolution.

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**Question put and agreed to.**

**Motion carried.**

**The Speaker:** We will now deal with the Supplementary Appropriation (No. 5 for 2005) Bill 2005 - Bill No. 22/2005.

The Honourable Minister of Parliamentary Affairs

### **SUSPENSION OF STANDING ORDERS NOS. 12 and 46**

**Hon Reepu Daman Persaud:** Mr Speaker, I move that Standing Orders Nos.12 and 46 be suspended to enable the Supplementary Appropriation (No. 5 for 2005) Bill 2005 - Bill No. 22/2005, to be introduced at this stage and go through all the stages.

**Question put and agreed to**

**Motion carried**

### **BILL - First, Second and Third Readings**

#### **ITEM 2 - SUPPLEMENTARY APPROPRIATION (NO. 5 FOR 2005) BILL 2005 - Bill No. 22 of 2005**

*A Bill intituled, an Act to provide for the issue from the Consolidated Fund of the sums necessary to meet the expenditure (not otherwise lawfully charged on the Consolidated Fund) of Guyana for the fiscal year ending 31 December 2005, Estimates whereof have been approved by the National Assembly, and for the appropriation of those sums for specified purposes in conformity with the Constitution*

**The Speaker:** The Minister of Finance

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**Hon Saisnarine Kowlessar:** Mr Speaker, I beg to introduce the Supplementary Appropriation (No. 5 for 2005) Bill 2005 - Bill No.22/2005 for consideration by the National Assembly and I now present the Bill to the Assembly and move that the Bill be read the First time.

**Question put and agreed to.**

**Bill read the First time.**

**The Speaker:** The Minister of Finance

**Hon Saisnarine Kowlessar:** Mr Speaker, I move that the Bill be read for a Second time.

**Question put and agreed to.**

**Bill read the second time.**

**The Speaker:** The Minister of Finance.

**Hon Saisnarine Kowlessar:** Mr Speaker, I move that the Appropriation Bill 2005 (Bill No. 5 for 2005) Bill 2005 - Bill No. 22/2005 be read for the third time and passed as printed.

**Question put and agreed to.**

**Bill read the Third time and passed as printed**

## **MOTION**

### **ITEM 3 - BUDGET SPEECH 2006 - MOTION FOR THE APPROVAL OF THE ESTIMATES OF EXPENDITURE FOR 2006**

**Assembly resumed the debate on the Motion for the approval of the Estimates of Expenditure for the financial year 2006**

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**The Speaker:** Honourable Members, we will now proceed with the Debate of the Budget for the year 2006. For the Budget Debate and for consideration of the Estimates by the Committee of Supply in respect of sitting time, we will follow an agreed practice, not the usual practice. We will have a break at about 4:30 pm for forty-five minutes and then we will resume and have another short break about six o'clock and will resume until our list of speakers is finished.

The first speaker is the Honourable Member Mr Winston Murray. You may proceed Mr Murray.

**Mr Winston S Murray:** Mr Speaker, on behalf of the People's National Congress/Reform, I wish to congratulate Minister Saisnarine Kowlessar on his Seventh Budget Presentation in this House and to the Nation. I sincerely wish that I could have gone on to render some more substantive plaudits, but regrettably, there is not much in the Budget overall that I find truly inspiring.

Understandably, the Honourable Minister highlighted the floods of 2005, at the very beginning of his presentation to explain in large measure the contraction of the economy by three percent in 2005. There are some fundamental questions that arise in respect of how we view the occurrence of the flooding itself and the transparency and accountability for the monies received and expended to mitigate the disaster.

On Page 1 of the Budget Speech, we are told, that nearly six inches of rain was dumped on the low coastal plain of Guyana and from that point on, all actions assumed that the rainfall was the sole reason for the flooding. In the wake of the flood reports, they are abounded from numerous citizens' information about non-functional pumps, kokers and sluices, clogged outfalls, et cetera. Thus the PNC/R and civil minded and concerned citizens called for a full-scale inquiry to determined whether there was negligence and for making any negligent persons accountable to the people of Guyana. In its Editorial of 21 October 2005, the Stabroek News, in writing about the abnormally high rainfall, stated:

*It must be said that flooding which followed in its wake ...*

That is, in the wake of the abnormally high rainfall.

*... owed its scale and its intensity in part to the actions and negligence of human beings and not just to the forces of nature.*



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The Government denied the country an inquiry and who knows whether negligence born then has continued and once again in part contributed to the recent 2006 floods, albeit not as extensive a scale. Is it possible that at least some of the millions spent and some of the economic losses that occurred could have been avoided if we had mounted the inquiry and found out the truth. Perhaps, we will now never know.

The other aspects of the floods both of 2005 and so far in 2006 is whether there was an aberration of the weather pattern or part of a new pattern accompanying global warming and consequential rising sea levels. I have heard comparisons being made with average rainfall over the last fifty years to explain our predicament, but ought we not to be looking at more recent years to assess whether there is a new, more dangerous weather pattern which could be part of our experience and existence for the medium term. Allow me to refer to the last paragraph of an article published in last Saturday's Washington's Post entitled, *Warming Debate Shifts to Tipping Point*. That article states as follows:

*The small island nation of Kiribati is made up of some thirty-three small atolls, none of which is more than six-and-half feet above the Pacific Ocean and it is only a matter of time before the entire country is submerged by the rising sea. For Kiribati, says Stanford University Climatologists, the tipping point has already occurred.*

Mr Speaker, Kiribati in the South Pacific is six and half feet above sea level, the coastline of Guyana is six feet below sea level. Against this background, the PNC/R urges the Government to commission a high level study involving our best engineers and social scientists together with international experts to advise us of what we may reasonably expect in terms of weather patterns and rising sea levels in the immediate future and in the medium and longer term.

Mr Speaker, this is the minimum that we who have the national obligation to protect all our people must do as the highest priority. Our citizens need to know as soon as possible whether it is advisable to continue investing hithertofore. The Government will also need to assess for example whether it needs to offer very attractive incentives to citizens over the medium term to relocate and change the nature of their economic pursuits. To this end, decisions may be made as to whether to build anew many infrastructure projects or simply maintain them well, while garnering resources for programmes and projects that will help relocation to higher ground where continued hard work and our national endowments of land, water and minerals could enable us to secure a successful and sustainable future for ourselves, our children and our children's children.

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We of the PNC/R urge that future budgets must address these issues fully and frankly. Of course, for the time being, we have no alternative, but to stand and fight. We must continue spending to keep the water out, but we must also find ways of investing every year in grasping new opportunities to build our homes, our livelihoods, our industries and construct a secure future for all our people.

Page 18 of the Budget Speech summarises, in our view, what the Government's position on these matters are and this is what it says:

*The new Drainage and Irrigation Act was assented to, and the process to convert the NDIB to the National Drainage and Irrigation Authority has commenced.*

Sir, could that be a case of old wine in new bottles? In the medium-to-long term, a comprehensive programme of reconstruction and rehabilitation of the physical infrastructure of sea and river defences and drainage and irrigation, along with extensive rebuilding of the human resources base, will have to be implemented. That is the essence of the Government's vision to rebuild and repair the physical infrastructure. We on this side of the House, certainly, of the People's National Congress/Reform, say we need to have a greater vision. We need to understand what is taking place around us in the world and we need to adjust accordingly, so we urge the early commencement of the study we have advocated.

Mr Speaker, there is one aspect of the floods of 2005, which from a budgetary perspective must be brought to the attention of this House and to the nation. It is known that a sum of at least \$3 billion, if not more, was spent to undertake various flood related activities, including the disbursement of over \$1.4 billion to households and other categories of beneficiaries and this statement is to be found on Page 3 of the Budget Speech. On Page 56, the Guyanese Diaspora was praised and justifiably so and I quote:

*Its response to the flood relief efforts last year was eloquent testimony of the potential of our collaboration.*

Mr Speaker, we also know that the International Community responded with grants and soft loans and that some projects were refashioned to divert resources to flood relief. On behalf of the People's National Congress/Reform, we join in expressing our appreciation to them.

Sir, simple morality would suggest that there should have been a full accounting for all the monies received or diverted with an identification of the various uses to which the monies were put, including a breakdown of monies given to householders and others on a regional basis. So that all will know, but more than that when 2005 budget was presented, this Honourable House was informed that the

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necessary information and assessments ré revenues and expenditures relating to the flood were not yet available and that was understandable.

On page 5 of that Budget Speech, that nation was told that and I quote from page 3 of that Budget Speech -

*When completed, the assessments will inform the modification of revenues, expenditures and the macro economic projections in the 2005 Budget. They will also be used in preparation of a supplemental budget which will be presented to the National Assembly.*

Mr Speaker, we all know that no such supplemental budget ever came to this National Assembly. The PNC/R regards this failure as a breach of faith with the Guyanese people. Further, we deem it unforgivable that the Government, through the Honourable Minister, did not offer a word of explanation to this Honourable House as to why a promise so solemnly made was not kept. This smacks contempt for this House and for the Guyanese people. It speaks volumes, too, for the Government's commitment to transparency and accountability. Were the lotto funds unconstitutionally used yet again? Did resources get diverted into unscrupulous and greedy hands?

Mr Speaker, I have heard it said that there was no need for a supplemental budget, because the Auditor General and his Office were supervising the issuance of flood cheques. Mr Speaker, that would have been wholly unconstitutional was that the case. In my capacity as Chairman of the Public Accounts Committee, I inquired directly of the Auditor General whether that was so and I was informed that that was not the case. And unless I am otherwise informed, as I am currently advised, that remains the official position. Could the Government then be forthcoming to say on what basis does it intend to account to the people of Guyana for these expenditures undertaken in respect of flood abatement in 2005? It is also no answer, to say that the revenues and expenditures are included in the figures for 2005 in this year's Budget.

I respectfully submit that there is very little chance of anyone being able to separately identify the relevant revenues and expenditures within the 2006 Budget. And if I am wrong, I would like any one of the Honourable Members on the Government benches to explain to me where specifically in the estimates of 2006 that information can be found transparently and accountably. Mr Speaker, undoubtedly, I would leave that to rest at this point.

Undoubtedly, Mr Speaker, the floods of 2005 affected the performance of the economy; but it is the contention of the People's National Congress/Reform that there are systemic things that need to be

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addressed, which are likely to have us in a state of no-growth or low-growth in the foreseeable future. Instead of addressing those issues, the Government plays the blame-game to the fullest. Over its thirteen completed years in office, it had never, even once, admitted to a single mistake in policy or measure; it has been El Niño, it has been La Niña, it has been the PNC/R, it has been the floods, it has been the international community not being forthcoming, but it has never ever been the Government of Guyana. Mr Speaker, let us situate Guyana's performance in the context of the world, Latin America and the Caribbean. Mr Speaker, while world output grew by 2.5 percent in 2003, the Guyana Economy contracted by 0.6 percent. In 2004, world output grew by 5 percent and the Guyana Economy grew by a mere 1.6 percent, whereas the economy of Latin America and the Caribbean in that same year grew by 5.8 percent more in keeping with the trend of the international community. In 2005, while the global economy grew by 3.2 percent, our economy contracted by 3 percent and the economy of Latin America and the Caribbean grew by 4.5 percent. Thus while world output and the output of Latin America and the Caribbean grew in all three years, the Guyana Economy contracted in two out of those three years and grew significantly less than the rest of the world, including Latin America and the Caribbean in the third year. We seem always to buck the trend, as it is. It behoves us, I believe, in such circumstances to conduct serious introspection as to whether there are fundamental things that we are not doing right rather than to blame everyone else for our predicament.

It is the PNC/R's considered view that only significant investments by the private sector, both local and foreign can bring about the necessary economic growth on a sustained basis. Everyone knows that there is no shortage of words from the Government's commitment to private sector development. In addition, to give it credit, some legislation exists, which on the face of it seems facilitative of private investment. I must say that the way in which the law is administered and the body language of the Government do not give confidence to the private sector. Here are some examples of what I mean:

Under the Investment Act, which is intended to be a major piece of legislation to attract private investment; it is the Minister who designates the business organisations from which representatives may sit on the important Investment Promotion Council. We have argued that it is not in the interest of Guyana for there to be a political hand choosing the organisations that should be represented, when such organisations are in existence and are well known, for example: the Private Sector Commission, the Georgetown Chamber of Commerce and Industry, the Guyana's Manufacturers Association. Why is it not that these organisations, established years and decades in Guyana, are not the ones named in the

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legislation? Why is the authority given to the Minister to handpick which organisations shall name representatives to sit? That, I am afraid, keeps the political hand of the Government involved in the actions of the Investment Promotion Council's. I must say that it is pleasing to note, nonetheless that the membership the Investment Promotion Council had been identified. The problem here is not that we do not have a good Minister today who will pick trusted and respected organisations, but we have to prepare laws in such a way that whoever is the Minister is bound by rules that are clear and transparent and minimises the flexibility to do things on a political basis.

Go-Invest, is supposedly the main institution through which private investors must seek to obtain their concessions and ultimate clearance for their investments. The Chairman of the Board of this most important organisation is the political adviser to the President and the word is that he is interested in the investor's political persuasion and support rather than the feasibility of the investor's projects. Whether or not that is true, the important point here is that it feeds the perception of a political hand in an organisation that is supposed to act on an economic basis.

Interestingly too, Sir, at Page 69 of the Poverty Reduction Strategy Paper under the investment programme, this is what it says:

*That unless Guyana, undertakes critical investments ...*

And this is the part I want you to note. It is written in the Government's own document

*... and begins laying the groundwork to facilitate private sector investment and growth, poverty indicators will worsen sharply and attainment of the Millennium Development Goals may become illusive.*

This Government document says that the Government has not yet started really to lay the groundwork. It calls upon the Government to begin laying the groundwork to facilitate private sector investment and growth, if not, we will be stuck in the poverty trap for quite some time.

On Page 70, interestingly, it says:

*the stimulation of private investment will require more than appropriate laws and regulations ...*

So there is no reason to lay back and feel satisfied that we have laws on the books and investors will come. It said that it will require among other things; it identified quite specifically the reduction of red tape in the Government bureaucracy.

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We of the PNC/R will see that there is a true One-Stop-Shop for investors. For years we have spoken about this but it has never materialised and what happens is that an investor comes into this country and has a royal run-around among ten agencies, never knowing whether he is going or coming and at the end of the day he is unsure as to where his investments stands. He has to go see this Minister and that, and then another. We believe that a One-Stop-Shop is necessary so that an investor can come to that shop and make his application. It may be Go-Invest, if it is properly functioning. We have absolutely no problem, supply all the needed information and within a time-bound period return to the same institution for a decision. For the first time and we are pleased to note this, in its thirteen-year tenure, we see according to Page 32 of the Budget:

*Go-Invest will collaborate in the launch of a proactive investment attraction programme*

Perhaps at last Rip Van Winkle is awakening. Investments came under Mr Hoyte's stewardship, because he and his Ministers aggressively went after them. We cannot sit here in Guyana, while there are countries across the globe vying with us for the investment dollar, hoping that by some miraculous discovery an investor would find out about us and come to our country. Perhaps he is hearing so many negative things that he is not motivated to come. It is our bounding duty to go to where investors are, to attend every forum that deals with every commodity to which Guyana has an interest, to deal with every potential asset that we have, to go there and persuade them to come to Guyana, laying out what are the attractions of Guyana in the process. We hope that is what is meant by the sentence written in the Budget Speech and if that is what is meant, we fully endorse it.

Mr Speaker, some of the actions by the Government, I respectfully submit, do not demonstrate support for the indigenous private sector. There is a very distressing case concerning the small private sector retailers of petroleum products and I reluctantly feel the need to bring it to this Assembly, in which the Government is using State power in an oligopoly situation with foreign oil companies operating in Guyana to squeeze these relatively small businessmen. The facts are that as prices for petroleum products fluctuated in the international market, Government has on occasion eased the consumption tax payable by importers and that was a good thing. What happened in the course of those events, for example, during the months of October and November of 2005, the acquisition cost to GUYOIL was \$542 dollars per gallon and the company resold to the gas stations at \$791 per gallon, sitting on a comfortable windfall of over \$250 per gallon. That is what the State was a part of. What is the position of the small retailers? Back in 2000, they were given a mark-up of \$30 per gallon which was at that

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time just under nine percent on the wholesale price. That has remained absolutely stagnant and it is now at a point where it is approximately three percent of the wholesale price, that is the margin on which they exist, while Guyoil sits on this fat windfall and what we urge is that there is room here for the consumers to get an additional price benefit through a reduction of this windfall which Guyoil, reasons best known to itself, maybe or maybe not approved by the State, I do not know ... for them to arrogate to themselves the utilisation of these resources. Mr Speaker, these stations are struggling for survival while Guyoil is creaming off these windfalls, making it and the Government seem uninterested in doing anything about the retail mark-up. Obviously, the foreign oil companies operating in Guyana are beneficiaries of this fat and so whatever may be the good reason for Guyoil - you may argue it is a State entity, it belongs to the people of Guyana and the resources can at least theoretically be used in the interest of Guyanese - what you have is simultaneously the foreign oil companies sitting on this largesse accumulating it for themselves and repatriating it abroad, while the consumers pay unnecessarily high prices for gasoline products. This surely, is not helpful to the Government's image as a supporter of true private sector development.

We call on the Government to take the necessary measures to bring fairness to the marketplace and to demonstrate in a tangible way its commitment to the private sector; in this particular case, the indigenous private sector.

Mr Speaker, in talking about policies and reforms to promote growth, the progress report in respect of the Poverty Reduction Strategy and it is interesting and this is the blame game of which we speak, it says on page 70:

*Despite progress made with the legal and regulatory framework, the private sector has not responded in a way that will boost the economy and create jobs to reduce the prevalence of poverty.*

I urge the Government again to stop playing this blame game, for I believe all of us know that if there is at any time a real opportunity for investment, the private sector will perceive and grab it, because that is the nature of that kind of organisation. Therefore, Sir, let us conduct self-examination to see what it is that the Government needs to do. I will say this; if you use the power of the State oppressively then the private sector is not encouraged to grow. I think that it is now history, that the original Poverty Reduction Strategy Paper was way off its growth target with four percent per annum and, therefore, could not achieve the objectives that it had set.

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In fact, that progress report, at Page 67, clearly revises the projected growth rates for the economy for the years 2005 to 2009. But let us note what it has done: it has reduced the average growth that we can expect over this five-year period from four percent in the original PRSP to 1.7 percent per annum. That by itself is rather frightening. Already, for 2005, they have gone off target because the projection in this progress report was for a contraction of 2.6 percent, but what we have in fact realised is a contraction of three percent. This must clearly, therefore, put at risk the total projections for growth. But for this severe reduction in growth to have any significant impact on poverty and economic expansion, then the Poverty Reduction Strategy itself says on Page 66 and I like reading from the document because it sounds and feels more authentic, Sir, and I do not think that it will be easy to dispute...*[Interruption]*

**The Speaker:** Before you read, Mr Murray, you need some extra time.

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

**Question put and agreed to**

**The Speaker:** Proceed, Honourable Member

**Mr Winston S Murray:** Thank you very much, Mr Speaker, this is what it says on Page 66:

*If Guyana is to sustain a reasonable rate of growth, substantial external funds will be required. If borrowing is limited to the current HIPC ceilings of debt sustainability under the fiscal criteria, grant resources will be required to finance the reconstruction programme.*

Coming out of your Bible as it was. This, Sir, I submit is a very tall order and I shall have something to say about debt sustainability in this presentation. This difficulty about getting resources to fill our alarmingly low growth rate gap is forthrightly mentioned, to the credit of the authors of this document, on Page 118 it says:

*Given the changing modalities of debt relief ...*

And that is being quoted.

*... Guyana's post-HIPC status and trends in development assistance generally, there is a possibility that external support may fall below what is required. This has in fact been*



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*realised in the past three years, as assistance has fallen below what was envisioned in the strategy in 2001.*

In other words, things are grim. On Page 118, too, they give a very honest, but bewildering assessment, I should say, as well about the assumptions about the strategy's impact. It is not wholly, wholly relevant, but I could not resist the temptation, Sir, to make reference to it at Page 118. This is what they say, but remember the objective is to impact on poverty: *The assumptions of the strategy impact on poverty have not been quantified.* So what we are hearing here, no matter about all the figures we heard being bandied about, about the levels of reduction in poverty, the impact on poverty has not been quantified, because of the dearth of data to conduct a poverty diagnosis and impact evaluation of policies.

Success in monitoring of the PRSP in the medium-term depends on the expeditious implementation of the Social Statistics Project. So right now we are spending billions of dollars in pursuit of a strategy the impact of which is opaque - less than clear. We know not whither we go, but yet we hear from time to time words, of what the impact is. This is truly ironic. In fact, what is more ironic is that although we are in this precarious situation, the figures in the Budget of 2006, show that we continue to be heavily dependent on borrowing, while at the same time the Government boasts that the Budget of 2006 is the largest in Guyana's history. How ironic! How are we financing this Budget? Not that it is the largest; we are financing it by creating a huge mountain of debt.

Sir, I would like to highlight the figures that are inherent in the Budget itself. I have the Estimates with me here, Sir, and on Page 3 Table 3 Volume 1, for those who would want to check me out on my accuracy, the figures there are very plain for all to see. It says that there is an expenditure of \$103 billion to be undertaken. It says that current revenue is \$58.6 billion against current expenditure of \$60.9 billion, so that the current Budget is under-financed by some \$2.3 billion, so current revenues are not covering our current expenditures.

On top of that, we pile \$42 billion worth of capital expenditure, not a cent of which has a counter-part in terms of capital revenue. By accounting gimmickry and nothing else all the monies identified as capital revenue are really loans, grants and debt write-offs. From an accounting point of view those are not revenues to the Government and should be treated differently. So when you rework these figures, it says that there is a deficit of \$2.3 billion in the current account and when you pile on capital expenditure of

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\$42 billion, creating a total deficit of \$44.3 billion, approximately 43 percent of the expenditure that we propose to undertake in 2006 has to come from loans and grants or debt relief.

As I was saying approximately 43 percent of what we propose to spend, is not revenue earned, but rather in the form of debt relief, grants, foreign loans and local loans. Such heavy borrowing has ominous implications for each of us. It is estimated that over the thirteen years of this Government's life the country has borrowed well over US\$900 million, thereby burdening a family of four in a population of 750,000 with a debt of approximately \$1 million or quarter-million dollars per capita. This, of course, could be reduced to the extent that there are debt write-offs and that there may be such write-offs in the future.

What aggravates the situation is that corrupt leakages from these receipts are legion. Such corrupt practices include direct monetary leakages, substandard work while collecting monies for higher specifications and use of substandard materials. There is no need, I hope, to identify some of these acts and cases, for I do not want to delay us here with an itemisation of them. You know them. I do not want to embarrass anybody.

In a 2005 survey by Transparency International, which this Government has not talked about, Guyana was ranked ...[ *Interruption: What is your source?* ] Transparency International, Sir, you do not know it? If read about it you will find out. Guyana was ranked among the most corrupt countries in the Americas. In Transparency International's 2005 Corruption Perception Index, Guyana scored 2.5 out of 10 and is placed at 117 out of 159 countries. Against Guyana's CARICOM counterparts, only Haiti ranks below Guyana. Writing on the release of the TI Report the Chairman of Transparency International said:

*Corruption is a major cause of poverty as well as a barrier to overcoming it.*

Our own distinguished Professor Clive Thomas, writing as far back as March 2003 in the Stabroek News, said:

*Corruption is not only an impediment to development, but in fact, it is the single greatest obstacle to economic and social development. Corruption thrives in an environment where the powers of the individual members of society, measured in terms of access to people in power and financial resources, supersede the rule of law. That corruption directly promotes administrative corruption. The biggest obstacle to achieving poverty*

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*reduction is corruption, whose harmful effects are especially severe on the poor, as corruption sabotages policies and programmes that aim to reduce poverty.*

Sir, more directly then, in order to satisfy the Honourable Member Mr Clement Rohee and I hope that he respects the Business Page columnist Mr Christopher Ram or he is going to snigger as well, because this is what Mr Christopher Ram said in that same date's publication of the Stabroek News. When the World Bank in its Report talked about the country's financial management systems as being basic and fragmented. That is the background from which he is commenting and this is what he says:

*Much of the fault lies in the unwillingness by the Government to accept that there is an unacceptably high level of corruption and mismanagement in the public sector. It's failure deal with the hundreds if not thousands of cases of failures annually highlighted by the Auditor General in his report.*

So, Mr Speaker, these are eminent persons describing the reality of Guyana much to the chagrin, I am aware, of the Government benches of this Honourable House. The question that arises is why is there no mention in this Budget about this issue of corruption? I would like to find out how does the Government propose to deal with this cancer in our society. Are they saying that this does not exist or are they saying that they are comfortable with the level of corruption? I refuse to believe that they are comfortable, Sir, but I must say, alas, I have not been otherwise advised.

Sir, I must go on to mention that the absence of the Public Procurement Commission is further growing cause for concern. The absence of this Commission leaves intact much scope for impropriety, far in its place and until it is established, we have something called the National Tender Administration and it has boards that are creatures of the Minister. The Government is quite happy to have this National Tender Administration perpetuate itself, because the creatures of the Minister will continue to do his bidding in terms of the awards of contracts in this society. We must get to the point where with haste we establish the Public Procurement Commission as a constitutional body to oversee this entire process of procurement. Mr Speaker, I have been trying to get this organisation going and I shall continue to try beyond that I do not wish to speak. My guess is, that we will see a sudden flurry of activity once the drawdown of some loan is due and there is conditionality put on it that the Public Procurement Commission has to come into existence. Then, we are going to see running helter-skelter, telephone calls by day and by night trying to urge us to settle this matter. Perhaps the international community is hearing me as I speak.

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Sir, I know that there is an organisation that has been recently formed called the *Global Organisation of Parliamentarians against Corruption*. The Chairman of that organisation came to Guyana in October of 2005. I know he saw Government representatives at the very, very highest level. He left with us and indeed with the Government, the Constitution and the rules and regulations governing this body and a Chapter in CARICOM are due to be established. I thought I would put it in the public domain so that it may help the Government to speed up its decision-making process and to decide that Guyana ought to join GOPAC as early as possible.

Now, Mr Speaker, with your permission, I would like to return to the issue of Guyana's Debt. Under the IMF Debt Sustainability Framework, Guyana in November 2005 was categorised as a high debt distressed country up from medium distressed. This is because although Guyana disbursed debt then stood at US\$1.8 billion; new borrowings not yet then disbursed would move the stock of debt closer to US\$ 2 billion. That is the level at which it was prior to HIPC. Both levels of debt breached the debt-to-revenue threshold of 250 percent. What the IMF said was that there should be a relationship between the amount of debt and the revenue and that ratio should not be in excess of 250 percent and Guyana in 2003 and 2004 had been operating with 260 percent threshold as a special concession from the fund. Now it is true that since then Guyana has had debt relief and other things have occurred to bring this ratio down. But we are on the brink and we therefore think we have to keep an eye on this. One of the effects of this is that when we borrow money, we now should ensure that we have a grant element in such borrowing of at least thirty-five percent and that the rate of interest on the remaining sixty-five percent as a loan should be highly concessional. In fact, the IMF is reportedly encouraging that 100 percent grant resources be sought on the ground that Guyana has not shown any sustainable growth pattern for its borrowings, because, clearly something that would encourage to allow the debt threshold to rise would be if there is sustainable pattern of growth, which we have not been able to demonstrate...

*[Interruption]*

**The Speaker:** Your time is up, Honourable Member.

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

**Question put and agreed to**

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**The Speaker:** Proceed, Honourable Member:

**Mr Winston S Murray:** Mr Speaker, last year, the IMF said in its Fourth Review of 2005:

*Weak growth in Guyana in recent years appears to reflect deep seated structural weaknesses and inefficiencies*

So, Sir, they are telling us that we need to have feasibility studies for projects over US\$10 million. The question arises, have we had yet a feasibility study on the World Cup Stadium, whose development is proceeding at a pace? I believe, Sir, that no such feasibility study has yet been done. The Budget talks about US\$600 million sugar plan of action, Mr Speaker, again I ask could the Honourable Members of the Government kindly inform this Honourable House whether a feasibility study for such a huge investment unparalleled in the history of Guyana has yet been undertaken? If not, when will it be undertaken? Mr Speaker, there is good reason why such an approach ought be adopted whether or not there was an IMF programme for, these countries that are writing off debt and recently there has been this multilateral debt relief initiative to which the Minister made generous reference in his Presentation. These countries are writing off debt not in expectation that in the near future we will be back with a mountain of debt. They hope and they expect that by prudent policies and measures the country will get itself out of debt. That is why, simply why, they require a feasibility study for such projects of enormous proportions. It is intended to demonstrate to ourselves that in fact these projects have the capacity to earn their keep and will not become a drain on the resources of Guyana while they saddle us with debt to repay the monies borrowed for their construction.

Mr Speaker, what we see here is that slowly even our borrowing options are being curtailed and the question that must arise in our minds is whither goeth Guyana now? This Budget Presentation, sadly, makes no attempt to give us a truly medium-term horizon as to whither goeth Guyana in this tight situation in which I have described. It is true that in the social sectors, in health and education - oh we have been regaled about the achievements, about the schools that have been built and the hospitals - I do not mind being regaled about these matters. Fine and good for the people of Guyana and congratulations to the Government! Let us understand what we face here: this is borrowed money and we cannot sustain ourselves in the future on the basis of such burrowed money. So this Government has to tell the people of the country how, in the medium-term, they plan to grow this economy and get us out of debt.

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Yet, Mr Speaker, in the midst of such a grave situation, the Government seeks refuge in misrepresenting the debt situation to the people of Guyana. Specifically, as regards to the debt situation left by the PNC in 1992. I have dealt with this matter here in this Honourable House before and I want to say that to misrepresent this to the point where it is being said that ninety-four cents in every dollar earned in 1992 when we demitted office was used to pay debt is an absolute and total fabrication. It is an outright fabrication, it is a figment of the imagination, and it is a cruel distortion of the truth to say that. I thought I had put this to rest before, but the persistence in untruth, requires a repeated asseveration of truth. In that context, I want to refer to the Mike Faber Report - this is a Report done by an eminent professor at the University of Sussex who came to Guyana at the request of the Commonwealth and undertook a study on the debt situation. There are some amusing parts in this report which in fact a memorandum, for example, by President Jagan addressed to the Managing Director describes the debt burden consuming nearly eighty percent of State revenues and so on. The usual things that are mouthed and then he said that these are indeed on the face of things (this is the writing of Mr Faber) impossible figures and one wonders what Mr Camdesus must have made of them. Mr Camdesus then was the Managing Director of the International Monetary Fund.

They went on to say, the Government scheduled external debt repayments, were they are greater than half of its current revenue. But, Sir, there is a table and I am willing to make it available to colleagues on the Government benches that showed for the years 1989 to 1993 what the debt service was.

Scheduled debt service:

- In 1989 was 118 percent of export of goods and non-factor services - actual paid 18 percent;
- In 1990, it was 99 percent - actual paid 23 percent;
- In 1991, it was 55 percent actual - paid 33 percent;
- In 1992, it was 42 percent actual - paid 28 percent.

Mr Speaker, this is what the issue is here. Obviously, in the Budget Presentation of any year you have to reflect what your obligations are. That is the way in which you present a budget, but you have to look at what the actual was and that is what these comparisons are about. Yes, if look at obligations as stated in the budgets of other places you will find these large numbers, but they were not the numbers that were actually paid. In fact, to Mr Christopher Ram's credit and I hope they will be honest enough to give it credence, he writes as recently as 23 October, 2005 in the Stabroek News:

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*Misinformation on the extent of debt service payments should not be repeated.*

He became disgusted at the nauseous repetition of untruth. This is the usual blame-game of the PPP/C, trying to find someone on whom they can pin something to make them look not so bad, because that can be the only objective. I recommend this as reading so that I do not detain the National Assembly on this matter. I hope that now we will put this matter to rest. Let me say this I am willing, on behalf of the People's National Congress/Reform, to debate with anyone in the Government this issue of the debt left by the PNC when they demitted office and the debt of the Government at this time and the debt sustainability of our current conditions. *[Applause]* I am saying that I am willing to do that.

Mr Speaker, to be frank, to be perfectly frank, what confronts Guyana is a dismal picture. Our economy is floundering; the PRSP is not clearly a viable answer or solution in the medium-term. And talking about poverty reduction, let me show how deeply embedded is the reality, at least in the Honourable Minister in the way in which he has presented information in the Budget. This is what he says on Page 22, writing about poverty reduction:

*We continue to implement a range of short-term programmes to provide immediate relief to the poor, vulnerable and less fortunate.*

Very good! But how limited in scope? Speaking about strategies and priorities - moving on. I now look forward to the horizons of the future. I feel nice reading from it, Sir. This is what the Honourable Minister said on Page 27, Sir, I have it here in red:

*This Budget is a continuation of the policies and the programmes of previous years that are geared at transforming the economy and making it more competitive, securing growth and expanding employment in the medium to long-term, reducing poverty and improving the general standard of living of our people.*

Well, Sir, I have to say that if those policies and programmes of the previous years is what this Budget is all about, then all we had is no growth or low growth and we can have no cause for optimism in the future.

The most telling statement about how high we may let our expectations rise for the future is contained in the conclusion on Page 64 of this Budget Statement and this is what the Honourable Minister told this nation: He said:

*We commiserate with them ...*

He is speaking to and about the people of Guyana.

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*... and will like them to know that we will continue to do all that is necessary to attenuate their problems.*

What a noble confession. The Government admits it is not about solving these problems. Perhaps in the subconscious in the Minister's mind is the reality what he faces on the Government benches and that is an inability to really solve the problems of the country. We, of the PNC/R, know that these problems can be solved. We have the persons of experience and ability with the commitment to all Guyanese to bring this about. Mr Speaker, we have not kept this to ourselves, we have tried to share with the Government a way forward and you know they have come, but I wonder how willingly or how reluctantly.

It was us who introduced in the Parliament of the country in November 2000, a National Development Strategy Motion, because it is our view that in this document lies the essence of a strategy that can be embraced by all sections of the society. It is a strategy that was born out of the work and the labour of our nationals, our engineers, our economists, and other social scientists. What we urged in this resolution was that a Special Select Committee be established to oversee the updating of this strategy. We want to say to the Government this afternoon that that was a sincere effort on our part to bring this document back to its rightful place in the centre of our affairs as an overarching strategy that we can all buy into, to take our beloved country forward. Let us craft this overarching strategy together and let us execute it together. Guyana depends on us as its leaders to give true leadership to the entire nation. While we would join in a grand endeavour, we are prepared, if these people will let us to do it all alone. However, before I take my seat, Mr Speaker, I am compelled to turn to another very worrying aspect of what is going on before us at this time, namely the consideration of the 2006 Budget... *[Interruption]*

**The Speaker:** Your time is up, Honourable Member.

**Mr E Lance Carberry:** Mr Speaker, I move that the Honourable Member be given fifteen minutes to conclude his presentation.

**Question put and agreed to.**

**The Speaker:** Proceed, Honourable Member.

**Mr Winston S Murray:** Thank you very much. I am minded and I left for the last, because I think this is extremely, extremely not only worrying but upsetting. Sir, I must ask this Government and this is



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how I will start this part of my presentation, to either withdraw this Budget from the National Assembly or modify it suitably, since it fails to comply with the requirements of the laws of Guyana. This is a very, very important matter. The Minister has told us and others in the Government on previous occasions about the Fiscal Management and Accountability Act of 2003, touting it as testimony to the Government's commitment to transparency and accountability and we now hold them to this commitment. This Act was enacted in the year 2003 and under Section 1(2) it is stipulated that different sections of the Act may come into operation on different dates as prescribed by the Minister by order, but there is a proviso and I quote:

*Provided that the whole Act shall come into operation no later than one year from the date of its enactment.*

Therefore, by operation of law, since this Act was enacted in 2003, at latest at the end of 2004 the Act came into automatic operation. Mr Speaker, when the Government itself is in flagrant violation of the law, the portents are not good, so I trust it is going to do as I currently advised. Sir, I would like to turn to this law and point first of all to Section 7(1) (f) of this Act. There is a number of sections that are in flagrant violation. It says that -

*The Minister among other matters shall be responsible for publishing regular reports on the progress on the execution of the National Annual Budget.*

I would like to invite the Honourable Minister or indeed anyone in the Government to tell us where are the regular reports published in respect of the execution of the Annual Budget for the year 2005, so that we can benefit from that information.

Section 15 (i)

*The Annual Budget proposal shall include ...*

Mr Speaker, as a distinguished lawyer yourself, I know you will understand that to mean *must* include, these are not optional things the Minister may or may not do and Section 15 (i) Sir, requires this of the Minister:

*Estimates of all statutory expenditures for the past relevant years, the current fiscal year, the next ensuing fiscal year and the next three following fiscal years must be included in the Budget.*

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Ministers and Members of the Government, could you please tell me where we of the opposition benches can find the next following three years' estimates of statutory expenditures? And at (j) of that same section, this is what it says:

*Estimates of expenditure or investments by each budget agency for the next three following fiscal years.*

I do not see anywhere in these Estimates for any budget agency a projection of investment for the next three fiscal years, hence, Sir, you are in violation of this.

Section 15 (m), this is what it says:

*Details of the fiscal relationship between the government and the regions including proposed general and specific purpose transfers to the Regions during the next ensuing fiscal year and the following three fiscal years.*

Comrade Minister or Mr Minister, could you please tell me where I can find this information in the Budget. If it is not there, Sir, you are, as is the government, in flagrant violation of your own Act, which you have touted as evidence of your commitment to transparency and accountability, the Fiscal Management and Accountability Act of 2003.

Then, Sir, this Act goes on to say that -

*the Minister shall include a Programme Performance Statement from each budget agency that administers one or more programmes for which an appropriation during the next ensuing fiscal year is sought.*

A Programme Performance Statement has been defined so it is not left up to guess. In the definition part [Pause]... I apologise, Sir, that is not what was defined, but the requirement goes on in Section 67. Let me read the requirements out first. In Section 67(1) that -

*The Minister shall present to the National Assembly within sixty days after the end of the first half-year of each fiscal year a report on the year-to-date execution of the annual Budget and the prospects of the remainder of the fiscal year.*

Comrade Minister and Honourable Members of the Government benches, could you tell the opposition where we may find your report to the National Assembly being presented on the first half-year of 2005? Indeed, you had an opportunity, if you had followed your own advice and brought a Supplemental Relief Budget for the flood, then you may have been able to honour this.

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Mr Speaker, I also want to turn to something else. Section 72 of this Act requires that a Performance Programme Statement from each budget agency as, Sir, this is what the Programme Performance Statement is expected to contain at Section 72 (4) (d) says:

*Both, quantitative and qualitative indicators of the programme impact achieved by the programme during the current fiscal year ...*

And programme impact, Sir, which concerns every Minister in the Government, is defined in the early part of the Order as follows, *the consequences to the community that result from the implementation of a particular programme*. Programme impact means the consequences to the community that result from the implementation of a particular programme. I want to give you some examples, Sir, of what has been passed off to this National Assembly as meeting those requirements of performance statement, because it is extremely revealing.

I want to start with no less a place than the Office of the President. In 2005, as indeed for 2006, the information contained under Strategies is identical, one year with the other, so there is no change in anything and that I have found for every Ministry that I have examined. It is done as a mere routine and on a proforma basis, but no thought has been put into it and you can see the ludicrousness of what is contained there when you relate it to the need for an impact assessment, which means how the community has been impacted by the actions of this Government. And let me tell you what they say for impact here in 2005 under Office of the President. This is the impact of the community *coordinating the Poverty Reduction Strategy across sectors*. That impact on the community. They are coordinating this. *[Laughter]*

Now, another impact *update comprehensive website* - This is another impact. This is for the community. This is what it is. *Sound proposals, reports and analysis sent to Cabinet*; this is another one, Sir, *documented research in the Caribbean and elsewhere*. *[Laughter]* Sir, with great respect, this thing is so funny that I cannot help but laugh. That was for the year 2005, that is what the interpretation is of the legal requirement under the Financial Management and Accountability Act for an impact assessment, which is to say, how the community has benefited from the programme. But what is worse, Mr Speaker, because it is 2006, I expect a bit of originality; that they would have absorbed the Fiscal Management and Accountability Act and its requirements and by this year 2006, would have made some adjustments. You know what I have to report? This is exactly the same set of impacts as for the year 2005. *[Laughter]* Mr Speaker, what are we in the face of here, a total disregard for the people of this

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country and for their representatives in the National Assembly? I do not want to go on to speak about my friend from Housing and Water, *[Laughter]* because it is identically the same thing. I do not want to speak about Youth, because it is the same thing. I do not want to speak about Home Affairs, because it is the identical thing. Those are the ones I looked at randomly and that is what I found. Each of them just repeating things historically, but never sat down to spent the time to think that they are communicating to the nation about the impact on their work in the year and that they ought to put some thought into it. This perfunctory proforma way of treating this National Assembly and the nation when there is a law that you are required to satisfy in unacceptable to us. *[Applause]*

Mr Speaker, I therefore say to the Government that in those circumstances they should withdraw this budget, reconsider it, amend it in keeping with the law and bring it back and we will be happy, Sir, to join with them in a true debate and to see whether or not we can give it our support. Thank you very much, Mr Speaker. *[Applause]*

**The Speaker:** Thank you Honourable Member

The Honourable Member the Minister of Tourism, Industry and Commerce

**Hon Manzoor Nadir:** Mr Speaker, it is with a renewed sense of optimism that I stand in support of the Motion by the Honourable Minister of Finance to approve the Estimates for 2006, that is, the Budget for 2006, entitled *TRANSFORMING GUYANA THROUGH MODERNISATION AND PARTNERSHIP*.

Mr Speaker, before going into the substantial part of my presentation, I would like to respond to a few statements made by the Honourable Member Mr Murray. Mr Speaker, I remember in 2003 in one of the debates when we were at Ocean View, the Honourable Member, reading an excerpt from a newspaper about the Development Finance Limited going to Suriname and when he said, *it was because of Government intransigence, Government not dealing with investors that we lost this office*, but later in the article, those same persons said that Guyana was not off of their radar screen, that they will still serve Guyana from Suriname. Two years later they were here. He did not read the full part and this is the major flaw in his just presentation.

Mr Speaker, since he likes to read, in the Guyana Poverty Reduction Strategy Progress Report 2005, from which he extensively quoted and I want to start with one of his quotes from Page 70 and it was the first paragraph actually, *despite progress and regulatory framework, the private sector has not*

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*responded in a way that will boost the economy, create jobs to reduce the prevalence of poverty* and he ended the quote right there. That paragraph continued, Mr Speaker, and it said this:

*Clearly the stimulation of private investment will take more than the appropriate laws and regulations.*

This is what the Government is saying:

*It will require a complementing infrastructure, political stability, law and order and the reduction of red tape in Government bureaucracy. With these in mind, the Government will design and implement policies that will make Guyana a safe haven for private investment to flourish*

Mr Speaker, this is the statement of the Government and you know what? It is a pleasure today to be able to have documents like these available to all and sundry, so they can read, they can understand and they can see the vision. Documents like these, when we read part of the submission and we do not read all of it, we will tend to paint a glowing picture that here we have an uncaring Government, a rudderless Government, a visionless Government and a captain-less Government.

As I come to the formal part of the substance of what I want to say, the positive things, I will get back to that. The Honourable Member's presentation is quite replete with these half-statements that do not tell the full picture. In fact, if I can pick up on this particular part, cutting red tape. At this very moment the Government in line with what the Honourable Minister of Finance said about building partnerships in this Budget, the Government is in a series of consultations with stakeholders, looking at four areas where we can fast track development and we are in the process of selecting two industries where we can fast track development. The Government, right now at this very moment, is speaking with the private sector about expanding the institutions and the content of private/public sector partnership. At this very moment, we have another group that is focusing on what we need to do beyond what we are currently doing to stimulate further investment and greater export promotion. In this regard, the consensus among the private sector is that Go-Invest should not be a one-stop agency, but it should be the agency that will facilitate coordination among all the different departments, not a one-stop. Mr Speaker, on Friday morning and on Thursday, the entire day, I personally chaired two of these workshops, where I heard first hand from the private sector. In fact, this is the programme we have to improve competitiveness in the Guyanese economy and sharing the chairmanship of those workshops with me last Thursday and

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Friday was no other than the Vice-Chairman of the Private Sector Commission and the private sector is very buoyed with the Government's commitment in this process.

Mr Speaker, the Honourable Member went into lengths and depths about accountability, especially for the resources that were garnered during the January 2005 floods. He said that we were contemptuous of the House and in particular the Minister of Finance was contemptuous of the House in that he did not bring the promised Supplementary Budget. Mr Speaker, what is a Budget and what is the Supplementary Budget that we have to bring? In 2005, we had nine Financial Papers, covering five financial bills and we just finished Supplementary Appropriation Bill 22 of 2005. Mr Speaker, every single one on these Bills gives the opposition an opportunity to engage in full debate over the planned expenditure. Every single one of these Bills is part of the Supplementary Budget and should be considered that supplementary budget which the Honourable Minister mentioned. Mr Speaker, clearly the Honourable Member confuses the issue of a Supplementary Budget with a mini-budget. When you present a mini-budget then you are going to give the entire total picture, but this was not a promise for a mini-budget, it was a promise for Supplementary Appropriations that will be brought to the House to account for all of the expenses that will have to go beyond the flood relief and will include the maintenance and rehabilitation of the physical infrastructure that will ensure that the May-June rains do not wreak the same havoc as the January 2005 rains. And in that regard, we know of the establishment of the task force that started its work immediately and, as he said experts and this was a task force of experts, who decided what had to be done and who engaged the contractors in ensuring what had to be done was done.

Mr Speaker, another issue that he raised was this whole issue of private sector confidence and that the private sector confidence was not there. Mr Speaker, we all understand the investment equation and the investment equation as was mentioned earlier when I quoted from Page 70 from the Poverty Reduction Report 2005 includes many other variables and in this same Report - the Guyana Poverty Reduction Strategy Report and there is another significant Report I am sure that he has. It is the Guyana Re-privatising the Public Sector Investment Programme 2005 and I will deal with that. They both mentioned that domestic private investment was sluggish; an acceptance pointing to the prescription that we had to go back to the drawing board and we had to engage the domestic private sector. We recognise that this on ostrich burying its head in the sand, but there it is in these two significant reports that deal

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with the private sector and private sector the Government acknowledging that and as I said, it is a pleasure today to note that we are able to produce these reports for the consideration of all and sundry. Mr Speaker, with regard to the consolidated reports of what we did during the flood of January 2005, who got what and where it went to; we may have been a bit tardy; we are still in the process of accumulating all of that data. I am sure that at this time, the Office of the President is right now almost ready to present it, but the last speaker is the Chairman of the Public Accounts Committee and he could have asked for that a long time ago, too and mandated it. Fine! In the interest of ensuring good governance of all of the people, the transparency he spoke about, he could have also called for it to come here, because he said then he wanted accountability and transparency.

Mr Speaker, a few months ago, I made reference in this House to a series of audited reports on the operations of the National Frequency Management Unit that were tabled in the House and I am not going to talk about Public Accounts Committee, the audited statements of accounts for the nation and how well we have done with that, but I will use this simple but significant example to show you where we have come from and what is in operation today.

Mr Speaker, for the year 1992 and I am quoting from the Financial Report from the Office of the President on the National Frequency Management Unit, Paragraph 5, it said that -

*Financial controls were generally poor and the accounting records inadequate. It was therefore not possible to satisfactorily verify the completeness, accuracy and validity of the reported transactions and assets and liabilities.*

In the penultimate paragraph of that report, it said:

*Payments totalling \$1,205,588 could not be verified since vouchers and supporting documents were not produced for examination.*

[Interruption: 'For what year?'] 1991 and the Auditor General concluded that -

*Because of the significance of the matters referred to in the preceding paragraphs, I am unable to form an opinion whether the financial statements fairly represent the state of affairs of the National Frequency Management Unit as at 31 December 1991.*

Mr Speaker, the next year, 1992, Paragraph 5 was identical. One thing the Honourable Member and I have in common is perhaps we like to read and re-read and compare the same things. Paragraph 5 was identical. I do not want to bore you again with the same words, but the penultimate paragraph had this.

It said:

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*Payments totalling \$2,358,806 could not be verified since the related vouchers and supporting documents were not produced for examination.*

That is for the 1992 accounts and again he sums up: he is unable to offer an opinion on the audited state of the accounts for that institution.

By 1993, one year after this Government took office; the Auditor General got all the vouchers that pertained to expenditures that he called for, he received and in the 1993 statements, he did not make mention of any voucher not being produced to verify expenses. He did, however, continue to highlight the problems of poor financial records and again in 1993, he was unable to offer an opinion.

By 1995, this was what the Auditor General said just three years after:

*In my opinion, the financial statements present fairly, in all material respects, the state of affairs of the National Frequency Management Unit as at 31December and its net surplus and cash flow for the year then ended, in conformity with generally accepted accounting principles.*

The mess that was created, the total disregard for public funds, within three years it was turned around. If we examine all of the consequential reports 1996, 1997, 1998 up to 2003. In fact, Mr Speaker, I was amazed when I examined all of them. The paragraph shrunk, and in fact, the Auditor General had four simple paragraphs recurring year after year, saying that he was able to qualify that the statement of accounts reflected the operations of the National Frequency Management Unit. Small but significant, demonstrating the fact that this Government prides itself on accountability *[Applause]*

We have before us at this very moment the issue of the report that is termed the Bradford Report, Fiduciary Oversight and this was one of the agencies selected to undergo even further scrutiny so that we could ensure that there is not only accountability but transparency. This here is testimony to what has happened simply in the last decade under this administration. I had the opportunity to also sit, while I was over there at the Public Accounts Committee and to continue what the Minister of Finance promised in his Budget Speech in 2005 that a Treasury Memorandum will be issued. One was issued, so now we have completed the entire process. We have moved from a position where, prior to 1992, we did not even get accounts of the nation examined by any Public Accounts Committee that today we are now issuing the Treasury Memorandum as promised by the Honourable Minister of Finance.

*[Applause]*



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Mr Speaker, he also mentioned this whole issue of investments and how the PNC/R Government and all the Ministers were there actively seeking out investments. We want to thank them for bringing in GT&T, OMAI, AROAIMA and BARAMA. It only demonstrates if they had better policies years before where we would have been today.

He mentioned that the \$905 million in debt we contracted is burdening every single one of our citizens with a million dollars in debt. In 1992, we had US\$2.1 billion in debt, in excess of \$2.5 million per person. It was two-and-a-half times what it is today, but the other significant thing about the debt in 1992, given the average wage of a Guyanese; it would have taken them seven years of total commitment and all of their income to pay off that debt in 1992. I want him to compute how long it would take now. He said that they went about and they chased actively after investment and this Government is doing no less. In fact, there is no comparison. Go-Invest take an average of fifty exporters from Guyana all over the world every single quarter and how well this system is working. I remember in September of last year, seeing an e-mail from a call centre in Mexico. A simple e-mail came into an ordinary officer and it said, does Guyana have a strategy, a policy for call centres? Immediately we said, yes and within hours an e-mail came back and it said, we are interested for a few reasons; we like the Government policy we have seen on Go-Invest. *[Interruption: 'Produce the e-mail?]* We will produce that e-mail to you; I will produce it to the House. We also like the location, the English speaking population and can I get a visa to come? That was the next question and we said to the investor, come we will issue the visa at the airport and within forty eight hours from the first e-mail the investor was here. Two months later the investor was on the ground working and employing over 100 persons. That is how effective the system is. *[Applause]*

We are not only going out and actively seeking these investments physically; we have gone to the Miami Conference regularly; we have gone to the mining conference annually in Toronto; we have been around, but not only that, we are actively using the internet to disseminate information to effectively the regimes. As mentioned in the Poverty Reduction Strategy Paper, it is not only the laws and the regulations, because we can stand proudly and boast of an investment regime that we have in place today which is as good as any that can be offered in other places, but we do have issues of administration. His Excellency the President himself, when he launched the Guyana Trade and Investment Support Programme last year, mentioned that we did the changes not only to attract investment, but to ensure that there was transparency in the application of the rules for investors. That is

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why that Fiscal Amendment Act was passed in 2003, so that we remove from the Minister of Finance and the politicians, the right to issue the concessions. That resides now in the technical persons at the Guyana Revenue Authority. Those technical persons could be called to this Parliament at any time by the Economic Services Committee and by the Public Accounts Committee. There is a paper trail, you can go and check and ensure that what Murray B got; Nadir M did get; what Nadir M got; Shadick B did get; you can go and see the paper trail. That is why we changed it to ensure that there could be no accusations of unfairness, bias or political interference in investments. This Government does not want to interfere with the private sector. We have said over and over again that the private sector is the engine of growth and we will do whatever it takes to ensure that that is so.

That is why we can proudly talk about a sustainable debt management programme. He mentioned the issue of debt management; debt servicing and he used the 250 percent of current revenue to show that. He said that we are on the brink and so we have to carefully manage our debt and I totally agree with him. The Government does not have a problem in agreeing with our bankers. We will ensure that our debt is no more than 250 percent of revenues. What the Government did in the past was to restore creditworthiness to Guyana; *[Applause]* to ensure that we have creditworthiness so that other people can now lend us money. He was a bit evasive. Again, he did not tell the entire picture and while we have \$58 billion in current revenue and a budget of just over a \$100 billion, he said that ... (in the slippage of the tongue and I know that he is laying for the cameras) the Honourable Member Mr Murray said forty-three percent is in the form of grants, debt relief and loans, but later on he only talked about loans as if loans are the only thing. Because we are maintaining the macro economic stability; because we are maintaining the contract we have had with the international financial institutions, we are able to get from them. If you look at Pages 5 and 6 of the Budget, he only mentioned the aggregate in terms of current and capital, it gives you a breakdown where we are getting what from. Read through all of it and we are going to be getting close to \$18 billion in grants. You know why those grants are there, because of the good prudent financial policies of the Government. *[Applause]*

He mentioned not wanting to repeat previous statements he made. And for a number of years I have had to cite the 1989 and 1990 budgets, when then Minister of Finance Greenidge lamented the he could not come to agreement with the financial institutions - budget after budget he lamented. But here we have a Government who is willing to come to an agreement with the institutions and not only come to an agreement with them, but also honour the contract that we have with the financial institutions. So they

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are rewarding us for prudent management; \$18 billion of revenues and we are producing an \$8 billion deficit; \$18 billion dollars to be used will be borrowed to finance part of this Budget, but the bottom line is, because we have creditworthiness, we are able to get further loans and further grants.

The Poverty Reduction Strategy Report speaks of Guyana, out of 27 HIPC countries devoting over two-and-a-half times the average of its GDP to poverty reduction that any other country. *[Interruption: 'And we still have poverty.']* Yes, we still have poverty and I agree with you and when you read the Poverty Reduction Report, it will tell you that prior to the failings of this economy three decades ago, that our poverty was about thirty-nine percent and then we fell to over sixty/seventy percent and now we are getting back to the better days of the past. That is the reality that per capita income fell from US\$800 during the good days of the early 1970s to under \$350 by 1991. I said this last year and I would repeat it again, that is what Professor Clive Thomas said is the social debt that we owe the people of this country, because it was the workers, it was the people of this country who had to tighten, who had to work and tighten and tighten and we do not measure that. It is not a bed of roses in Guyana. We are still a HIPC country. And what does HIPC mean? It means *heavily indebted poor country*. What we have done in the past was repairing the social and physical infrastructure, repairing our information base.

Mr Speaker, when you look at the PRSP document - the poverty reduction document - and you see that in there are data we never had for decades, one has to compliment the Government for doing a good job in restoring some kind of analytical empirical data balance from which we can make decisions in the future. *[Interruption]*

**The Speaker:** Your time is up Honourable Member

**Mr Cyril CL Belgrave:** I rise to move that the Honourable Member be given fifteen minutes to continue his presentation.

**Question put and agreed**

**The Speaker:** Proceed, Honourable Minister.

**Hon Manzoor Nadir:** Mr Speaker, he mentioned on Page 69 of the same poverty report, which the Government mentioned ... sorry, Page 118 Paragraph 3, the last sentence; I want to draw attention to. The Government said about implementation of the social statistic project and the successful establishment of a vibrant national monitoring and evaluation system. I am pleased to announce that we

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did give the no-objection for this computerised system and for this programme to be in place only recently. The poverty reduction report stresses extensively about evaluation and monitoring, because every good plan has to have a monitoring and evaluation element so that we could continually look at our goals, refashion the objectives and ensure that we can work harder to attain that which is attainable. So, there is in this document a strong chapter on monitoring and evaluation, but not only a strong chapter, but evidence that the Government is more that willing to invest and put its money where its plans are.

Mr Speaker, the Honourable Member also spoke extensively on the Financial Management and Accountability Act and also about the Government acting unconstitutionally by bringing this Budget illegally outside of the law. Mr Speaker, it is a familiar tune of the opposition that everything the Government does is either outside of the law or unconstitutional - every single thing. We have equally and perhaps more eminent legal minds on this side, who will effectively deal with that. The bottom line is what the Government has produced today, in terms of documents, in terms of management of the economy, in terms of accounting for taxpayers' dollars is unmatched in any period during the PNC regime. Mr Speaker, the reality of the past five years is very little growth in the GDP. Everyone accepts that, we are underperforming in terms of the world economy, yes, but let us stack up against similar countries and let us stack up against heavily indebted poor countries and see where Guyana is and why today we are close now to that US\$1000 per capita income that will put us in a different category of lower middle income countries. *[Interruption: 'You must be worried.']* We are not worried, because of the restructuring that is going on in the economy now and the investments that we have and the forward-looking Government that we have will deal with that.

The Minister of Finance (and I cannot remember the page) did mention that we are looking at new sources of financing and beyond HIPC we have to look at that. Mr Speaker, it was not only talk. In my hands I have the working papers from that document Guyana debt and new financing strategy beyond the HIPC Initiative, which was held 20 April 2005. These are not just words; this is forward looking Government looking beyond HIPC when Guyana will be a middle income country that will have to meet all the challenges of a competitive middle-income economy. Nobody is saying that it is easy and nobody on this side of the House is saying that we have all the answers, but I know one thing: that we know for sure that we have better solutions than were offered before from that side. That is for sure! It

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might not always be the right answers, but what we are doing so far is much better than what we had under the PNC regime.

Mr Speaker, when we look at GDP, it is still the best gauge of growth and economic prosperity, there is no doubt about that, but many who looked at the GDP debate also argued some other things. I want to draw your attention to the 2001 GDP of Guyana US\$602 million. [*Interruption: 'I have not heard the point yet.'*] Well, if you shut up you will hear. Mr Speaker, 2005 GDP of \$644 million. Between 2001 and 2005, the GDP did grow by seven percent. This is the formal economy reporting the formal way and numbers that are scrutinised by the formal financial institutions, so while we look at GDP growth rate, which is based on the previous year's target, sometimes we lose sight that in 2005, we are still better off than 2001. We may not be better off in terms of 2004, but where you started, you are better off in 2001. The point is, for those of us who grew up in the school of underdevelopment economics, the reality on the ground is things are improving. It may not be improving as fast as we want, but there is no denying that on the ground things are improving. So this whole issue of GDP and the emphasis on GDP growth rate, while I accept it is a very good indicator and it is the best indicator. Many times the GDP alone, as the economists would say, never explains distributions of wealth in the economy and it also never explains that growth has taken place over a particular period that is greater than one year. That is the reality. Today, our GDP, we are baking a pie that is US\$650 million strong as against a pie in 2001 which was US\$602 million. It is bigger.

Mr Speaker, when we look at the poverty reduction report, we will see some of the exogenous variables and one cannot deny the impact of the 2002 jailbreak, the consequential crime wave; one cannot deny the high oil prices; one cannot deny the political instability. Remember, it is only the other day the PNC/R came back to Parliament. We are forgetting that. Here, an investor looks at the political climate also and they also look at the economy and how domestic private investment are doing and those are very important variables outside of all of the plans that we had that ensured we could not achieve the growth target as we projected.

Mr Speaker, we come to this issue of a Budget and what is a Budget and the Minister of Finance correctly said on Page 27 that it is just the annual plan which supports the previous programmes; it is just the one-year tactic, the one-year plan, part of the bigger vision for the country.

Why I am optimistic, is because we can see today that the gears have fitted well and that the economic engine is starting up and we are in a position where we will start purring a nice humming sound shortly

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and that is why the Minister of Finance, I am sure, used the theme of this Budget as Modernisation and Partnership.

Sugar and ethanol is a future and I will strongly support Guyana staying in sugar for the long term, because today we have a strong demand for sugar. Only two nights ago another e-mail came in from Egypt looking for sugar. This whole issue of partnership is where we are going to ensure that this engine not only purrs but begins to run at full speed.

Mr Speaker, I want to turn to a comment made about the Budget by one of the Medias and some politicians said that the Budget was only about sharing out goodies in an election year. Mr Speaker, the Budget is more than that this annual plan of announcing the good intents of the Government, the significant programmes that will restructure the economy that will repair the infrastructure and will cater for the poor and the elderly. It is more than that and I think every single member of Parliament, every public official, every person in the private sector, ought to get a copy of this document here - Guyana Reprioritising the Public Sector Investment Programme 2005. I will ask the Honourable Minister of Finance that it should be circulated to the House, because what it detailed is the PSIP for 2005 to 2009. This Budget is not a standalone budget outside of a bigger framework which has a five year timeframe. It has used the previous PSIP which ran from 2000 to 2004; the PSIP for 2005 to 2009 envisage some G\$203 billion being invested by the Public Sector - a detailed plan. While, some may say that this Budget is about giving goodies, well, it has goodies until 2009. *[Applause]* Mr Speaker, what is more important, in the document it details how these goodies will be distributed. So the Economic Services Committee should take this now and start looking at it. It is a credit to the Government that today such detailed documentation (as I said before) exists; it is a credit to this Government. Mr Speaker, as I said, the PSIP gave a review for 2002-2004 and in that period the emphasis was in the infrastructure to ensure that we can cater for the elderly, education and health. In 2005 to 2009, you will see a considerable shift in the PSIP from that sector to productive sectors. In fact, sixty-one percent of those \$203 billion is earmarked to help the productive sectors of the economy, moving from forty-one percent to sixty percent there is a shift now. Now that we have achieved the stability, now that we have put programmes in place, safety nets in place, we have a shift in the PSIP to the productive sectors. What is even more important, within the PSIP, this five-year PSIP and the Government programmes are now driven by long-term projections medium-term plans. In the past, we used to hear that Guyana will have a five-year development plan; that plan was to feed, clothe and house the nation, full stop. Today, we talk about

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planning for National Development and this is schematic that is in some of the diagrams ...

*[Interruption]*

**The Speaker:** Perhaps you can tell us more of those plans after we resume, Honourable Member. I think that this is a good time to take a suspension for forty-five minutes.

**16:35H**

**SUSPENSION OF SITTING**

**17:25H**

**RESUMPTION OF SITTING**

Honourable Member, you will need an extension of time to continue.

**Mr Cyril CL Belgrave:** I rise to move that the Honourable Member be given fifteen minutes to continue his presentation

**Question put and agreed to**

**The Speaker:** Proceed, Honourable Minister.

**Hon Manzoor Nadir:** Mr Speaker, I was looking at the Public Sector Investment Programmes and in it has reports on the performance of over 300 projects during the period 2000 to 2004. The Honourable Member, Mr Murray made a mockery and a joke out of the hard work of the technical people, who worked so hard for us to develop the data that we have to prepare the Budget, when he looked at what was prepared in the Estimates, I think, in one of the documents and linking back to something said in that Act which he quoted. He is saying that the bottom line is that we have a responsibility, because programme budgeting according to this law in his opinion that we will issue in a particular timeframe results of these. But there are so many other reports and he used something in the Budget which has a particular purpose and try and make a mockery of the work of our Public Servants. So when he gets the Guyana Reprioritizing Public Sector Investment Programme, he will see over 300 projects here evaluated. Mr Speaker, in fact it has in it there contained those issues we did not meet in terms of our targets. In fact, the 2000-2004 programme said key priorities for poverty reduction and I am quoting from Page 5 of the PSIP document:

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*The key priorities are broad based jobs generating*

- *economic growth;*
- *environmental protection;*
- *stronger institutions;*
- *better governance;*
- *investment in human capital;*
- *investment in physical infrastructure;*
- *Farm to Market roads;*
- *water and sanitation; and*
- *improved safety nets.*

Mr Speaker, it acknowledges

*While progress has been made in several of these stated priorities, Guyana had experienced lacklustre performance in some.*

And so Mr Speaker, there are in this document the PRSP in the annual reports of Ministries, in the annual evaluation of the programmes of ministries, which every single Minister do every year submits. It contains the achievements of the Ministry of the programmes and their impacts on the people we said these programmes will benefit.

Mr Speaker, it is no accident and I am quoting from Time Magazine 18 July 2005 and one of the priorities was the preservation of our environment under the Public Sector Investment Programme. In that article it says that *Guyana ranked seventh out of one-hundred-and-forty-six countries in terms of the Environmental Sustainability Index which was developed by Yale and Columbia Universities.* Guyana ranking seventh; No. 1 was Finland, No. 2 was Norway; but out of 146 countries, Guyana evaluated by independent sources, ranked seventh in terms of our environment and that is a major achievement. It did not happen by accident, it happened because we have numerous programmes: the Protected Areas System, agreements with Conservation International and we could go on and on about that.

Mr Speaker, what also is note-worthy about the programmes is that (as I said earlier) education is driven by a 2003 to 2007 strategy plan; health by a 2003 to 2007 strategy plan; Drainage and Irrigation by a ten-year master plan; there is a sugar modernisation plan; there is a transport sector study; also shortly to come the tourism development plan; and we are currently finalising the plan for competitiveness in the Guyanese economy.



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And with this, Mr Speaker, I would like to turn to some of the programmes in 2005 under the Ministry of Tourism, Industry and Commerce.

Last year, and we are thankful that the Member acknowledge the success of the programme in 2005, that in spite of the flood and if the Honourable Member was here we are shortly to lay the 2005 Report of the Guyana Tourism Authority in the House, which will also talk about the impacts of these programmes on our people, but last year in spite of the floods, we recorded 116,596 visitor arrivals at Timehri, which is the second highest we ever did. The record was set a previous year at Timehri and this does not count the occasional cruise ship that would come in. But more particularly, one shortly is to come; another one, large one with over 600 people will be arriving here shortly.

In tourism, we have now moved to the stage where we have just received the five-year, 2006 to 2010, Tourism Development Plan, which will make its rounds to Cabinet then to the House. Tourism, in 2005, saw us launching a campaign on BWIA: every single flight that the person on BWIA takes they would see at least one video on Guyana. That has produced very lucrative results in arrivals in particular from the Caribbean and one of the reasons why we did not suffer the heavy decline that was projected after the January floods. In fact, when we reviewed tourism performance, one would see that the months of September, October, and November were the best months we ever had. So the recovery came at the beginning of September last year. Again this year, we are thankful for the increase in allocation, we have an extra \$4 million under tourism and that is just from the Consolidated Fund, because we also get through the Ministry of Finance access to additional resources from the PL480 funds to support tourism development. There is an additional \$4 million in the Budget to help support our marketing activities and increase the institutional strengthening of the Guyana Tourism Authority. In addition to that, there is a provision within the Capital Budget so that we can provide badly needed repairs to the office and make that office look like a tourism office.

I remember the contribution of the Honourable Member Mr Deryck Bernard who spoke of Mickey Mouse tourism last year. Well, Mr Speaker, we are doing still better in terms of the exposure that Guyana has. Remember only a few months ago, we spoke about the launching of *White Diamond*, the film which was done at Kaieteur. *White Diamond* was nominated Time Magazine's best foreign film for 2005 [Applause] and speaking with the director, he told me it was also one of the films entered for the Oscars for 2006 and I am shortly to check the nominations which are going to be out tomorrow, to see if it was actually nominated for the March Oscars. But the *White Diamond*, a film done here because of

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the effectiveness of the tourism-spend, we have been able to attract that calibre of people to come to Guyana.

Mr Speaker, very significant; last year, the Government introduced a programme to make Kaieteur affordable to some of our people. Of course, Mr Speaker, we cannot get all the money we want, there are so many very good competing demands for the money, so we were nevertheless, able to put up last year, in excess of \$1million to help bring Guyanese to Kaieteur and an excess of ninety persons. Within three hours of launching the programme, it was sold out. And so we need to do more of that, Mr Speaker. The Government recognised that our people need to also see the tourism attractions in their country and so we started that programme. Of course, it was not meant for people of a certain income level and maybe Members of Parliament may not qualify, but certainly that programme did give a number of our school children, a number of our less fortunate people an opportunity to visit our Kaieteur.

Mr Speaker, Guyana Tourism Authority last year launched our 2007 poster series. Six new images which we are using to promote from now until 2007 and it features the natural environment, it features our flora and fauna, yes, of course it features Kaieteur, and there are two important segments which it also features: a segment on yachting and one on birding - two very important markets for nature lovers. Right now, we have in Guyana a consultant who is doing the three-year bird watching development programme. At this very moment she is here and she presented her preliminary findings last Saturday and we are moving to the bird marketing niche in a big way.

The other issue is yachting. A three-year yachting development programme is also going to be done. We have already changed the regulations so that yachts can arrive up the Essequibo River and reach to Bartica, and at Bartica they will be able to clear immigration, Customs and Port Health. So those facilities have already been put in place so that yachts can arrive. In the past, when a yacht came the only port of entry was Parika, so we had to shuttle people to Parika to meet the yacht and the people sailed out. Now, the yachts can go directly to Bartica and we will provide all of the clearance there, because it has now been officially designated as a port of entry for them.

In terms of the yachts, we have the yachting sector, the man who writes the Bible for yachters in the world, Chris Doyle. He came to Guyana last year and he is preparing at this moment the first yachting guide with all the navigation charts and all the technical data that are required and Guyana will have its first yachting guide very soon.

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The consortium that is driving this initiative already has acquired a vessel with the technical capacity to do the river soundings and to map out a channel for yachters in all of our major rivers. This is something which I remember in the 2003 Budget debate, when we said one yacht was coming and it was a start and the Prime Minister then said that it was a start, but like the Chinese, a journey of a thousand miles begins with the first step. The first yacht came. Last year, we had a dozen yachts sailing from Trinidad to come to regatta. We are now working on a rally for yachters from a Caribbean island to the Essequibo at this very moment. Mr Speaker, the yachting market looks very good for us, 50,000 yachts are in the Caribbean at this very moment and we can get a significant portion of them coming here. One of the persons who pioneered the yachting development in Trinidad and Tobago... [*Interruption: 'I had a yacht and I had to sell it.'*] You sold it too soon, you did not have faith; you got to have faith. Mr Speaker, one of the persons who went to Trinidad and Tobago would normally sail from the States of Venezuela and fifteen years ago, he was looking for an un-crowded destination and he found Trinidad and Tobago. That person was the person who started the expedition here, she and her husband today has acquired property in the Essequibo River. They have built their home there and they are inviting all of their friends. They are retirees, they are pretty well off and they are inviting all of their yachting friends to a birthday party shortly in the Essequibo. So Mr Speaker, there is a driver behind tourism; there is a driver behind developing niche markets in tourism and with the advent of the cricket stadium and the convention centre, we have two additional markets that Guyana can attract tourists from overseas - our Convention Centre for convention tourism and the Stadium for sports tourism. And so, Mr Speaker, this is part of the big vision. Whoever is the Government, nobody can deny a tourism future for Guyana and it was all set in motion during the PPP/C Administration. [*Applause*]

In fact, Honourable Member Mr Ramotar, I only had a peep at your Manifesto. Again recently, one of the promises made by the PPP/C was to develop the tourism and entertainment industry. I mentioned in the 2001 Budget, my first debate from this side of the House and I raised a mini manifesto from the Party I represent, which mentioned tourism and information technology as two priority sectors. So Mr Speaker, here you see, there is a dove-tailing of interest and picking the right priorities and tourism in itself, has been given not lip service and one of the criticisms the Government has had from the Opposition and it is just criticism for criticism sake, is that it pays lip service to the plans and programmes of the words it belches out. Here is physical, actual, tangible, evidence of the Government putting serious money behind its plans and its promises in tourism. When we started in 2001, tourism

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only had \$20 million - \$20 million was the tourism budget. In this year's Budget, tourism has over \$60 million allocated under capital and current and we have established the Guyana Tourism Authority, significant achievements in this sector.

Mr Speaker, another semi-autonomous agency that falls under the Ministry of Tourism, Industry and Commerce is the Guyana National Bureau of Standards. Over the past four years, the Guyana National Bureau of Standards has embarked on a programme to improve its primary standard and its capacity to do all kinds of laboratory tests. Three years ago, we acquired primary standards; these are traced to our standards. The first time in thirty years, Guyana was able to acquire primary standards for lengths, for masses and for volumetric measures. The programme continued last year at GNBS and I, Mr Speaker, want to thank the Minister of Finance who has continually put enough money in the capital so that the technical capacity of the Guyana National Bureau of Standards could be improved year after year; because if we are getting into international trade in a big way we envisage, the issue has to be the capacity of the GNBS to give compliance certificates for conformity to international standards. So the investment the GNBS is part of our global plan to improve exports from Guyana and it has been paying dividends.

Three years ago, Guyanese rice used to be turned back from Jamaica. Jamaica National Bureau of Standards rejected several shipments of Guyanese rice, causing losses of foreign exchange not only to the economy but significant losses to the exporters and many times those are translated right back to the farmers, because the system is such that the farmer would only get paid when the seller - be it the local or the exporter - gets paid, then the farmer gets paid. And when rice was rejected at the port of entry at a foreign nation, it was our farmers and our producers who suffered. Guyana National Bureau of Standards, because of this Government's commitment to improving its technical capacity, was able to sit with the Jamaica Bureau of Standards so that over the past eighteen months, our National Bureau of Standards - we certify rice today on behalf of the Jamaica National Bureau of Standards. We do it so that the rice... it is a big plus and we are talking somewhere in the vicinity of 35,000 metric tonnes of rice being available and getting easy access to the Jamaican market and that is because the Government has seen the prudence; the Government has been prudent and seen the merit in allocating more and more resources so that the GNBS technical capacity can be increased.

Shortly, Mr Speaker, tabling in the House would be the reports and the Honourable Member Mr Murray again spoke of the impacts of these programmes on people. Well, the reports from the GNBS for 2001,

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2003, 2004 will be tabled in the National Assembly within two weeks and two weeks after that, I guarantee you, Mr Speaker, 2005 will be on your desk.

What we are talking about, the Honourable Member Mr Murray, in terms of no evaluation of the impacts of these programmes on the people they are intended to serve, is a bit of some kind of wash and does not match some realities on the ground.

Mr Speaker, I mentioned the issue of a programme for improving competitiveness in the Guyanese industry and this is a huge programme we are currently negotiating with the IDB. We are working with all stakeholders to produce a Guyana document - a Guyana strategy. These are the consultations I mentioned earlier that are happening now. This programme itself has as an important component improving the environment with the private sector, but already... *[Interruption]*

**The Speaker:** Your time is up, Honourable Member.

**Mr Cyril CL Belgrave:** Mr Speaker, I rise to move the Motion that the Honourable Member be given fifteen minutes to conclude his speech.

**Question put and agreed to**

**The Speaker:** Proceed, Honourable Minister.

**Hon Manzoor Nadir:** Mr Speaker, the issue of investment - again I want to come back to that and where is the investment. We had a difficult period; we had the challenges; what is happening now in the Budget? The Honourable Minister of Finance mentioned, I think it is on Page 28, the issue of US\$80 million coming into the BERMINE operations by RUSAL. *[Applause]*

The Government has been criticized for not delivering big investments and we agree big and small investments all have to come. Right now US\$80 million being invested and out of the US\$80 million, US\$60 million being invested in improving shipping facilities. When a person is going to put US\$60 million dollars only in the distribution aspect of production, he has much more coming upstream - lots more than the US\$20 million that is in the Budget. So we are very, very buoyant and this also relates to this issue of modernisation. The Minister of Finance is right, modernisation is not only about Skeldon, modernisation is what is happening in Linden, at OMAI; modernisation is what is happening in the Berbice River and what is going to happen when the ten-year drainage and irrigation programme is going to be completed. You are going to see that, Mr Speaker. So this Budget is very amply themed

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*Modernisation and Partnership.* I was talking about this programme for competitiveness that we are drafting with the private sector. Mr Speaker, that programme started in March of last year and the consultations have happened with the private sector. We have moved to the point where consultants were hired by the IDB, came in, had the discussions, prepared the first draft reports that are now being discussed by all the stakeholders and we will see long before the elections that strategy being formalised for all Guyanese investors and all foreign investors. So, Mr Speaker, this is a programme within the Ministry which we feel very proud about. We feel proud of it because of the speed at which the IDB has moved to support the initiative and also we feel very proud, because of the partnerships that have been generated, because of this programme with the private sector.

Mr Speaker, for four/five years, we have spoken about a Competition and Fair Trading Bill and that Bill is in Committee right now as the House knows. We are hoping that that Bill will see passage and assent long before the House is dissolved. The Honourable Member Mr Murray made mention of unfair trading practices and I am sure, if he has a meritable case, this is going to be an institution that will deal justly with his claim of unfair practices in term of indigenous investment or any investment whatsoever. We are very pleased that structurally the institutions and the legal frameworks are being put in place so that we can have a competitive free-market economy.

Mr Speaker, the Small Business Act was assented to and this is another area where we are developing more partnerships with the private sector. The Council for the Small Business was appointed a few months ago and they already had about three meeting among themselves. And if one examines the Budget, you will see a small allocation, since we are now starting for the Guyana Small Business Council. The Board of the Small Business Council has on it a person from the private sector; it has organisations identified that represent the private sector, not only in Georgetown but throughout the country. It has taken account of small business organisations in all the regions of Guyana and they have begun their work. The Honourable Minister of Finance, recognising the vital importance of the Small Business Council has started with a small allocation, so at least the work of the Guyana Small Business Council as promised will get off the ground.

Here we have another semi-autonomous institution being created where it is going to be outside of any bureaucratic mechanisms in a Ministry or outside a direct authority by the Minister. [*Interruption: 'The Minister wants to appoint the whole board.'*] We always hear that so the board must be appointed by the Parliament. We may move to that point sometimes down in the future where Parliament appoints all

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boards. Who knows? But for the time being, as I said over and over again, the Almighty would not come and do it for us, so we have to put the authority to appoint the board in the hand of an officer. And so far the Westminster System has not given us another officer other than a Minister. Mr Speaker, here we have the Small Business Council which is now operational; this is not legislation that was promised and approved; this is now legislation promised, approved and implemented. That is what it is, small significant changes happening in our economy. We are hopeful, we have the draft ready that we can table and get it passed before the House.

The other very important piece of legislation is the Consumer Protection Act, that Bill we have promised year after year, yes; but we have every single Minister here and each one of us has two pieces of legislation all competing with the services in the AG Chambers. But we are pushing and we feel that we might be able to get the legislation to the House, so that we can have consumer protection legislation passed before the Parliament is dissolved. Mr Speaker, we note your note of 3 May 2006 for the dissolution of the House.

Mr Speaker, the Ministry has under it a Commerce Department and one of the things that the commerce department has worked assiduously on is the e-commerce legislation. Well I cannot promise that we can get the e-commerce here before the House is dissolved. Perhaps it might be a good thing, so that we might be able to get more inputs from other honourable members, who have some qualifications and experience but skills in that area. On the internet is a copy of the e-commerce legislation for anyone to download and they can send their comments and their contributions to the Ministry of Tourism, Industry and Commerce.

Mr Speaker, we feel very satisfied that in the last five years within the Ministry of Tourism, Industry and Commerce and within the Manifesto that was produced by the PPP/C in 2001 to the electorate, that we have fulfilled many, if not most, of the promises made to the Guyanese electorate in terms of business, business environment, investment, tourism, industry and commerce. Mr Speaker, when one goes out there after May, one will be evaluated against these promises and the record that will be put up will be a proud record of achievements and being faithful to the promises put out by PPP/C in 2001. *[Applause]*

Mr Speaker, the Honourable Member Mr Murray, I think he did provide us with quite a bit of comedy in terms of how he... I do not want to use an un-parliamentary word, but how he used some of his statements to take the example and paint a picture as if it was a practice and he mentioned and he provoked good laughter from the Opposition, when he said that the Minister of Finance commiserated

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with the people of Guyana and he took out of context that word which pertains specifically to the January 2005 floods. He painted a picture that it was the entire country, trying to imply the Government did so badly that Government failed so miserably that all it could have done was to have sympathy with the people of Guyana for bad governance and bad management. The reality is actually contained in the summing up of the Budget. And again I would have liked for him to read that entire page. Paragraph 7.3 on Page 64, the Minister of Finance ended:

*For the most part, the general demeanour of our people suggests that while we have a far way to go, we have come a long way down the road. The less our distractions, the faster we will be able to achieve these goals. This is why, Mr Speaker, it is important that as a nation in this 40<sup>th</sup> Anniversary of our Independence, we must demonstrate our maturity by holding trouble-free and transparent Elections this year. All of Guyana belongs to all of us, and we must resolve to keep it that way. God bless Guyana!*

Thank you, Mr Speaker. *[Applause]*

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

The Honourable Member Mr Jerome Khan

**Mr Jerome Khan:** Mr Speaker, it is the first time, I must say that I am greeted with cheers from the Government side as I stand up to speak. *[Laughter]*

Mr Speaker, I believe that most, if not, all of us today in this Chamber would agree that the presentation made by my senior colleague, the Honourable Winston Murray, was extremely thorough and was worthwhile for unanimous applause from both sides of the House.

I am disappointed, therefore, that the Honourable Minister Manzoor Nadir chose to try and score cheap political points instead of appreciating the gravity and depth of Mr Murray's presentation. I refuse to rebut what was said by Mr Nadir, because in doing so, it would mean to dignify the cheap shots that were taken at my colleague. For me, living in the past has become a pastime for some of us.

Progressive people look to the future - they look forward. The PNC/R prides itself as being a progressive, forward thinking group and therefore I will follow the team and approach by my colleague in identifying some issues and enlarging on some of the points he made.



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Before I do that, Mr Speaker, I wish to tell you about an event last Saturday night. Last Saturday night there was an event that was hosted in Georgetown. At that event the Honourable Prime Minister was there, many members and supporters of the ruling party were there. There were folks from the opposition and various political groups, NGO's, diplomats, people from urban Guyana, as well as the rural, capitalists who called themselves capitalists, Marxists, Leninists and all. For a moment, looking at that event and that camaraderie and friendship that permeated that room, I could not help but wonder how serious we are when we look at our Budget and the theme of our Budget *TRANSFORMING GUYANA THROUGH MODERNISATION AND PARTNERSHIP*. It is relevant, because that gathering of over 300 people captured for a moment, even though a fleeting moment, what Guyana ought to be like as we move towards a period of modernisation and partnership.

The concept of modernisation may have manifold meanings and manifold applications, including a modernisation of our attitudes towards each other, the breaking with the past of isolating those who would like to raise the memories of ghosts to justify their own irrelevant survival. Modernisation has to mean more than fancy architecture, new roads and bridges and also mean creating innovative institutions and to seek and seize new opportunities to save us all from the crime that is never-ending today; the migration that is ever increasing; from the economic hardship that is ever present, looming in front of us; and from the vitriol, the rhetoric and the cursedness that seem to come so easily to some of us. It must mean cooperation, respect and liberation from the cocoon that we all seem sometimes to find ourselves to hate each other.

Partnership likewise must also mean there is a sincere and genuine call for collaboration in a meaningful way and not be driven by selfishness and therefore I wish to commend a particular section of the Budget Speech by the Honourable Minister Kowlessar, my friend. The Budget Speech at Page 6 section 2.5 states that -

*Another opportunity for pooling resources in the context of shared ideals and the pursuit of common objectives will be presented this year when Guyana hosts the Summit of the Rio Group of Countries. This will be a defining moment in the life of such a small nation and a fitting tribute to our esteemed standing in the international community in this the 40<sup>th</sup> year of our Independence.*

It concludes: -

*We should cherish the moment.*

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When I read this section, I thought that aha, finally, the Government is paying attention to the concept of shared ideals of pooling our resources together, because it is presented in a historical time with an opportunity. History we know, is about events; those moments when some incidents create a flash-point leading to maybe crises or achievements. Here it is, we recognise the Budget, the value of pooling our resources in the context of shared ideals with a common objective. Why can't we, as a people, not at first instance, at first base, at first principles seize the moment to apply these same concepts, these same ideals to our own domestic situations? For us to only respect at the moment and not dealing with our own internal problems, I think we would be selling ourselves very short. Our history has been punctuated by interventions and creations of institutions that have grown sometimes old, that are outdated and of no relevance to our country. Institutions that pith us against each other that divide and create mistrust, envy and hate. We must modernise, as the Budget says, those institutions and change those who are comfortable with living with jumbies and ghosts of the past and remove them because they may be hindrances to the development of this country. *[Applause]*

The 2005 Budget, Mr Speaker, when I spoke then, I pointed out that it was riddled with inaccuracies and therefore the review of the domestic economy as presented in 2006 is fatally flawed. If we were to revisit the Budget Estimates, for example of 2005, we can notice from Budget Estimates Volume 1 Page 3 that the Central Government summary of revenue and expenditure was organised to show significant increases in the collection of Government revenue and significant increases in capital expenditure. For the 2005 Budget, the revenue is shown as \$80.5 billion and expenditure is shown as estimated \$86.4 billion, of which capital expenditure was projected at \$31.7 billion, resulting in a deficit \$5.9 billion in 2005. This is extremely misleading as it over-estimates total revenue, it hides the increasing fiscal deficit and attempts to hoodwink the Guyanese public of the heavy reliance and importance of donor funding and HIPC relief - a point that was earlier made by my colleague, the Honourable Member Winston Murray. These two streams alone significantly prop up Government's spending. This has been a singular characteristic of all Government Budgets for the last decade and is something. I think, we ought not to be proud of.

Moreover, what is true is that the revenue component of the Budget does not match the inflow of revenues. Revenue, by any economic definition, is money received by an entity from the sale of its output of goods and services, in the case of Government, from direct and indirect taxation. What Government is calling revenue is the total inflow of resources of which, in budget 2005, \$34.7 billion

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consisted of grants loans and debt relief. It is a hoax and even a magician could not convert what are clearly non-revenue inflows as if gained through the productive process. This is an untidy arrangement and certainly unworthy of our Budget planners, as our donor agencies cannot be happy with such gimmick. What has to be done is for the Budget to reflect current receipts as a separate entry from financing required to cover the deficit spending. This same hoax is repeated in Budget 2006 at Page 3, a point also made by my colleague where, under total revenue, current revenue is shown as \$58.5 billion and capital revenue as \$33.4 billion. The Government is showing as revenue the following, a point also made by my colleague and he was chided by the Honourable Member Mr Nadir that he did recognise that there were grants. Mr Nadir went on to say that grants were given to a country, because of its credit worthiness. Now, even an amateur who has not studied economics or any first year economics student will tell you that there is no link, absolutely no connection between credit worthiness and the issue of grants. If we speak of loans it is a different matter. In societies that are governed in whatever way, grants are continually used by international agencies to help countries. If you talk to any of the donors of this country and you ask then why are you giving grants when there are all these problems and we have raised issues, the donor would say grants are given to help the people of the country and not as a function or a reflection of a support of any ruling party and any Government. I want to debunk that myth, that misleading bit of information that has been presented today. It has nothing to do with credit worthiness. Grants are separate and apart, for example, if you look at the types of grants that are issued and you can find all of these listed in the Budget:

- CDB grants
- European Union grants
- IDB grants
- DIFID grants
- World Bank grants
- AUC grants

All grants are geared towards a specific area to help the people of Guyana, not the PPP/C Government. Under Cash Commodity Assistance grants, the European Union, for example, will be extending \$1.7 billion; USAID PL480 Agreement, \$1.03 billion; IDA \$1.8 billion; under the loan category, which is separate and apart, we will be applying and hopefully we will be getting, \$18.28 billion. That is a loan.

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So do not confuse loans and grants. And I am very surprised my learned colleague over there would want to attempt to mislead the House, because it is not true.

These are all potential income streams comprising income support and they are not revenue. It is a distortion of the true revenue picture of the Government's National Budget and we cannot fool anyone. We cannot even fool the young people on the road or the un-initiated, they know that we are racking up Budget deficits, which I would be dealing with later to support what you call the largest Budget ever of \$102 billion.

Mr Speaker, I wish to turn to Page 62 of the Budget and look at fiscal intervention. One of the fiscal interventions as stated by the Honourable Minister includes a change in the income tax rate removing the progressive gradient of 20 percent to 33 percent to a full flat rate of 33¼ percent over incomes in excess of \$300,000. The theory is that a tax decrease increases disposable income and such increases help to support Government social policies, but we have no clearly defined social policy to which we can draw a reference. We cannot use Poverty Reduction Strategy as any reference point, as that is a policy based on external prescription. Any Government ought to have as a national objective, the reduction of poverty. It ought to have as a general objective, the reduction of poverty. How you achieve this objective is a matter of political direction - political will? So it is not a novel thing to say that you are reducing poverty; you have a responsibility to do so. That is what you are supposed to do and that is the point that I wish to make.

On the other hand, we believe, for example, that a private sector-driven economy will generate national economic wealth and increase Government coffers, so that social programmes will get adequate funding. This will also reduce our dependence on the largest of donors for grants and loans. The PPP/C Government, on the other hand, seems stuck on a programme of fiscal intervention to influence economic activity through Government's expenditure. This is evident as year after year, we have deficit financing, that is, the Government spends more from its income from taxation. Indeed, theoretically, an increase in Government spending based on the Kenyan model stimulates aggregate demands through linkage and multiply effect, thus creating jobs to satisfy that demand and in effect raising national income. That is the theory. If the level of economic activity is too high, that is, the economy is overheating; the Government has the option of running a Budget surplus, decreasing its expenditure or increasing taxes. That is, it withdraws from the economy the decreased aggregate demand. Economics is not some sexy exotic topic and therefore when some people do not understand it and they remonstrate

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... I understand; you have to be grounded in true academic work to understand this kind of stuff. What we have and what we have seen despite the Government's fiscal intervention, is a frigid economy; no increase in national income. We have a continuing high level of unemployment and increasing percentage of underemployed and this taking place at the same time that there is a dramatic increase in legal and illegal migration out of Guyana.

On January 23, on the very same day that this Budget was presented in Parliament, over 300 persons were in the Immigration Compound on Camp Street looking for passports. Imagine, what would have happened if the tens of thousands who have left our shores these past thirteen years were still here.

Their migration, even though taking valuable skills, has become an essential safety valve for the Government, who will not be too unhappy with such exodus. The PNC/R extends or intends to stem this flow by once again bringing back foreign direct investment and encouraging local and regional investment in this country and by doing so keep our people home. *[Applause]*

Fiscal policies by a PNC/R government will be used to fine-tune the economy and not to drive it as an engine of growth and our budget presentations will be punctuated by less and less reliance on budgetary support from external sources through funding gained by the private sector. The fact remains that the interesting deficits over time indicate poor fiscal management. Even the IMF has emphasized this point. Moreover, deficits of the magnitude shown here in this Budget relative to the size of the GDP cannot be sustained, will not be sustained and lead us into big problems. Unless we are able to continuously tap into the largesse of the donor agencies, we will have a problem. Large deficits are harmful to small open economies like Guyana. It leads to high real interest rates, low savings, low rates of economic growth and fictitious value of our currency relative to other currencies. More importantly, deficits are intergenerational (intergenerational Mr Rohee) as the public debt passes on from us to our children and our grandchildren. There is no free lunch; Government spending must be paid now or sometime later. It is highly irresponsible for us to want to shift a public debt and future tax burden on our children. It is nothing that we can be proud of. So, to say that we are able to borrow more now, as my friend the Honourable Minister Manzoor Nadir said that the Government creditworthiness has allowed us to borrow more, there is nothing to be proud of. What it is saying is that we are creating more debts and we are passing on those debts to future generations. The ruling party has a historical refrain, Mr Speaker, that when they came into power in 1992 the external debt was \$2.1 billion, a matter that my colleague spoke on and I wish to add one point. If you check the debt, the bulk of that debt was

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associated with the cost of fuel imported into Guyana, a point that we ought to make more and more and I hope that all those who serve the PNC when they were in Government would stand up and say what it was the cause for that debt. More than that, the other component of that debt led to the building of the Canje Bridge, the Demerara Harbour Bridge, the Linden Highway, the West Coast Demerara Road, the East Coast Demerara Road and other places; so it was not that money was squandered away and money was taken out of the coffers of the public. It is a mischief that needs to be corrected. Compared to today; my brothers and sisters, listen Honourable Members, we have almost US\$3 billion worth of external debt created that is not associated with the damage caused by the flood and you know what is going to happen? We are going to be told there is a clever ploy at work to link the debt of US\$3 billion associated somehow with the flood. Therefore, we ought to alert the Guyanese public not to be hoodwinked by this ploy to say, well the reason why we have this huge debt is because of the floods of last year and this year. So, let the Guyanese public know it has nothing to do with that, it had to do with borrowing that was taking place, borrowing for the building of places like the Charity wharf which floated away and other places. The only wharf in the history of the world that has become a submarine suddenly broke ranks and went underground and could not be found.

The Honourable Member Mr Collymore, my good friend over there, in 1993 said to this House and I refer to the flood that he will make sure that all the muco muco in the drains in Guyana are cleared away and they used to unfairly call him the muco muco Minister, which is an all time thing. Well, Mr Speaker, despite the US\$3 billion that came into this country, our drains still have muco muco and beezee. *[Laughter]*

On page, 47 Paragraph 4.5, we have a recognition of the magnitude of our debt portfolio that now the Government is moving to establish a national capacity building plan for aid and debt management. This cannot be anything that we are proud of, that we have to create an institution by itself to monitor the debt that we have racked up. The fact we are talking about managing debt must raise alarm bells. We should be concentrating instead on the creation of wealth, on having institutions to facilitate economic growth of retooling our revenue agencies as they move to become a modern agency to cope with domestic growth and requirements of the CSME and even the World Trade Organisation. To put in a Budget document, the need for debt administration cannot escape the attention of the donor community. I make bold to say that we have seen a disappointing level and while on the donor agency, I wish to address that. I make bold to say that we have seen a disappointing level of critical analysis coming from

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our donors. Sometimes one has to wonder if their review is not based on some template that is activated at the appropriate time to churn out reports to their superiors on the performance of our economy. Report after report they sing the same mantra: sound macro economic fundamentals, the very same mantra of the ruling party. I have been told by many people, include some in Georgetown that more time is spent by some of the staff at the donor agencies appreciating the flora and fauna of Guyana, the beauties of Guyana, rather than putting their heads down doing critical work and if this is seen as an attack on the donor agencies, I make no apologies for doing so. Last year, for example, in a meeting with the Joint Committee of the IMF and the World Bank, in their presentation to our party, not a single word was mentioned about debilitating impacts of money laundering and the narcotic trade; a point which we made to them; I made to them. They were left red-faced. They admitted it was a problem. This may be my last debate on Budget for some time. So I will take this from this side of the House. I want to make the point and place some on the record that I am extremely disappointed with those operatives within the donor agencies, who seem to be churning up reports after reports that have borne no resemblance to the true economic problems of Guyana. *[Interruption]*

**The Speaker:** We can say, Honourable Member that you will most likely be here for the next budget debate. We do not know on which side of the House yet. *[Laughter]*

**Mr Jerome Khan:** Thank you, Sir

**The Speaker:** Your time is up, Honourable Member.

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

**Question put and agreed to.**

**The Speaker:** Proceed Honourable Member

**Mr Jerome Khan:** Mr Speaker, I wish therefore to turn to Page 55 - *Foreign Policy and International Cooperation*, because it falls under my remit from my party. I wish to address this particular section. This section contains nothing new. If anything, it is a great disappointment from our part that we are still talking about how important it is for an overseas mission to play a key role in promoting Guyana for trade and investment. When the PPP/C came into power, there was a well established, a well organised foreign service, staffed by some of the best and brightest minds of this country. It is no secret that great

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harm was done to this frontline institution by persons whom I will not name, who fired persons at night; who withheld salaries, forcing former diplomats to seek the intervention of the courts to receive unpaid salaries and benefits. Since then, we have never been the same. How can there ever be the same; how can we ever be the same? How can we expect this institution to again play the key role it once played in terms of our interest in trade and development? Even the appointment of honorary councils today has been a matter of politics. I am sure we are not getting the best and the brightest out there to serve our country. I would not say more on that. I spare my colleague. With your permission, Sir, I wish to quote the entire Paragraph 4.78 on Page 56, because it is relevant. It says:

*The Government places great store and views highly the contribution which the Guyanese Diaspora has made and continues to make to the welfare of Guyanese communities at home and abroad.*

I believe that part of this remit falls under my esteemed colleague, the right Honourable Member Clement Rohee.

*Its response to the flood relief last year was an eloquent testimony to the potential of our collaboration. A more structural relationship with the Diaspora will, therefore, be pursued with a view of unleashing this potential and maximising the contribution of overseas communities for development.*

This section concludes, Sir:

*To this end, a forum is planned this year at which representatives of overseas communities will be brought together to discuss and chart the way forward.*

Mr Speaker, there was an institution that was created in this country right after the 1992 elections. That institution was called the Remigrant Association and the person who spearheaded the formation of that institution is my dear friend, the right Honourable Member Clement Rohee. Mr Rohee advocated the need for a remigrant association, because he argued then that he saw the contributions that could be made by remigrants. He recognised then the linkages that they could establish from where they came, whether it is New York, Toronto, London or all over the Caribbean. The first president of that institution was one Mr Paul Geer. Almost thirteen years later, we are trying to reinvent the wheel, here in is that old institution which is now defunct; we are now trying through the back door to recreate another institution. This time we are talking about the Diaspora. The link was lost, the opportunity was lost and we must remind the Government that if you act in a way that is perceived to be spiteful against



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remigrants and you tell them that because they were not part of the struggle they are coming back here to gain benefits, to gain duty free concessions and all these kinds of things, and free remission, you are going to turn them away out of Guyana. And therefore I say to you, while it is a welcome move by the Government, the PNC/R will not handle it this way. The PNC/R places premium value on our Guyanese in the Diaspora. We see them as an equal part of our nation and we would ensure that they are welcome to our shores and not treated as interlopers, as the remigrants were told, when the Remigrant Association was formed.

*Targets for the Economy in 2006, Page 57.*

Optimistic is the best way to describe the projected target at 4.3 percent. Given the current flood problems that affected our rice lands, sugar lands, cash crops, livestock and poultry, the projection in the fishing sector is at a growth of 1 percent over 2005. Again, I would say, this is very optimistic. It must be noted that last year the fishing industry had a major shutdown due to the escalating fuel prices, attacks by pirates and closure of long established fishing enterprises. A one percent increase from a low output in 2005 must be seen as miniscule a marginal increase compared to previous years. The PNC/R intends to have a comprehensive review of the fishing sector to ensure that this important industry is given full support to exploit fully our potential in this area.

In the forestry sector, growth is anticipated by four percent. This is an alarming figure as, recently, the Government extended large concessions to many new players, some with questionable business credentials. Moreover, when the Government speaks of growth, it has to take into account a serious problem associated with the export of logs; a matter I believe the Honourable Minister, while he is in office, ought to attend to.

For example, in 2005, two-thirds of the total forest products exported out of Guyana was in the form of logs. These two-thirds accounted for only one-third of the total revenue earned in the forestry sector. Against this background, the million dollar question remains why is the Government not paying more attention to the forestry sector? We are losing our natural resources, our patrimony, patrimony that belongs to our children and yet Government seems to be turning a blind eye.

Under engineering and construction, there is a projected growth of 4.5 percent. Under normal conditions this would be seen as very progressive, but in a declining economy with mass migration, high unemployment, massive underemployment, destruction of our economy by flood, how can these figures be real?

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What is driving this growth? The popular view, not my view, the Man-in-the-Street says that the construction industry is driven by money laundering, narcotic trade and proceeds of crime.

It is good that there is anticipated growth in the bauxite industry. What is still a State secret is whether there is a locked-in price mechanism with RUSAL and OMAI per tonne of bauxite, as the price of bauxite on the world market is constantly increasing and we ought to have some mechanism to ensure that proper accounting is done to quantify the true production of bauxite as we could be losing valuable royalty based on under-reporting of production.

Finally, Sir and in conclusion, we must take stock on how we spend this money; we must make an accounting on how we spend this money to see if we are getting the best value for the money spent.

That is the question. It is not having a big Budget of \$1.2 billion. Are we getting value for the \$1.2 billion? To simply say that the Government has a document to look beyond HIPC is not enough.

Honourable Member Manzoor Nadir; you may have a document, but what is contained in the document.

The document should be in the public domain so all stakeholders could have an opportunity to critically review it, not to criticize it and to make their own contribution. Economic development is not the sole prerogative of the Government. Our approach is to include all stakeholders: political people, NGOs, financial institutions, much like the approach that was taken with the National Development Strategy.

To move beyond HIPC, we must include all in our equation and come 2006, when PNC/R wins the next election, the PPP/C will also be included in that paradigm. Thank you. *[Applause]*

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

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

**Hon Bibi S Shaddick:** May it please you, Mr Speaker, I rise to support the Motion in the name of the Honourable Minister of Finance for the approval of the Estimates of the Public Sector and the Budget for 2006 under the theme *TRANSFORMING GUYANA THROUGH MODERNISATION AND PARTNERSHIP*.

Mr Speaker, before I go into what I had meant to present, I need to make a few comments on the presentation just before this House by the Honourable Member Mr Jerome Khan. I wish to make a comment, but now that Mr Khan has adequately defined *modernisation and partnership* for this House, I

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look forward to my colleagues on the opposite side of the House, modernising their attitudes so that we can all work in partnership to transform this great land of ours.

I cannot help but say that having gone on at length about not living in the past and not looking for jumbies, Mr Khan jumps right in to justify a US\$2.1 billion debt that this administration inherited in 1992, by seeking to tell us what the money was spent to do, even though I suspect he was nowhere around when those things were done.

I would like to tell my friend Jerome that people cannot afford to forget the past, because we must bear in mind that those who forget the past are doomed to repeat it and we do not want a repetition.

Further, it is my view that Mr Khan is introducing red herrings with respect to the measuring of the deficit:

- the manner in which Current and Capital receipts and current and Capital expenditures; and
- the manner in which the deficit is measured;

have not been changed over the years and is no different from how it is done in the 1980s. I leave that question for other Honourable Members on this side of the House to deal with more comprehensively when they make their presentations.

Mr Speaker, this Budget reflects a continuation of the determination of this PPP/C's Administration to strive for improvement in the quality of life for all Guyanese. In the same trend as the thirteen budgets that came before in the years of this administration, the programmes and policies outlined are reflections of our commitment to reduce poverty, and, yes, we accept that it is our mandate to create employment opportunities.

Mr Speaker, I would like to refer to the Address by his Excellency the President on the occasion of this Eighth Parliament on May 4, 2001 and quote the following excerpts which continue to guide our policies and Budgetary measures:

*Ours must be a future that affords all our people the right and opportunity to earn a decent livelihood. It must lift those who are in the grasp of poverty. It must be a place of caring for all, where the poor, weak and the aged are not trampled upon by the rich and the powerful; where capital and labour form partnerships that create wealth. Again, my Government will continue to put greater emphasis on the development of our children.*

*[Interruption: 'My Government.'] [Laughter]* I am still quoting, Honourable Members.

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*They will be provided with the tools to ascend to the highest summits of academic excellence in an education system that prepares our young people to compete successfully in the global economy.*

And to continue with the quotation:

*We will improve health services and increase access, especially to the poor*

And to end the quotation:

*... that decent and affordable housing is the most basic human need.*

In yesterday's Sunday Chronicle by Linda Hutchison-Jaffar of Trinidad and Tobago:

*Mr Winston Dookeran, the leader of the UNC and former Central Bank Governor of Trinidad, is quoted as suggesting that there is an illusion of wealth in Trinidad, because while the Junior Finance Minister of that country proudly boasts of economic prosperity due to good fiscal management, there continues to be a significant section of the population very disillusioned and living in stark poverty.*

And a social worker, Clive Pantin, was also quoted:

*The continued good health of the economy means nothing to the nation's poor if the benefits from oil and gas do not trickle down to reach them.*

In Guyana, in contrast to our CARICOM neighbour, with much less resources at our disposal, this and previous budgets show significant spending in the social sectors, all of which lead down to the benefit of the poor and vulnerable. *[Applause]*

Mr Speaker, the Kaieteur News Editorial of Friday, January 27, 2006, referred to this year's record Budget and talks about the buoyancy in public spending and the fact that the Government seems to be awash with funds for infrastructural works; crediting these funds to loans and grants from foreign lending agencies, while speculating about an underground economy which is definitely based on illegal activities and which, by the way, during the discussion in this Honourable House on January 19, 2006 on the VAT regulations, our friends on the opposite side of the House also insisted should be taken into account when deciding the VAT rate. The same Editorial cites debt relief as an unrecognised source of Government's funds and states:

*The Government continues to enjoy debt relief as both its external stock of debt and debt servicing has declined.*

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How very true. But the way the Editorial puts it, is it as if debt relief is something of an unexpected windfall that the Government gets, instead of a consequence of dedicated efforts to achieve just such a result. Mr Speaker, again I would like to quote here the words of His Excellency the President in his address referred to earlier:

*On the macro economic framework, my Government would pursue policies that will include the reduction of fiscal imbalance of payment deficits, which will impact favourably on exchange rates, inflation and interest rates. We will also continue to raise our voices on debt reduction, so that much more of our financial resources could be used for our development.*

Mr Speaker, it is this commitment by the Government which has resulted in freeing up resources for greater social spending and Government has always recognised this publicly. Foreign Governments and international lending institutions do not just hand out debt relief as gifts; countries have to earn this right by sound policies, prudent financial management and good governance practices. It is definitely not obeh.

Mr Speaker, during 2005, the Ministry of Labour, Human Services and Social Security continued in its efforts to improve the quality of life for those Guyanese who are less fortunate than others, including the elderly and the children in our society. With regard to old age pensions, which in 1992 catered only for those who satisfied a means test and the amount of money received monthly by each beneficiary was then \$300, today, with constant annual increases inline with the increases in public sector wages and a 75 percent increase from January 2006, each old age pension beneficiary will receive \$3,500 per month, an increase of over 1,200 percent over the period.

In addition, the means test having being abolished in 1993, all Guyanese residents who have attained the age of 65 years are eligible to apply for and to receive this benefit, which is currently being accessed by about 33,000 persons annually. I invite any and all of the members of the opposite side of the House who qualify to apply to receive this benefit.

Mr Speaker, despite what the critics say that \$3,500 is not enough, I have met and spoken to numerous old age pensioners and I can report that the persons who matter, the pensioners themselves, are very happy with the increase. One pensioner who lives in Georgetown told me that he can pay his property taxes for the year, as well as his water rates and still have change. Then, he does not have to pay water rates, because since... *[Noisy Interruption]*

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**The Speaker:** Order please! Let us have some order, please.

**Hon Bibi S Shadick:** If you would listen, but then as I was saying, he does not have to pay water rates because, since 2004 and continuing in 2005 and 2006, all old age pensioners who receive water bills from the Guyana Water Incorporated have his or her rates paid by the State.

Old age pensioners who need such assistance are also provided with spectacles at the State's expense. They can travel free on all public transport and are provided with free health services, including medication at all State-run health facilities, where they are given priority treatment. Public assistance from the Consolidated Fund is given to the indigent disabled and handicapped orphans and vulnerable children. The total number of public assistance recipients currently benefiting is over 14,000, out of a population of 749,000 people. Like in the case of old age pensions, public assistance has been increased by similar percentages annually and in 2006 each beneficiary will receive \$2,350. The Ministry's Budget in 2006 provides for substantial increase from 2005, mainly to accommodate these increases in pensions and public assistance. Additionally, the registers of beneficiaries have been computerised in order to monitor and track the nation's poor, as well as to manage the system more efficiently.

Since 2002, when three senior officers of the Ministry were relieved of their jobs; 2005 was the third successive year without any attempt to defraud the system. While it is true the officers were dismissed for administrative reasons and not for fraud, evidence of their activities, which led to fraud, were taken into consideration. The fact that the Court of Appeal recently ruled in their favour on their challenge to their dismissal only exemplifies the independence of the judiciary to make decisions even against the State, without interference. Their dismissal was meant to remove them from the system and not to deprive them of their benefits, which they should now receive.

Mr Speaker, the Ministry also accesses funds from the Poverty Alleviation Allocation in the Ministry of Finance to give assistance to persons who find themselves in difficult circumstances due to personal tragedies, national emergencies or natural disasters. Assistance is given for school uniforms and in 2005, 25,000 children, including all who receive public assistance and living on the coastland, benefited. All Amerindian school children benefited from school uniform assistance through distribution by the Ministry of Amerindian Affairs. Financial assistance is also given for medication, wheel chairs, transportation, small business, prosthetic limbs, hearing aids and presently costs for medical diagnostic tests are now provided.

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Mr Speaker, in 2006, as in 2005, we are engaging in a Budget Debate against a background of immense suffering of our fellow Guyanese due to flooding caused by unprecedented levels of rainfall. Since last year, much work was undertaken to avoid the extent of flooding we experienced then and even though the majority of the residential areas on the coastland were protected by the measures taken, the suffering of our citizens in the mainly agricultural areas of the Pomeroon, Mahaica, Mahaicony and Abary is no less severe and will have lasting negative impacts on lives as well as on our economy.

Mr Speaker, as was the case last year, again this year Government's swift intervention to help relieve the suffering of the affected population is being criticized as playing politics and electioneering.

Notwithstanding anything being said to the contrary, I respectfully submit that it is the duty of political leaders to stand with the people who gave them the mandate to represent them and to make decisions on their behalf, especially during times of crises.

In October 2005, there were breaches in sea defences in Stewartville and Leonora, causing considerable hardships for the residents in those areas in Region 3. The breach at Stewartville was sealed permanently in short order and permanent works on the breach at Leonora is still continuing. Affected residents were housed in shelters. Those who were on sea defence reserves were allocated house lots and have since relocated. This is the nature of swift and positive response by a caring Government which always put people, not politics, first.

There are many, including women, children, and young persons, who are exploited by others, including their own parents and family members. During 2005, the Ministry continued and will continue in 2006, to monitor reported incidents of trafficking in persons, child abuse, sexual and labour exploitations in all ten regions of Guyana.

A Prevention of Trafficking in Persons Unit was set up in the Ministry and this Unit held outreach public awareness campaigns, sensitisation workshops and is maintaining links with the police and mining officer to help find and prosecute perpetrators. So far, eight persons have been charged and are before the courts and twelve reported activities are currently under investigation. The Trafficking in Persons Act was passed in early 2005 and is being used by the law enforcement and magisterial authorities. The Unit has so far visited over fifty communities in all ten administrative regions with participation with some 3,500 persons; 350 persons have had specialised training and 19 facilitators for other workshops have been trained.

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As of 2005, Government is committed to providing finance to cater for the operation of a shelter which is run by the Help and Shelter, an NGO and has in turn agreed to house trafficking victims in addition to victims of domestic violence and abuse. All these activities are catered for in Government's comprehensive plan of action to address the issue of trafficking in person. Guyana has been removed from the list of tier three countries and is now listed as a tier two country on the US State Department's Annual Report on Trafficking in Persons. Our aim is to be listed this year as a tier one country, which is defined as one which is doing all that is possible to address the issue.

Mr Speaker, in order to facilitate more effective and efficient social services client delivery and to optimise the use of human resources available within the Ministry's structure, the Probation and Family Welfare Department has been merged with the Department of Social Security and Probation and Social Services Officers, as they are now called, are responsible for social service delivery in smaller districts. The Labour Market Information System and the Recruitment and Placement Division have also been merged so as to better match the jobless with available jobs.

On the subject of jobs, Mr Speaker, in keeping with Government's stated objectives of reducing poverty and creating employment, it is to be noted that the measures outlined in this Budget for direct as well as indirect short and long term employment for Guyanese, especially youths. Directly, 600 new jobs in the neighbourhood policing groups are catered for, while the establishment of community enhancement projects will hire over 3,225, mostly young people without formal education.

The new state-of-the-art Convention Centre will require staff for its operation. This also applies to the new stadium being built at Providence. The Berbice River Bridge will provide jobs for technical as well as non-technical persons during its construction and afterwards for its operation. In addition, all the civil works being budgeted for will provide jobs for large numbers of persons in the short as well as medium and long terms. In addition, only last week, the foreign company which is operating a call centre at Beterverwagting revealed that they have employed 180 qualified persons since they started operations in September last year. It must also be remembered that there are always vacancies for teachers, nurses and policemen, who continue to be recruited, trained and employed to take the places of those trained Guyanese who retired or migrated in search of greener pastures. Although I must add that many times, instead of greener pastures, all they find are bleak, barren, snow covered environments, leaving them yearning to return to the green, green grass of home.



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Mr Speaker, with the view of enhancing youth development and getting more young people prepared for gainful employment, the Ministry of Culture, Youth and Sport continues to execute the Young Entrepreneur Skills Training Programme, while the new and ambitious National Training Programme aims to involve 5,250 youths in skills training for employment activities. Mr Speaker, this Government keeps its commitment and Guyana is definitely on the move for a better life for all.

Our children are our most important resource and in order to enhance measures for their protection, on welfare and child monitoring and protection database which seeks to gather information and track child abuse victims, was launched in the Ministry in December 2005. This is the third component of a children and violence project begun in August 2003. The second and ongoing component involves public awareness peace education, which embodies programmes of non-violence and conflict resolution. During 2005, the Criminal Law Offences Act was amended to raise the age of consent to 16 years from 13 years. This is seen as a very forward step in helping to protect our children from sexual predators who, when charged, seek to use consent as a defence to the rape of a child.

With regard to women's rights, Mr Speaker, the Guyana Women's Leadership Institute, an agency, together with the Women's Affairs Bureau, has held gender equity and governance workshops in each of the ten administrative regions of Guyana. The workshop sought to sensitise the RDC and NDC officials of the need to involve women in the decision-making processes at all levels. Facilitators were also trained to carry out leadership capacity building programmes in regions other than Four, where the centre is located and where this programme is ongoing. These outreach programmes will help to prepare women to take their places in Parliament on the RDC's and NDC's all over Guyana.

The National Resource and Documentation Centre for Gender and Development continues to provide relevant information on issues of gender. Mr Speaker, it is the intention of this Government for women only to be seen to be sitting in the highest decision making forums in this land, but that women must participate and speak out in defence of women's rights in gender equity. Here Mr Speaker, I must register my profound disappointment that in spite of the fact that our National Assembly has one of the highest percentages of women Members of Parliament in the Commonwealth, this Honourable House failed to appoint the Gender and Equality Commission which was presented to it in July 2005. We have failed the women of Guyana, because my sister Members of Parliament on the opposite side put politics before people. Women who have been placed in decision-making positions have to influence decisions

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which affect all women. This was the essence of the decision taken at the 1999 Beijing Platform for Action.

In keeping with our commitment to help the aged, the poor and the vulnerable, the Ministry continues to run the Palms Institution for the elderly indigent, which presently has a population of 236; the Drop-In Centre for street children with a present population of 32; the Mahaica Home for Children in Conflict with Their Family presently housing 35; and the night shelter which has the capacity of 150, for those who are otherwise forced to sleep on the streets.

Mr Speaker, I would like to spend a few minutes speaking about developments and plans for Region 3, for which I hold responsibility, being one of three elected Regional Members of Parliament. If my colleague MP, the Honourable Member James Mc McAlister, who also holds a similar responsibility since 2001 has visited any of the islands or the riverian communities of our constituency, I cannot say; but I can assure him and the Honourable House that I continually visit all of these communities and I can assure Members that significant improvements are visible everywhere. The residents are truly appreciative of Government's efforts to improve their lives and we will continue to do so in 2006.

In Leguan, for example, at the western end where flooding from rain and sea have been a constant for years, presently several other parts of Guyana are suffering due to unprecedented levels of excessive rainfall, Phoenix, Louisiana and Henrietta remain flood-free. The people are thankful. The residential drains are being dug, the main road, even though still to be upgraded, is in good condition. Permanent works continue on the sea defences at Belfield and Phoenix. The drainage and irrigation systems on the Island are currently being reviewed to avoid the loss of rice crops, especially between La Bagatelle and Waterloo, even if this means having to put in more kokers and/or to reopen one which was been abandoned over two decades ago. All residents enjoy electricity and all the schools have been refurbished and modernised.

In Wakenaam, the sum of \$138 million is being well spent to upgrade all the roads in the island. I would like to assure Honourable Members that works are continuing. Maria/Johanna will get its road as soon as the rains end. I am sure that my honourable friend was able to drive safely around the island, if, indeed, he did, when I am informed he visited last Friday. I encourage him to visit our constituencies of the Region for which we have responsibility. I must commend the Wakenaam NDC, which in partnership with the residents, is doing a commendable job and the island remains flood free. Funds have been allocated for rebuilding the Mariah's Pleasure Primary School.

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Mr Speaker, the residents of Canals Polder were still negatively affected by the rains this year, even though not as badly as last year, but I must report to the Honourable House that due to considerable effort on the part of the RDC and the National Drainage and Irrigation Authority, the water has receded from the land and plans are being formulated, in consultation with residents, for considerable work to be undertaken as part of the Agricultural Support Services Programme, to more effectively control the drainage and irrigation systems there, taking into consideration all the new areas which are being developed contiguous in the two Polders for agriculture and for housing.

Mr Speaker, Guyana's coastland is about six feet below sea level and as a consequence, sea defences are critical to counteract flooding. Sluices and kokers along the sea coast of Region 3 continue to operate satisfactorily and are monitored continuously. Only yesterday, during the high tide, there were reports of two either breaches or instances of overtopping at Orangestein and Bushy Park and emergency works are already proceeding to remedy the situations there.

Mr Speaker, the approaches to the Demerara Harbour Bridge have been widened, so that there is no longer traffic chaos which resulted every time the bridge was closed to vehicular traffic; and now, due to the fact that the bridge schedule for the entire week is published in the daily newspapers, people, including the Honourable Member Mr McAllister and if I am not mistaken also my friend and colleague Mr Murray can plan their own schedules to avoid wasting precious time waiting in line. That, James, is progress which brings improvement to people's lives. I can assure the Guyanese public that the lessons learnt from operating a floating bridge efficiently over the Demerara River will inform the operation of the Berbice River Bridge in the very near future.

Mr Speaker, I will be the first to admit that all has not been well in the Administration of Region 3, but even those members on the other side must admit that many problems have been recognised and addressed by Government. Recognising failures and problems and correcting them is part of what constitutes good governance and that is what this Government practices.

Mr Speaker, in closing, I urge my fellow Guyanese to look at this year's Budget not in isolation from our policy of putting people before politics and to appreciate how all the measures outlined will cumulatively inure to the improvement of the quality of life of all Guyanese, whom I urge to work with this Government in transforming Guyana through modernisation and partnership. *[Applause]*

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

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The Honourable Member Dr Carl Max Hanoman

**Dr Carl Max Hanoman:** Mr Speaker, as I sat in the House here tonight listening to the various speakers, I was indeed amused by Minister Shadick and I have to look at my bills to see that I can pay the water rates and the taxes with the amount of money she said.

We have been listening all night about debt owed by this side of the House when they were in Government and what you have at the present time. We must tell the Guyanese public that Guyana is a poor country and that debt will be incurred at any time when big projects are planned. You cannot say that debt incurred by the PNC/R was money wasted; you must be thankful as a Government that the measures have been set in place under the Hoyte's Government, who present here as Mr Murray, has helped you a long way to get debt relief. It would be quite interesting to note, the amount of debt relief you have had to the amount of money you presently owe - by how much we are indebted. That would be a good research project. Mr Speaker, I am not going to come to you talking about debt - d-e-b-t; I am going to talk to you about d-e-a-t-h.

Mr Speaker, my topic is health. I like to talk about health and we have heard in the media and elsewhere how good health is doing. The budgetary allocation to health has increased by 11.66 percent from \$2,109,000,000 in 2005, to \$2,355,000,000 in 2006 - an additional spending of \$246 million. In addition to these large sums of money, there has been a large amount from donors for HIV/AIDS and related programmes, yet the public health system leaves much to be desired. Rather than improving, there is a lot of evidence that things are getting worse. Why is this so? We should analyse why, with all this amount of money - in excess of G\$2 billion - our health system is deteriorating.

Let us look at the reason why? We have a Minister of Health, if there is Leptospirosis he is the authority; if there is malaria, he is the authority; if it is TB, he is the authority; he is the Minister but he is the Authority. You seem to have no technical people in the Ministry of Health. Why do you think you create positions for experts in areas within a Ministry? It is for the experts to tell us the true facts. We do not need a Minister to go out there and mask the facts. Let us hear from the experts where we are going.

We have an epidemic of HIV/AIDS. Do we know the true facts? As I go along in my presentation, I am going to tell you what is really happening in HIV/AIDS. The Minister can go and paint a picture as much as he wishes, but the Minister does not engage in discussion with members whom he is supposed

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to be discussing with and I can give you an example. I am the Director of the School of Medicine and I am on the Medical Council. I once called the Minister to have a dialogue on the global front. He said that he will think about it. I said, Minister, I am now talking to you as a Member of Parliament and definitely not talking to you. Up to today, he has not given me the opportunity of discussing something that is beneficial to the students at the University of Guyana.

Let us go into the issues and I am going to show you areas where this Minister, even though he has all this amount of money, has fallen down.

Let us go to the Georgetown Hospital and see what is happening there. Presently, there are long lines going to Cuba for vision care - for cataract surgery - we have shortened that line, but there are lines for hydrocele; there are lines for hernia. I wonder when the plane is coming for them and which country they are going to. What is happening here? Do you realise that Georgetown Hospital has one specialist position? Does the Minister care? No, when the Minister gets sick, he goes to America, but in Guyana we have to go to the Public Hospital, Georgetown. I am not going to question the excellence of the doctors at the Georgetown Hospital, we help to produce them. We have upgraded the University to produce them. The Minister, in his manifesto said, let us take the off shore medical schools. What a waste of time and money. I spoke to the Minister of Health three years ago, we can develop this country in health. How do you do it? Enlarge the Medical School. The same fees that the student pays we pay the consultants; we house all of them at hospitals in this country. We teach the students because they are foreign students paying foreign fees. And we would have doctors for Mackenzie, we would have doctors for Georgetown Hospital, and we would have doctors for New Amsterdam Hospital and we would have doctors for Suddie and Charity. But no! He does not like that vision. Instead, he would prefer to charter out an off-shore medical school. Let us do it ourselves; the University has the capacity. We have demonstrated that to the extent that, of the graduates we have this year, because of the salary scale you have been paying, ten have gone to Barbados as interns to be paid US\$2,000 a month. But the vision is not to have our graduates to go abroad, the vision is to have the graduates to go to Barbados to get post-graduate training, because let me tell you something; when the older set of doctors go, who would we have? The graduates from Cuba, they would not be specialists, they would be ordinary doctors. I am sure that all of you are getting older. Who are you going to go to when the crowd goes away? You would not be in power all the time. If we are not going to have young people, what is going to happen to you?

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Another question I want to ask you is as I visited the hospital, I knew in 2003 we had a donation of a CAT scan machine. I spoke about it last year and they were going to fix it. To date, where is the CAT scan machine? Is it going to happen as what happened - you know with Dr Bacchus story what happened? I hope they pay back that Muslim Organisation its US\$20,000, because they could not find the machine. I am asking and I would ask the Minister directly, CAT scan is important. We have to pay money to go to Woodlands to get the CAT scan done, when we have our own machine at the Georgetown Hospital.

I want to talk about another point. As I walked around Georgetown Hospital, drugs come from a company named International Drug Agency. I want to know how much money is paid to International Drug Agency? That is question 1. Question 2: I want to know the bioavailability of that drug: How useful it is and why are we having it? If we have such good health care, why are we still having increased infant and maternal mortality? Why? What is deficient? I am telling you we are losing nurses by the dozens every month. You are not addressing the issues; you do not want to pay them. Instead of that, you gave an incentive to police and soldiers at Christmas. You have not given any incentive to any nurse. Where have you ever given any incentive to nurses? They work all day and all night. We have some of the best nurses in the Caribbean and the World, but nobody fights for the nurses. You turn a blind eye to these nurses. Why, do I ask you, why?

Now, I went to Berbice, beautiful hospital; the Japanese built a beautiful hospital. You have state-of-the-art equipment, but let me tell you, you do not have a biomedical technician. You did not plan, the machines are not working. That is a new hospital. So there was a doctor who went to Israel to do a little bit of post-graduate in Cardiology. He came back. A man came with chest pains one night only to find out that the ECG machine does not have paper. That is how we run a health care system. We have no paper for that! My God, I do not know what is happening in this country. I am a Berbician and I was disappointed. I spoke to the nurses. There are few nurses there. You cannot improve your infant and maternal rates unless you attract your nurses keep your nurses. The doctors cannot work for twenty four hours. It is the nurses who maintain health care and you seem to miss it. You can push any amount of money into the health programme, unless you go back and attract these nurses so that we can deliver proper health care, your mortality rates would increase higher and higher. You have to wake up today. Raise their salaries. Give them incentives. Let us get on with the health project.

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I am not finished with Berbice as yet, because it is such a nice hospital, but when you look at the yard and at the back where they are throwing the garbage; my God soon it is going to be a dump site. Put your act together; put everything in place; get it corrected; let us not flood it out, let us do it right. If you need our help advice, ask anytime. We are willing to give it to you.

From there I went to Region 1, because I listened to the Minister of Amerindian Affairs and how well you are doing with the Amerindian people, so I wanted to see for myself what is happening there. \$35,000 return airfare from here to Matthews Ridge. I landed in Matthews Ridge and I did not know, I am not like you, I give out medical help. I walked with my own drugs for the people because you have none there. So we went to Matthews Ridge to the hospital. There is no running water and, you know, health care stops at sundown. After sundown there is no healthcare. There is a generator, but the man who supplies the generator is owed \$650,000, so he does not supply any generator. There are one Medex and one nurse. The gutters are all run down and I do not know what is happening there. Do you know where the HIV incidence is highest? HIV/AIDS is highest in the interior locations where you have miners, that is where it is highest. But if you do not have condoms at Matthews Ridge, do you think you are going to get condom? If you want to do an HIV test, you cannot do it there. As I was looking around and examining the patients, I saw malaria and I treated malaria, but clinically I saw many HIV/AIDS affected people. Your incidence that you are reporting publicly is totally wrong. We do not have the figures for this country. This country is having an epidemic of HIV/AIDS, but we do not have the facts, we do not have the true facts. When I went to Matthews Ridge, I went to Arakaka to see what is going on. Well, in Arakaka, there is a nice building. It has a little bit of drugs, the current goes off at ten, which is reasonable if we can get accessory from the Phillips nearby. But there is no Medex there; there is an all-purpose nurse, not a trained nurse, a technician, a cleaner, I do not know what else she is. She cannot be the midwife, because one of them had to fly out. It is a good thing that I walked, because the crowd that came out, I alone could not have taken it off. Dr Joseph was with me. I said, God, we never had so much work. From Matthews Ridge to Arakaka, we saw maybe 350 patients. Now, leaving Arakaka, I hear Minister Nokta said he fixed the roads; so I sat down in front and Dr Joseph sat at the back. And when you see the holes you nearly run off the road and Dr Joseph bruise his foot. I asked him *Boy, where are we, Iraq? Lot at them craters, bombs deh here.* It took us two hours to get to Port Kaituma and when you drive around Port Kaituma ... If any of you is interested Dr Joseph got the pictures on his camera, he can show you, he took the pictures to show you what is happening

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there. We reached Port Kaituma at six o'clock and the people begged us if we can go to the hospital, but Dr Joseph said that he is tired, because we went through this turmoil. I said, *we got to go, boy, we cannot leave these people*. So we go to the hospital and worked until 10.30; people came and we saw malaria and so on. There were no drugs we took twenty boxes of drugs there were no drugs.

*[Interruption: 'Where did you get it from?']* I bought it, Dr Joseph bought it and we got donations; because it is for the people of this country. We saw and we treated. Dr Joseph did not know, I stole some drugs and gave the people, because they had no drugs. I felt sorry for them. I took out some and gave it to them.

Then I went to the hotel and look what is really happening in Port Kaituma - the degree of prostitution. You know, in Matthews Ridge you only have up to the nursery level, there is no secondary school beyond primary level and the school is leaking for those poor kids. So I came back to Georgetown knowing that we have to look at the Budget.

So I looked at the Budget now, to see what is allocated to drugs. I can quote you on Page 250, 6221 - that is for drugs and 6243 is for janitorial services. You have allocated more for the janitorial services than the drugs in that region. What a shame! I have it here. Remember, we only did Matthews Ridge, Arakaka and Port Kaituma; we have not gone to Mabaruma yet, but the janitors have to clean more than they could serve the people.

Mr Speaker, I do not know where we are going, but I would like to leave on a good note. We have had flooding; how did the flooding come? Was it an act of God or failures of the government? I would have liked to see the Minister of Culture, Youth and Sport be allocated a good sum of money, because if this Government stays in power by the next election, we should be experts at swimming and canoeing and I am sure that we can win a gold medal at the Olympics soon. On that note, Mr Speaker, I beg to end.

*[Applause]*

**The Speaker:** Thank you very much, Honourable Member.

I think that this is a convenient time for us to suspend for half-an-hour.

**19:30 H - SUSPENSION OF SITTING**

**20:05H - RESUMPTION OF SITTING**



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**The Speaker:** The Honourable Minister of Culture, Youth and Sport

**Hon C Anthony Xavier:** Mr Speaker, I also rise to support the 2006 Budget as presented by my colleague the Honourable Minister of Finance under the theme *TRANSFORMING GUYANA THROUGH MODERNISATION AND PARTNERSHIP* and I would like to congratulate the Minister and his staff for a job well done.

Mr Speaker, before going into my presentation, I would like to say that I have known my colleague and friend Dr Hanoman for quite a while now and I know that he is a man of many talents, but I did not know that one of his talents was being a stand-up comedian. So I am very happy to discover that this evening.

Mr Speaker, in retrospect, 2005 commenced with our lamenting over the 2004 Christmas Day loss of the historically important Main Street Sacred Heart Church by fire and as if from a continuum of tragedies of the elements, our coastal areas soon become inundated by incessant rainfall, which was compounded by flaws in our drainage systems. Even in this situation where flood waters brought great physical damage to property, discomfort and displacement of persons, the President's Youth Award of Guyana, which is the Youth Development Programme of the Ministry of Culture Youth and Sport under the patronage of His Excellency President Jagdeo, rallied with both statutory and voluntary agencies to bring relief and brought timely assistance to our fellow Guyanese who were affected by the floods.

The National Cultural Centre, which was inundated with nearly three feet of water covering the stage and covering most of the auditorium and resulting in extensive damage to the seats, the electrical systems equipment and the stage, which had to be replaced and these damages cost the Government some \$10 million to have the Cultural Centre rehabilitated.

Similar flooding brought damage to resources of the Burrowes School of Art and the National School of Dance, both units are within the National Park.

We would have recognised that flooding and that fact that numerous Guyanese had to literally reconstruct their lives, because of the reorganising and downsizing of the 2005 Mashramani activities caused the traditional Mash Day Parade to be cancelled; the Calypso Competition was reformatted; the Steel Band Competition was shifted to the rehabilitated Cultural Centre and the Children's Costume Parade reorganised. Here, we continue to be grateful to Soca, GT&T and a number of businesses and

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individuals who supplied varying levels of sponsorship for the MASH events. Such a damp commencement of the year did by no means cause further programme setbacks, as both the staff of the Ministry and the various publics with whom we worked ensured that we move forward.

In the areas of culture, the National Cultural Centre was again accessible to the various organisers and promoters for drama, dance, fashion shows, conventions, crusades and other events.

The National School of Dance and the National Dance Company, apart from performing at various Governmental, community and private sector events, continued their main teaching and instructional programmes at the Dance School; and through the Youth Department of the Ministry they were able to conduct numerous workshops and camping programmes, which touched the lives of thousands of young people throughout the coastal and interior regions of Guyana. It was the Dance School and the Dance Company and those dedicated and committed instructors, who put together that Independence spectacle on the tarmac of the National Park on the occasion of our 39<sup>th</sup> Independence Anniversary Flag Raising Ceremony. We laud the support of those parents and guardians who gave of their time and energy to ensure that children attended practice sessions and performed with excellence at that event. Again, it was the Dance School and Company, which thrilled the Guyanese audiences and the Caribbean region at the coverage of the launching of Cricket World Cup 2007 at the Sophia Exhibition Site.

In the field of dance, a successful initiative by the Ministry was that of bringing together various dance groups from both our rural and urban communities, juniors and seniors to a dance festival at the National Cultural Centre. The talent displayed would have motivated the groups to seek excellence in the performance. The audiences were both thrilled and satisfied.

Mr Speaker, the Burrowes School of Art which is situated at the National Park continues to provide training in Art and Craft. Apart from the day students, who complete studies for certificates and diplomas, there were short-course evening and weekend programmes geared to facilitate the attendance of working persons and even housewives. We continue to provide financial support for hinterland students attending the school.

The Music Department in Brickdam, apart from providing guitar and keyboard lessons to a number of young Guyanese, had extended its programme whereby the children of the New Opportunity Corps and the Kuru Kuru Training Centre received structured music training in steel band, keyboard and guitar playing. Added to this, a team of dance, art and music instructors conducted regular weekend training for our youths at our Drop-In-Centre at Smithfield, New Amsterdam, Berbice.

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Mr Speaker, collaborating with the Association of Writers, the Diplomatic Corps and our budding poets, an evening of portraits of poetry was held at the Umana Yana to mark World Poetry Day. A packed house enjoyed a kaleidoscope of local and international poetry, drama, dance and song.

Through our collaborative working with the Indian High Commission to Guyana, many persons were afforded the wonderful opportunity of hearing the very talented and acclaimed performing group from India led by Ms Shrivastava - I hope that I am pronouncing it right. We expect similar collaboration in the future.

Mr Speaker, the work of the National Trust is before the public eye, as we see continuing work in the preservation and conservation of numerous cultural and heritage sites and buildings, to mention a few, Kyk-Over-Al, Fort Island, Umana Yana, the Parade Ground and the sites which are now becoming conspicuous through the prominent signs put up by the Trust.

Visitors to our museums would have noticed extensive refurbishing and re-organisational work which was done there and here I refer to the National Museum, the Walter Roth Museum of Anthropology and the Museum of African Heritage. Apart from the physical enhancement of these museums, there has been continuous staff development and training. We also continue to have final-year students from our secondary schools do work-study programmes at the museums and other areas in the Ministry.

During the year, the National Archives, with its annexe on the ground floor of the National Museum, sought to maintain its capability of providing a researched service to the University students, boys, and girls from our secondary schools and members of the public in search of information. We are looking forward to the relocation of the National Archives to allow for better organisation of its documents and the supporting technical units which are responsible for micro-fishings, sorting, storing, and processing documents.

The Umana Yana is being maintained and served as a venue for art and craft exhibitions, cultural events, meetings and conferences.

Mr Speaker, the Youth Department of the Ministry continues to play a very key role in our National Youth Development Programme, where apart from intensive work among near 215 youth groups and communities and here, I wish to emphasise that we continue to work with religious groups and cultural groups, sports and recreation groups and young people seeking empowerment through the learning of skills which can allow them to earn a living.

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The President's Youth Award Programme, which commenced in 1998, has over the seven years had a total registration of 5,079 young people, of whom 2,076 gained bronze awards, 430 silver and 119 gold. Mr Speaker, this is a community-based programme which undertakes the annual expedition of our young people in non-competitive situations to complete skilled development community service and adventure training. This programme also provides opportunity for young people to become involved in environment conservation work.

Significantly, there is an annual conservation programme at Shell Beach, treating with conservation of the turtles.

The PYARG has worked with the staff of the Ministry of Health on the DEC salt promotion campaign and organised a series of workshops on HIV/AIDS and peer education.

Mr Speaker, the Youth Entrepreneurial Skills Training Programme offered at Kuru Kuru and its non-residential component at Sophia continue to train young men and women from the regions of Guyana in carpentry, joinery, plumbing, catering, welding, refrigeration, electrical installation, masonry, secretarial practice and business studies. A total of 240 youths successfully completed the programme.

Cognisance of the global AIDS pandemic and with the collaboration of the Ministry of Health all of our youth programmes have components of healthful living and wellness. There are community HIV/AIDS awareness programmes at our residential institutions, Kuru Kuru Training Centre, the New Opportunity Corps, Vacation Camps, the Presidents Youth Award, Community Programmes and exhibitions at the level of camp and community leaders.

Mr Speaker, through the auspices of UNICEF, we were able to have a group from Trinidad specialised in teaching new ways of using creative art forms, dance drama, poetry and song to enhance our communication process with today's youth. These programmes saw youth leaders from various organisations, also the field staff and coaches from the Ministry, attending a three-day live-in training programme at Camp Madewini. The field staff of the Ministry, with trainers from Kuru Kuru Training Centre and the New Opportunity Corps and representatives from various ministries and the regions, attended training on non-violent communication at Camp Madewini. This is now an annual necessary training activity to equip our leaders with skills for non violent communication.

Youth projects which impact on the lives of both the participants and their communities - In fact, in 2005, the Challenger Fishing Group from Aruka River mouth, a youth group from Region 1 won the

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Commonwealth Youth Programme Regional gold award, allowing them to receive cash awards totalling almost G\$390,000.

Again, on the international youth scene, Guyana was credibly represented by our young people Martin De Souza and Bibi Ali at conferences in the Caribbean, in Suriname and at the Commonwealth Youth Forum on the occasion of the Heads of Government meeting in Malta 2005. Collaboration with the Commonwealth Secretariat through the Commonwealth Youth Programme and with the University of Guyana had allowed for a diploma in youth development to be offered by the University of Guyana and with international recognition; 2005 saw seventeen students successfully completing the second offering of this programme.

Mr Speaker the sports programme of the Ministry through the National Sports Commission apart from providing financial assistance to national bodies to facilitate teams travelling abroad and accessing concessions for such travel and the acquisition of imported sport gear and equipment would have conducted a very impressive programme. There were series of training programmes for young sportsmen and women in cycling, cricket circle tennis, volleyball, netball, football, wind ball cricket, swimming and Paralympics sporting activities this year. Most of these coaching and training activities were targeting our younger sportsmen and women in schools and in our rural communities where basic training gear and equipment would have been provided for such training. There was collaboration with the Ministry of Education and national sports governing bodies to facilitate most of our programmes. Within the context of inter-governmental cooperation we were also able to benefit from a Chinese international tennis coach, who worked with young people from various parts of Guyana and with our national players. The English Schools Cricket Association west region under sixteen toured Guyana and in August 2005, a Guyanese under sixteen team for the second time were guests of their English counterparts. The Guyana-England relationship under sixteen cricket has now gained a high level of recognition, where the English Cricket Board sponsored a part of the 2005 tour to Loughborough University where our under sixteen team were able to experience a once-in-a-lifetime exposure to what can be deemed one of the best indoor cricket coaching facilities in the world. We need to give the under sixteen cricketers of Guyana and the reciprocal visits to England greater premium, when we see the three Guyanese players that are on the current West Indies under-nineteen team in Pakistan, more so the Captain came out of these tours. *[Applause]*

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Mr Speaker our preparation for Cricket World Cup 2007 moved to a higher gear in 2005 and this upgrading of the pace will continue as we seek to meet critical deadlines and satisfy the requirements of the ICC. In physical terms, we can see the work which is being done on the structures and field at Providence. In similar vein other preparatory work is being done by the sub-committees of the local organizing committees.

Mr Speaker, we are alive to the constraints, but the responses from both governmental and private sector agencies indicate that all coming on board joining hands and heads and imputing resources both human and physical in the fray.

Mr Speaker, in general terms this Ministry has working relationships with sister Ministries and Agencies on sectoral matters along with international agencies with whom we are in regular contact for example UNESCO, UNICEF, IDB, CARICOM, the International Award Council, the Caribbean Association of Museums and the IDB Culture Centre.

Significantly in 2005, we worked very closely with the Ministry of Health on the HIV/AIDS and have benefited from specific sponsored projects for the PYARG and the Ministry as a whole. This has caused us to have a new staff member who is responsible for the development and the implementation and monitoring of our HIV/AIDS Programme in all programme areas culture, youth and sports.

Through UNICEF, we were also able to benefit from services of a consultant who have since submitted a discussion paper for our policy makers, who will facilitate the development of the new juvenile delinquency Act for Guyana. The consultative process here saw meetings with key stakeholders,, the Ministry of Human Services the Guyana Women's Lawyers Association, Director of Public Prosecutions, Chief Justice, the OC of the Juvenile Branch, JPF, Human Rights Officials, Magistrates, the First Lady, Prison Officials, NOC Officials, Regional Chairman, Bar Association Reps and the key Ministry Staff. In all our programme areas there were inputs of safety and healthful living as these areas were necessary for human growth and development. We, therefore, not only administer, manage and train persons, but we seek to have our staff members actively participating, thus one would have seen the staff of the Ministry play cricket, netball, football and dominoes as a team, also staff becoming involved in other areas for example dance and music. Many staff members also seriously addressed their personal development and have proceeded to upgraded members at University, GTI, computer and other work related training institutions.

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Mr Speaker, the activities for the Ministry of Culture for the fiscal year 2005, as extensive and all-inclusive as they were in the areas of culture, youth and sport and entrepreneurial skills training were conducted at a cost of \$849,724,000.

Mr Speaker, in closing, I am confident that the Ministry of Culture, Youth and Sport has the capability to spend the funds allocated for 2006 in keeping with the proposed programmes and that such funds would be managed to allow for total accountability and transparency touching the lives of our Guyanese populace in rural, urban and hinterland communities.

Mr Speaker the year 2006 will be challenging one and as we all know how challenging it has been so far, this year will see the nation celebrating its 40th Anniversary and Cabinet is presently considering a well put together programme. It is my wish to establish an anniversary committee to deal with the programme and it is my intention to invite representatives from all political parties, private sector and other agencies to participate. We would like this to be a collaborative effort between all of us to ensure that our 40<sup>th</sup> Anniversary Celebrations comes off with a bang.

Mr Speaker, also Guyana this year will continue to strive to ensure operation for the greatest sporting extravaganza to take place in this country World Cup 2007 is kept on schedule. Already the works being done at the stadium is ahead of schedule and I am confident that the deadline will be met. The works also being done by the local organizing committee is moving apace and the sub-committees are on the ball. Mr Speaker, this opportunity we have to show case our country must be seized by all and sundry. To realize the maximum benefits that we all could receive from this sporting extravaganza something that I believe might not happen again in our lifetimes and it is very important also that as we work together for our 40<sup>th</sup> Anniversary Celebrations that we continue the momentum right through the rest of the year into the new year working together as one team to make sure that Guyana is showcased to the world, showing people our delightful way of living, our personalities, the way we do things, but at the same time we have an opportunity to change the way how we think, to change the way how we live, to change the way we treat our environment. This is an opportunity we should not let go of. Therefore, I am urging everyone, all Members of Parliament, the entire nation as a whole that we must not be daunted with these challenges, but let us as a nation work together to make these dreams come through. Thank you very much. *[Applause]*

**The Speaker:** Thank you very much, Honourable Member.

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The Honourable Member Miss Amna Ally.

**Miss Amna Ally:** Mr Speaker, Honourable Members of this House, before I commence my presentation, I wish to point two things one to Honourable Member Mrs Shadick on the question of the appointment of women to the Gender and Equality Commission and I wish to say that the PNC/R will not allow the PPP/C to use its majority on the Appointive Committee to railroad women's rights in this country. This country is governed by a Constitution.

Secondly, I wish to advise Honourable Member Xavier that Guyana became a republic country on the 23 February 1970 and an independent nation on 26 May 1966, so he may be advised to do his calculations.

Mr Speaker, Honourable Members of this House, the 2006 Budget with its theme to transform Guyana through modernization and partnership is full of Fs - floods, false, foolery, flaws and failure. It boggles my mind why a government in its fourteenth year cannot get it right. One would have thought that this government would have learnt by their own initiatives or their vision for this country from sister CARICOM countries, from other people's experience or even by their own mistakes, but something is definitely wrong, because for the past thirteen years we have had in beautiful Guyana incompetence, wastefulness, discrimination and grand failure.

Mr Speaker, as a Parliamentary representative of Region 5, I feel the pain of those suffering people at the hands of this government. As you know Sir, many who lived on the coastland are to a large extent dependent on an agriculture base as their economic livelihood.

Mr Speaker, by government's own admission, it is recorded on Page 7 of the Budget Speech a 14.1 percent fall in rice output. Livestock and other crops suffered the same fate. Sir this government has brought us to a real crisis situation. We have no real new investment, no creation of jobs, excessive lawlessness and non-accountability and now you have damaged those poor farmers of Region 5.

Mr Speaker, a good government will have sound policies, a plan for all round development, provides services for older people with emphasis on all. But Sir, what do we find the PPP/C government does not have any policy at all, there is no plan, everything is done in an ad hoc fashion and they love patchwork.

Mr Speaker, one of the *F's* in the Budget is the *floods*. It is ridiculous for this government to conclude that the flooding in Region 5 is caused by excess rains. No doubt there was a high level of rainfall, but the fact of the matter is that no preparatory or remedial work was done between 2005 flood and the



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present one. Mr Speaker, in January to February 2005, Guyana experienced flood; in November and December 2005 Guyana Mahaicony/Mahaica experienced flood; government had the entire year to assess and do some remedial work in anticipation of the new year and heavy rainfall. I heard a little earlier about assessment and work of taskforce. Well, where have the findings gone? But instead they waited until the rains came, some patchwork was done. Government Ministers arrived with cheques for some and all is well. Mr Speaker, how does a government deals with a situation like that? Government should have used the one year period to conduct an analysis and work out strategies on dealing with it. The Minister of Agriculture earlier today indicated that an assessment was done. What then they did with its findings? This is governance; it is not running a cake shop. Sir, during the one year, government had to know that they did not desilt any canals that no canals were cleaned that FD 15 and 16 are completely blocked, that only the sluice at De Edward Village in the whole West Coast Berbice is working, that you did not take advice about the conservancy and its threats. So once would conclude that you just do not care.

Mr Speaker, more than that, when the floods came, it was only when the people of Belladrum No. 28 and 30, Hopetown made a public outcry by protesting vehemently that government officials scurried to West Coast Berbice. Why does the government have to respond only under pressure in some areas? Mr Speaker earlier I referred to this government not having any sound policy and plan. You would recall Sir, that one year ago right here in this Parliament, the Minister of Finance promised to bring a supplementary budget to deal with the floods, today we heard from Honourable Minister Manzoor Nadir all slants to the supplementary budget that is to come. This brings to bear the question of accountability. Sir, this government finds it very convenient and especially at this election time to run around the country purporting to care and to distribute cheques to some, going around like Santa Claus in January, dolling out money here and there in an ad hoc fashion. Some people got and others all they get is promises. So Mr Speaker, let us not fool ourselves that we are fooling the people, the people are conscious of government tricks and they will deal with you at the polls. *[Applause]*

Mr Speaker, in any agriculture based area drainage and irrigation ... *[Interruption: 'What happened?']* listen and you will learn ... are absolutely necessary. This government has made the MMA Scheme to a large extent very dysfunctional. Obviously, there must be a plan to drain the lands, instead what is happening more and more boulders are being piled up at Belladrum to look at the sea defence breach and they are still looking. No canals are cleared or desilted; the sluices are not made functional; pumps

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removed from pivotal areas among others. How then could you support or promote agriculture when you facilitating existing deficiencies as I alluded to.

But more than that, I will give you a factual situation. In the Yeoville Brand area of West Coast Berbice, there is approximately 1,000 acres of rice cultivable land, but maybe because of the location and occupancy of those lands, those farmers are discriminated so the FD 15 and FD 16 canals cannot be serviced, so those people must not plant any land. Mr Speaker, certainly this government cannot be serious with agriculture - not only agriculture but even other infrastructure works - for example in many areas in West Coast Berbice streets are not done, but in some very selective areas, they are all surfaced, looking good, feeling good and you can do anything on them. This government has indeed failed the people. So your time is up, exit gracefully. *[Laughter]*

Mr Speaker, I wish now to turn my attention to youth. Sections of Pages 42 and 43 in the Budget Presentation spoke to youth and sports. I have tried in vain to extrapolate what is this government's policy for youth and sport development? What do I find? Here and there reference is made to the President Youth Choice Initiative; miniscule reference of skills training programme, the construction of cricket stadium and some money for football - \$20 million. I wonder what about the other fields, what about the cyclist and the very cricketers. Mr Speaker, this government certainly does not understand its role as a government and I daresay they will not learn. How could that be a programme for the youth of this country?

Mr Speaker, in this Guyanese society every year we have early school leavers; we have high school students coming out of school; we have almost 1,000 graduates from the University; we have others from other institutions like the Cyril Potter College and all the rest of them and yet others who do not make it academically. Mr Speaker, where is the programme to take care of our precious young people? Where is the programme to empower young people and I am not talking about two hundred? Where is the programme to involve them in decision making? *[Interruption: 'Check Congress Place.']* That is the place they have to check indeed. Where is the programme to enhance their academic performance? Where is the programme to provide adequate skills training? Where is the programme to develop sports in all spheres?

Mr Speaker during the tenure of my party the Peoples' National Congress in government, we provided the opportunity for young people to be trained in various skills, hence guaranteed empowerment.

*[Interruption: 'What Skills?']* You benefited from the skills. We have moulded the minds of many

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young people, many of whom contribute significantly to the development of this country; some of you are sitting over there. Sir, during the PNC/R's regime a substantial amount of young people were afforded the opportunity to visit several countries across the world to upgrade their academic proficiencies. Today, these opportunities have dwindled and only a few are afforded this kind of opportunity. There is no light at the end of the tunnel for youths under this present government.

*[Interruption: 'What you did?']* We did what you did with Artie Ricknauth when he came back in this country after studying.

Mr Speaker the Budget's theme of transforming Guyana through modernization and partnership can be dubbed as farce. This government does not like anything associated with partnership so do not try to pull wool over people's eyes. Sir, during the tenure of the PNC/R, every single region had national youth councils. The PNC/R had special youth officers to organize and monitor the regions. The PNC/R had small clubs with through their activities harness the energies of the young people. What does the PPP/C have after thirteen years according to the Budget will now reconstitute the National Youth Council. So Mr Speaker, what this government did was to kill youth development, if they had believed in partnership, they would have strengthened the basis for the development of our young people.

Mr Speaker, finally on the question of youth development, the PNC/R the then PNC at enormous sacrifices gave free education from nursery to university level *[Applause]* thus providing a level playing field for all, not some, all. Today, what we have? Exercise books are distributed now and then; textbooks always inadequate; University fees very exorbitant and poor people pay cash. Mr Speaker, this government does not have a chance anymore to buckle down to carve any youth policy. Thirteen years is enough time. the PNC/R will take the reigns of government once again.

Finally Mr Speaker, I must address the question of women. I am sure that you will agree with me that women form a very important sector of society. In many homes, organizations, political parties and even the wider society, women play a very distinct and unique role. It amazes me that the Minister of Finance will present a Budget to this nation and no reference is made to the issues affecting the development of women. I hope this is not a reflection of how you feel of the women of the PPP/C

*[Laughter]*

Mr Speaker, many if the women in this society today are single parents and have take care of their homes and families. Many women equipped with skills, but do not have the resources to tap into them. Many women need to equip themselves with the necessary expertise to become self-reliant. Many

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women young and old need guidance. I ask therefore, what programme do you have to fulfil these basic requirements? For example, at the vendors around this country, the majority are women. They conditions they have to endure are so depressing; in many instances, no habitable or sanitary facilities to enable them to function. It is a pity that the PPP/C does not have time left to fix it, but the PNC/R will surely do. It is opportune of me to remind you that the PNC/R can boast on its several achievements for women - equality for women, rights of the child, skills training for entrepreneurial establishment of cottage industries which you killed anyhow and others.

Mr Speaker, in conclusion, we need a country that can progress; we need a country where we can enjoy a better life; we need a country where our young people can have a better education and not relevant jobs; we need a country where the government will provide services for all the people of Guyana. It is unfortunate to say that the PPP/C cannot fulfil those requirements. This government is incompetent; they are wasteful and have failed the Guyanese nation. But alas, there is hope for Guyana, because the Peoples' National Congress/Reform will take back the mantle of leadership for this country. I thank you. *[Applause]*

**The Speaker:** Thank you Honourable Member.

Honourable Member Dr Bheri Ramsaran

**Dr Bheri S Ramsaran:** Mr Speaker, I rise to join this Debate, the discussion with mixed feelings. As we started the Debate earlier on or as a matter of fact as I first listen to the speech by the Minister of Finance, I was quite elated at the level of discussion. As things progressed, I realized that I was going to have a little bit of a bumpy ride during this Debate. I was indeed somewhat disappointed when we were regaled by a few of the speakers from the opposition benches with discussions that failed to reach high level with which we opened.

Here, I would like to directly refer to the intervention to the Honourable Dr Max Hanoman. I note that he has left, but I will not indulge in a dissection of his intervention only. I would have liked to speak a little bit on the health aspect of the Minister's Presentation. Before pointing out to you that there have been significant increases in the relevant appropriations, I would like to put some things in perspective since during his little amusing intervention, Dr Hanoman seems to have caught the attention of opposition.

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Mr Speaker, we have the tools before us, the tools where the Minister and his team from the Ministry of Finance has given us the opportunity to analyse what is being projected unfortunately Dr Hanoman has not learned to use those tools. He has unfortunately and I think inadvertently misinformed the House. I think I shall have to spend a few minutes clearing up his confusions.

For example, he referred to the appropriations for health in Region 1 and with a little smirk, he indicated that the government had allocated less monies for health than janitorial supplies. The gentleman was confused. He was looking at just one table and was not assimilating what government and governance is all about. He should know by now that since being in Parliament for sometime (and I suppose opposition benches should be having their caucuses from time to time to discuss these issues) that drugs are ordered not on a Regional level. For economies of scale and to conform to the laws to the country, drugs are ordered centrally, so if the goodly gentleman after his once in ten years sojourn in the hinterland, just before elections they are running around doing some medical outreaches, if he had taken some time, he would have seen under the Ministry of Health Agency 47, for example let us look at one of the larger programmes in the Ministry of Health - Programme 4 - Regional and Clinical Services and it is here and I hope the press would be investigative enough to bring this to the attention of the Guyanese public; we have under 6221- the total appropriation expenditure \$365 million will be allocated for drugs and medical supplies. That is under Programme 4 - Regional and Clinical Services. I would like to tell you that in the Ministry of Health we have seven programmes, one is administration and the rest are technical and for one programme alone this government is allocating \$365 million in this year. Last year, we allocated \$361 million and in 2004 \$290 million. This has been a drastic jump from the \$158 million a few years ago. Why I am bring these points out is because I would like us to turn back to Page 172, which details Regional and Clinical Services on page 170; look at it Mr Carberry; let us check it; let me walk you through it.

Primary Health Care Services Programme 3 in the Ministry of Health on Page 170, 6221 drugs and medical supplies \$115 million plus dollars, but Dr Hanoman, he did not do his homework ...

*[Interruption: 'He has gone home.']* Yes, he has gone running home, he turned to Page 250 for Barima/Waini and noted under the same 6221- Drugs and Medical Supplies - a mere \$1.2 million. Mr Speaker, the approach by this government is to take away the burden of doing these mundane things such as ordering at a local level and allowing the Material Managing Unit - the bond in Georgetown - to order those drugs. The theory behind it being that the Regional Officers should go about doing their

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technical jobs treating people and using drugs provided by the centre. At the same time, the centre is better equipped to negotiate better prices and better products. So, I thought I should quickly put that in perspective and I think it is a bit of a shame that a Member of our August House after being there for a length of time still has not assimilated these basic things.

Here, I could probably make a little suggestion, Mr Speaker, you have been demonstrating an inclination to improve of the workings of the Parliament. I have noticed that during past few months we have been able hold certain workshops and seminars to enlighten our members. For example, in HIV/AIDS recently it would very well be Mr Speaker, probably opportune now to think of ways and means of enlightening or helping to train Members of the National Assembly more particularly members such as Dr Hanoman how to use the tools that the Assembly puts at their disposal. We would then lose or waste less of the time of this Assembly.

Mr Speaker, Dr Hanoman made some references based on his sojourn in Region 1 some of the information provided is patently inaccurate. I have been to Region 1 several times recently and more recently as early as Friday when we visited Moruca. A team of us visited Moruca to see conditions there. We are also in regular contact with the Regional Health Officer, a very well organized woman Medex Johnson, who only in December made a presentation at the Regional Health Officers' meeting and analysed some of the things that Dr Hanoman brought confusion to. I just had the pleasure again of speaking to Medex Johnson by telephone about twenty minutes ago and she has refuted some of the allegations. For example, she indicated that although the Medex at Arakaka have absconded for some time and we regret this, but we do not shake Medex off a tree, I can inform you that she has indicated that she has no indication of any shortages of drugs in the area. Now Medex Johnson used to be at Matthews Ridge, because of her good performance she was promoted to head the Region in Mabaruma and the incumbent from Mabaruma was sent to Matthews Ridge. The Medex at Kaituma is another very competent young woman by the name of Ross and she has indicated that she is not aware of the difficulties of which Dr Hanoman spoke. As a matter of fact, we do not need Dr Hanoman to go into Region 1 to treat malaria. In Matthews Ridge there are six microscopists; as a matter of fact two have been dispatched in the last week to Arakaka and the Ridge as a routine activity and they will do necessary things there to keep malaria in control. I do hope that Dr Hanoman did not touch my malaria patients in a confused manner or in the confused frame of mind with which he addressed this House.

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We are focusing on the training and development of indigenous microscopist. By *indigenous* I do not mean indigenous to Guyana, but I mean Amerindian persons. Ten people were sent to Venezuela to one of the centres of excellence to be trained in microscopy and general management of malaria. This has added to the stock of microscopists, who are capable of treating malaria. Why I am spending some time on this, is because the interventions which were referred to by Dr Hanoman were somewhat forceful, laced with some amusing moments and could very well catch the eye and the ear of the un-initiated. So I would like to emphasize that hinterland health, Amerindian health is on the front burner of the Ministry of Health. As a matter of fact, one of the new programmes being rolled out is to make more accessible to Amerindian communities primary health care. For example, some other poor and needy communities, vulnerable communities in Region 1 would include Baramita; we have been sending teams to Baramita of a multi-profile for several years from the centre. Only last year, we had an interest, a great concern about TB in that community; we sent in the requisite workers and coming Monday to Friday, we are going to send another team there led by the same woman Medex Johnson. That will include Michael Pierre, the microscopist from Mabaruma; Loretta Thom, the TB person and of course Mr Chue who is the Dentex. So they will be putting in an entire team into a small vulnerable community. Why emphasize these things is because if we were to look more in-depth at the figures that the Minister presented, we would see the definitely there is an effort to spread the goodies around, to bring to communities that are vulnerable and that need this help to break this resources to bear. Now, Dr Hanoman referred to his sojourn in Kaituma, what he forgot to tell you is that the Region is in the process of completing a new house for a resident doctor. Only up to last year the beginning of December Dr Chillie visited Kaituma on a regular basis out of Mabaruma. Now, he was able to live at the nurses' hostel, while the new house is being finished. Fortunately or unfortunately, more nurses have been deployed to the area and that facility is now occupied. Therefore, the replacement for Dr Chillie cannot live in the nurse' hostel, the Ministry of Health is now making arrangements for the second doctor from Mabaruma to go to Kaituma and to occupy alternative premises until the Region can complete the wiring of the House. That we should congratulate ourselves for, an additional doctor has been secured for Kaituma, which sometime had only a Medex. Now, he will be sent to the alternative premises within days until the substantive house is finished.

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Mr Speaker, since I am hearing a voice in the wilderness, let me point out that is a new initiative, a new house is being built so that the doctor do not have to compete for space in the nurses' hostel, that presented certain challenges as you would appreciate.

*Amerindian Health* - This year, the Ministry of Health is going to be emphasizing that more and more in cooperation and jointly with the Ministry of Amerindian Affairs. Let me tell you for example that medical evacuations is bringing people from the hinterland and more especially people from indigenous origin from Amerindian Communities, the funds allocated for those activities have increased by leaps and bounds. Last year, the Ministry of Health spent something like \$25million to extract critically ill patients from places like Baramita, Kaieteur Top and similarly remote locations. This area of activity would be further strengthened this year. If you are only to check the plans you will see that the Minister has allocated even more funds for these activities. Why I want to stress this is because this illustrates the degree of interest that the Ministry and the government has in this particularly vulnerable sector of our community. Only over the weekend, at extreme cost we were able to extract out of Kamarang and other areas almost simultaneously severely ill persons. Let me remind you Mr Speaker, one such charter sometimes cost as much as quarter million dollars. So that is how we do it. We send them as frequently as needed to any location as is needed.

We heard some comments that we should speak about what is going on, on the coast but I would not go on to that as yet. I want to mention that right now, hinterland workers are being continuously trained. Let us go back to Kaituma, the same Medex and this is an indication as to what is happening globally throughout the system; the Medex there has just returned after being trained in Georgetown in the area of the care and management of HIV/AIDS patients. So here again, this debunks the confusion that Dr Hanoman attempted to foster unto us, when he was saying that HIV/AIDS is a neglected area.

Incidentally, he made some other somewhat frivolous statements. He accused the Minister for example of usurping the role of the technical people. Probably the Minister is very active in the Media and probably Dr Hanoman not being as photogenic, probably is a bit jealous. However, let me inform this House that before the Minister makes any public statement, he is properly and adequately advised. Let me give thanks here in this regard to PAHO, WHO team in Guyana, to the UNICEF team in Guyana, to the CDC in Guyana. Let me tell you that before pronouncements are made, we are enjoying the support of such reputable international agencies, who for example would send samples for us to places such as Atlanta, CDC Headquarters and then the Minister and his technical team analyses the results. So here



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again, I want to put to rest the impression that Dr Hanoman sought to put that the Minister is usurping the role of his technical people. The Minister is a very proactive person; that is his right, that is his approach, but he relies on his technical team. As a matter of fact, during the current or let me say the recent crisis caused by the floods last year, the Minister was supported on an evening-wise basis, that is every evening practically his technical team comes together to analyse the reports from the day and only then would the Minister makes pronouncements. If you are getting information to the contrary, you are being deceived. If you think that somebody from the opposition benches have inside information, you are deceived.

At these meetings where information are analysed, we enjoy the support of epidemiologists and other specialists from the organizations I mentioned and again, we must thank them for the quiet good work that they are doing and we must in this regard thank the Minister for being able to pull together those teams and act on the information, advice, promptings and recommendations that come out of those technical meetings. So here again, the Minister is not running around trying to play a specialist in HIV/AIDS, CAT scan, TB and all the like, he is well advised.

Mr Speaker incidentally speaking about drinking water, the success in restricting diseases out of the flood recently came exactly from that substance - water. The People Progressive Party/Civic must pat itself on its back that despite the extensive flooding and despite the concerns about certain diseases, we had relatively few victims and the reason for that is because we had invested in the social infrastructure on the coast, coming to the coast waterborne diseases were strangled by the Ministry of Health, they were crushed because we have been given by this government a good system of potable water and if we were to look at that ... [*Interruption: He is congratulating himself,*] Yes, let us congratulate ourselves, let us talk a little about the coast. Health does not exist in isolation and our recent successes on the coast in combating flood related diseases is based on the fact that the Minister is well advised by his teams that the Minister gets information from the field daily and that his government give us those resources - good water supply. If it was the days of the PNC, when the people had to be breaking the main and fetching water on carts, the degree of disease would definitely been greater. Let us congratulate ourselves. [*Applause*]

Mr Speaker, speedy and prompt action by the Ministry has also caused us to be able to triumph, to prevail. The Ministry of Health very quickly organized teams. These teams were able to distribute bottled water, here again my friend Mr Hicks the word *water*, the use of the water; Ministry of Health

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caused to be distributed from the very first days of the flooding bottled water. So you had potable water when that could be compromised, because of rising flood waters we had the bottled water free of cost. Of course, the teams - up to twenty five teams - were deployed during this current crisis. Last year as much as forty five and in some days eighty teams were deployed to different areas along the coast. Let us speak about the coast, the Ministry of Health recognizes that the conditions that we are experiencing now might be with us for sometime, because of that we are emphasizing disaster management and mitigation. As a matter of fact, even before the floods struck our Medex students were being prepared with certain tools, with certain knowledge in the event they would have had to be deployed in the field and fortunately for us while that pluses was going on the floods overtook us, but the knowledge imparted did pay them in good stead, when they were deployed in the twenty five teams I referred to, they were able to use that knowledge.

Mr Speaker, besides that I want you to know this and I want to rub this in well, why we were able to control the situation? Each team was equipped with the requisite kit of drugs, there were no shortage of drugs, the drugs for re-hydration, the drugs for combating waterborne diseases were readily available and pre-packed. In this regard here for example Dr Hanoman and his medical colleagues on the opposition benches want to make a contribution they could well integrate into these teams. As a matter of fact I would like to thank members of the private practice who have joined us in this endeavour. So indeed, we should congratulate ourselves with our proactive approach.

Mr Speaker, there are some other innovations in health that the Ministry of Health has failed to blow its trumpets about and I think it is time we start putting some of these on the front burner. Again I go back to hinterland health and I would like to refer significantly to the Cancer Project for indigenous women - Amerindian women. I would like to bring to your attention that the Ministry of Health has quietly being working on reports that this contingent of our population, the women of this ethnic group will tend to have higher incidence of cervical cancer. We have responded positively, but quietly. We have been able to mount missions in Moruca and Lethem. As a matter of fact, a mission will be launched soon in conjunction with one of our very good partners, Rams in Lethem again. The object of that being to actually diagnose the early stages what is termed screening, to screen these women for any signs of an impending disaster and manage it there right in their communities. I would like to report Mr Speaker that we have scored some successes in that regard. The Ministry of Health and this government and as it is embodied in the Estimates here, you will see that there are more monies for that now we are putting

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special emphasis on the women, on our women in indigenous communities and in vulnerable communities. Any Amerindian woman can be proud of that; any Amerindian woman should decide that that is one of the things that should make her cast her vote for the PPP/C at the coming elections.

*[Applause]* I must remind you that those projects were carried out not by bringing the patients to Georgetown, but by taking the technical person with his equipment to the relevant communities, communities far off as Moruca and Lethem.

I would like to point out certain other things, certain other quiet changes that the Ministry has been able to put in place. Lethem now has not one, but two doctors. This is a good achievement. It allows us now to be able to move around from time to time one of those practitioners to other communities in Region 9. In other words, we are emphasizing equity in health not only should the administrative centres have the services of a doctor, but since we have been able to provide Lethem with two doctors, from time to time, we can send one of them on medical outreaches. This again this is something that we should quietly congratulate ourselves for.

Mr Speaker, I would like to point out too that in recent months, we have been able to have actual surgical missions at far out locations like Lethem. This again has not only being done with the resources of the Ministry alone, we have been able to harness support from friendly organizations who have been able to mobilized the necessary skills and we thank them for this and the Ministry of Health would continue along this line.

Mr Speaker, Dr Hanoman referred to the fact we have a high attrition rate of our nurses, this unfortunately is a fact; this unfortunately is part of the reality that exists in many third world countries India and Sri Lanka. We unfortunately have the distinction of being English speaking country with a fairly good training programme for nurses and they are being attracted to markets with which we cannot compete. The Ministry of Health has taken requisite action. At the international level, we are engaged in discussions on what is called managed migration. It is in initial stages, but the discussion goes something like this. If we are producing the nurse or the product and you are taking it should there be some more equitable relationship, should you for example the country to which the person is migrating make an input into the equation. Further Mr Speaker... *[Interruption]*

**The Speaker:** Your time is up Honourable Member.

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**Dr Bheri S Ramsaran:** Thank you Mr Speaker, I will close by saying that this year, we have started training 250 more nurses; that will put us in very good stead and the twenty five Medex students will be graduating in a few months time - twenty five more Medexes for twenty five more locations in our hinterland; all thanks to the PPP/C and the Budgets being presented, I hereby recommend that we fully support the Minister and his Budget. Thank you *[Applause]*

**The Speaker:** Thank you Honourable Member.  
The Honourable Member Miss Genevieve Allen

**Miss Genevieve Allen:** Mr Speaker, Honourable Members of this House, I rise to make my contribution to the Budget Debate 2006.

On pages 1, 2, 3 and 4 of the Budget Presentation, the Minister of Finance spoke about the devastating floods of January 2005. It was indeed a disaster that Guyanese have not recovered from its impact on their lives. The Recovery Planning and Implementation Secretariat distributed assistance to affected households, farmers and small businesses, but there are still farmers and business who were affected and who have not received any assistance due to the inefficient manner in which the identification of affected persons was done. Persons received cheques to the tune of \$10,000 and \$50,000 and over for small business, but these persons would have lost their livelihood and household items and this cannot compensate for their loss.

Mr Speaker, we are still to hear of a rehabilitation plan to take care of all those affected persons and even as we debate this Budget, along the lower East Coast of Demerara and some areas along the East Bank of Demerara, households, farmers and small businesses are again affected by flood waters. This is happening after an Emergency Drainage and Irrigation Taskforce was established to oversee works that could have alleviated flooding in these areas. Millions of dollars have been spent to rehabilitate the embankment and structures along the East Demerara Water Conservancy, sluices along the East Coast of Demerara, the rehabilitation of drains and canals along the East Coast and East Bank of Demerara, but the nation is still awaiting a comprehensive disaster preparedness programme to deal with such emergencies.

Mr Speaker, I want to say that out of doubt that a PNC/R government will not deal with such a serious situation in a piece-meal manner, but it will engage and consult with all stakeholders and qualified

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personnel to prepare a comprehensive and feasible disaster preparedness programme that will cater for all types of disasters.

Mr Speaker, the Budget as presented under the Theme *TRANSFORMING GUYANA THROUGH MODERNISATION AND PARTNERSHIP*. The key words in the theme are *transforming*, *modernization*, and *partnership*. According to the Oxford Concise Dictionary:

- *Transforming means to make a thorough or dramatic change in form, appearance or character;*
- *Modernization means modern ideas or methods; and*
- *Partnership means to do joint business.*

Mr Speaker, I have read this Budget and specifically searched for areas where I could have generally applied the words *transforming*, *modernization* and *partnership* and I still have great difficulty in analyzing the same.

I will now proceed to give examples of same:

Region 4 - As the constitutional representative of Region 4, I want to say to this House that Region 4, Demerara/Mahaica being the largest populated region continues to receive budgetary allocations that are grossly inadequate to properly manage the affairs of the Region and that there is nothing modern in that. Further, it is due to the inadequacy of allocations for drainage and irrigation in 2004 that contributed mainly to the flooding of Region 4 in January 2005. The Administration of Region 4 will consult with representatives of the various Neighbourhood Democratic Councils for their submissions of programmes for inclusion in the Region's presentation. There is a number of projects that have been submitted, but a small percentage has been approved for this year's Budget.

Mr Speaker, under capital expenditure, a sum of \$907.5 million was requested and the sum of \$105.9 million was approved which is approximately 11.6 percent of the sum requested. How do I apply transformation to these allocations?

Mr Speaker, some of the projects requested that would have benefited the residents of the East Bank Demerara are:

- the rehabilitation of the existing wharf at the Timehri Docks area;
- the construction of a heavy duty bridge at the Old Road Craig. The existing bridge is deplorable and dangerous to life and vehicular traffic;
- The construction of a new primary school at Yarrokabra, Soesdyke, Linden Highway

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I must bring to the attention of this National Assembly that there is no school for primary education within the area and therefore children will have to travel for five miles to attend the primary school at Kuru Kuru.

- The rehabilitation of the Health Centre at Mocha Arcadia;

and I must also bring to your attention that the roof of that building is in a deplorable state and that when it rains the patients are soaked. I trust that the representative of Regional Healthcare is taking note of this.

- the rehabilitation of the Health Centre at Soesdyke;

this is also in a deplorable state and this has deteriorated for a number of years.

Last but not least,

- the rehabilitation of the Timehri electrical system.

These are some examples of projects that would have brought significant relief to residents in the areas mentioned but were not approved.

Mr Speaker on the other hand, there are projects mentioned in the Budget Speech that were not specifically requested by the Region, but are to be undertaken by the central government. Two examples are:

- the St Cuthbert's, and
- the New Diamond Secondary School.

Partnership speaks to joint business. How can we speak of partnership, without the RDC of Region 4 being involved in the planning, construction and implementation of these projects that are sure to benefit the lives of residents in the various areas and further, upon completion these projects are handed over to the Regional Democratic Council for administration.

Mr Speaker, the examples that I have illustrated outlined some of my difficulties in analyzing the key words in the Budget theme.

Education is the key to prosperity in any nation. Mr Speaker, on page 19, under No. 2 - Social Sector, Paragraph 3.35 reads:

*Public investment in education has resulted in improvement in the sector as reflected, for example, in the performance of students at the SSEE and CXC examinations. In 2005, there was a 4.5 percent improvement in the number of students gaining passes (Grades 1 to 3), with nearly 80 percent of students gaining Grades 1 to 4. At the SSEE, while there*

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*have been some fluctuations in the mean for the core subjects in the last two to three years, the mean or average in mathematics has shown steady improvement from the base year 1996.*

Mr Speaker, what the Minister failed to say was that public investment in education has resulted in improvement in the sector as reflected for example, in the performance for students at the SSEE and CXC Examinations due to the resilience of both the teachers and parents. This is so, because even though the government is spending millions of dollars from foreign funded programmes in education, the reality is that parents continue to spend thousands of dollars for extra lessons for their children.

Mr Speaker, there be equity within the secondary schools system in all the ten regions of Guyana. The public perception is that some schools are better than others and so therefore, every year during July to September, parents continually flock Education Departments for a change of schools after the results of the SSEE examination is published.

Further, some parents are of the strong opinion that if a child does not qualify for senior or junior secondary schools, the solution is the private school. Poor and low-income earners are now forced to pay for education which is free. In Guyana today where Guyanese are experiencing an economic crisis, many Guyanese can ill-afford the cost of textbooks and in some instances they have to provide the furniture for their children in the schools, lessons and private education. There is no continuity and linkage in the programme offered, whether they are under the SSRP or BEAMS, so that the nation is at a loss to distinguish which programmes can benefit a child for the future. There is no programme that fully benefits the child whose academic ability is below average. There are instances of children who are promoted by their age or spend up to three years in one class, because of their academic ability.

Mr Speaker, the SSRP Programme, though having good intentions, de-emphasize the technical vocation education and should have allowed all the students attending community high schools to write the CXC examination. This programme has not transformed nor modernize the secondary school system, because there are children within the community high schools who could not meet the CXC requirements.

Under the Basic Education Access Management Support Programme (BEAMS), millions of dollars have been spent. But how could a child benefit from this programme. Yes, the programme includes:

- the rehabilitation and construction of new schools;
- the further rehabilitation of some schools;
- equipment were acquired;

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- teachers were trained.

We continue to train Guyanese for jobs in other countries and so the children in our schools do not benefit fully from the billions of dollars that are being spent on the programme.

Mr Speaker, thousands of students either graduated from secondary schools, but are not equipped with the necessary skills for the world of work. The PNC/R had established the Guyana National Service to cater for such individuals. Today, the Young Entrepreneurial Skills Training Programme cannot accommodate the thousands of young people who are left with no alternative, but to become involved in illicit activities.

Mr Speaker, permit me to quote from this document Agenda for the Development, the Modernisation of Guyana with the PNC/Reform, on page 9 it reads:

*A PNC/R government will under its vision provide education to special needs groups through alternative opportunities of social transformation. Second chance training for young people, PNC/Reform will introduce a special programme for out-of-school youths so that they can better prepare for employment and small business activities. This will be implemented with the full collaboration of relevant social partners.*

Mr Speaker, teacher's morale continues to be low. Guyanese teachers continue to leave this country for countries where they feel they will receive more benefits for their work. I want to say to the Honourable Minister Shadick that when those teachers leave Guyana, they do not go into pastures of doom, they indeed go to greener pastures.

I want to continue to say that Guyana has signed on to the CSME and even though we boast about millions of dollars that are being spent to modernize the system, I want to ask the question, if a teacher who works in one of the islands in the Caribbean, who earns approximately US\$2,000 per month would come to Guyana to earn approximately US\$250 per month? Mr Speaker, this document Ministry of Education, Strategic Plan 2003-2007 on Page 40 speaks to salaries of teachers and permit me to quote.

It reads thus:

*In spite of substantial increases in recent years, teachers' salaries continue to be a disincentive to encouraging people to enter and/or remain in the profession. The Guyana government cannot compete with salaries offered by some countries, but in addition to possible monetary increases, it is considering non-salary incentives such as land and loans for housing. The issue of teacher compensation, however, remains a challenge as*



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*the level of teachers' salaries cannot be totally divorced from the level of salaries in the rest of the public sector.*

Mr Speaker, in the Minister's Budget Presentation on Page 38, Paragraph 4.32 it speaks to the Education For All Fast Track Initiatives and it speaks about incentives that are offered to teachers - the remote areas incentive that are offered to teachers in Regions 1, 7, 8 and 9.

Mr Speaker, the Guyana Teachers' Union has been engaging the attention of the Ministry of Education for over a period of time. Among the allowances and other benefits that they have been negotiating is the increase in hard-line allowances for teachers serving in the hinterland and the deep riverain areas. I want to bring to this Assembly's attention that those teachers who work within riverain areas in Regions 2 and 10 have not been considered for the remote areas incentive and so therefore clearly we see a disparity between the riverain and remote areas.

Mr Speaker, I also want to bring to the attention of this House that among the benefits with regard to the Guyana Teachers' Union at the negotiating for are the reductions of class sizes and house-lots for teachers. I want to say that teachers continue to work with classes that have more than forty students which cannot allow the teacher to productively give to each student the attention that they require.

Mr Speaker, I want to say that for all of these reasons we continue to lose the human resource that is vital for the development in education. I want to repeat what I said earlier that education is the key to prosperity of a nation and unless there is real transformation and unless there is real partnership with relevant stakeholders there cannot be real modernization in education in Guyana. Thank you very much.

*[Applause]*

**The Speaker:** Thank you Honourable Member.

The Honourable Member, Mr Zulfikar Mustapha

**Mr Zulfikar Mustapha:** Mr Speaker, I rise like my other colleagues on this side of the House to support the 2006 Budget as presented by the Honourable Minister of Finance. Mr Speaker, before going into my main presentation, I would like to reply or touch on some of the points by my colleagues over on the opposition side. Sir, my colleagues over there said that the PNC/R was doing everything good and well for the Guyanese people in government. If so, then we must ask ourselves the question, how come today we are here and they are over there? Let them ask themselves this question, Sir. People in

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this country judge you on your programmes and policies and we beat them in 1992 with our programmes and policies; we beat them in 1997; we beat them 2001 and we are going to lick them in 2006. *[Applause]*

Mr Speaker, what did we inherit when we went into Government? We inherited a rundown economy. When we presented our first Budget in this august body, we highlighted the harsh economic realities that had to be overcome for a rapid turnaround of Guyana's shattered economy. Mr Speaker, we were competing with Haiti to be the poorest country in the western hemisphere. Today, we are a middle-income country, thanks to the PPP/C Government.

Mr Speaker, there was no report in the august body of the Auditor General. The AG report was missing, Sir. Today, every single year we are bringing this report here and it has been scrutinized by the Public Accounts Committee, which is being chaired by the Honourable Member, Mr Winston Murray.

Mr Speaker, we had a large debt burden service at that time and as many speakers on this side of this House said, although we have done so much infrastructural development, we have been able to reduce that debt and shackled the chains of poverty around the neck of the Guyanese people and reduced it to just over US\$1 billion. Mr Speaker, those are the facts and those were some of the programmes that the PNC/R said they had when they were in government.

Last year, we had one of our worst natural disasters and we heard that our production dropped considerably, but we, as a government, have never imported sugar into this country. In 1989, Sir, we were forced to import sugar, because we were producing the lowest production at that time of 129,000 tonnes.

Mr Speaker, this Budget is a continuation of the policies, as I said, and programmes of previous years that are geared at transforming the economy and making it more competitive, securing growth and expanding permanent employment in the medium to long term. This Budget, Sir, reflects the set of priorities that the Government has determined as critical to the achievement of our vision and these include:

- strengthening the foundation of the traditional industries including upstream and downstream activities;
- expanding and diversifying into new growth areas;
- improving the environment for private sector development;
- securing and expanding the economic infrastructure;

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- strengthening quality access and delivery of social services;
- greater efficiency, transparency and accountability of Government; and
- making our community safer.

Mr Speaker, our 2006 Budget is the largest in the history of our country and represents 19.1 percent increase over that of 2005. Mr Speaker, central to the minds of Guyanese when they think about the Budget is the question of salaries, benefits, taxes and price. As a pro-working class Government, Sir, we have made the decision to increase the income tax threshold of \$25,000 per month. The provision for the increase in pension and public assistance by seventy-five percent, announced in December, has received great approval from all sections of the society. This measure will see approximately \$1 billion or close to two percent of all revenues received from economic activity in the economy going to pensioners, the afflicted, single-parent households and those who rely on the State's generosity. Mr Speaker, here I would like to say that this Government has removed the means test so that every Guyanese who reach the age of 65 can receive a State pension. No doubt, Sir, the increase has been due increased economic activity in the economy and is translated today to direct welfare improvement measures that we are enjoying as a nation today.

Mr Speaker, the year 2005, as the Honourable Minister of Finance said, brought with it several difficulties. Uppermost in our minds would be the most devastating of January. 2005 too, will also be remember for the record rise in oil prices and above all the recent decision of the European Union to drastically reduce the preferential price of ACP's sugar. Our country suffered its worst natural disaster when heavy and persistent, intensive rainfall which began on 24 December 2004 dumped almost sixty inches of rain in our low coastal plain. As if to say that this was not enough, Sir, today we are again faced with a similar occurrence, but I will hasten to add that Guyana is not unique in this most unfortunate situation.

Mr Speaker, we are in an election year and many persons and parties are going around trying to build support and make promises and when elections are finished they are gone. Mr Speaker, I would like to state here that our party has always been with our people and will always continue to be there for them in good and bad times. *[Applause]* Many are saying, Sir, that negligence and incompetence have caused the floods. As I said in my 2004 and 2005 budget speeches in this Honourable House, we need to put cheap political mileage behind us and we need to learn lessons from those countries which were

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affected. Rather than stirring up the people like what was done in West Berbice recently, we need to give true representation to our constituents.

In 2005, Sir, we initiated a national structure and hands-on approach to the management of the flood which brought condemnation and favourable responses from home and abroad. As we did last year, Sir, we are again together with a number of people working tirelessly to bring relief to those of our people who were affected.

Mr Speaker, the rapid rise of oil prices over the past two years points to the need to accelerate the search for petroleum deposits as was stated in the Budget presentation. Sir, with foresight and careful planning, Guyana was able to anticipate the events leading up to the drastic cut in the European Sugar Regime. Since 1992, our Government has delivered consistently despite every difficulty put in our way. Amidst talk of rendering this country unmanageable; amidst talk of mo' fire and slow fire; amidst talk of rendering this beautiful country ungovernable, we shall continue to delivery in 2006 and beyond as the Honourable Minister of Finance said in his Presentation, we shall continue to deliver after we have renewed our mandate for the nation in the upcoming general elections.

Having said that, Sir, I wish to take a look into the infrastructural development in Berbice, that is Regions 5 and 6. In Region 5, Sir, under the Agricultural Programme, the sum of \$5.9 million was spent on the maintenance of dams in the cultivation area between Mahaica and Mahaicony. The sum of \$3 million was spent on the rehabilitation of heavy duty bridges in the region, Sir.

Under the maintenance of drainage and irrigation works, the sum of \$34 million was spent to sustain the rice and cash crops and livestock holdings within the region. Mr Speaker, the sum of \$34.9 million was spent on the maintenance and repair of ten streets in various areas in Region 5. Sir, it seems that some Members of Parliament are not going to the region and they are making guesses here, because work has been done in Burma, Mahaicony, De Hoop, Rosignol, Bush Lot, Woodley Park, Ithaca, Cotton Tree, Hope Town and Calcutta. Those are some of the roads that were done in Region 5. *[Applause]*

Under the Region's Public Works and Maintenance Programme, repairs were done to a number of government buildings and staff quarters amounting to \$6 million.

Under the Education Delivery Component, Sir, the sum of \$23.7 million was provided to cater for the maintenance work to 19 schools in the region and I can call the names of these schools, Sir - Belladrum Secondary School, Mahaicony Secondary School, Bush Lot Secondary School, Rosignol No. 29 and so on. I can call all of these names. I can give the Honourable Member a copy so that she can know where

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the work was being done in Region 5, Sir. In addition, the sum of \$15.4 million was released by the Ministry of Education Building Rehabilitation Programme and additional works were done on eight primary schools in Region 5. Mr Speaker, the sum of \$11.7 million was provided to complete works on seven health institutions in Region 5. During 2005, Sir, the sum of \$145.2 million was provided for capital works. Mr Speaker, under the Land Development Programme in Region 5, two DBST streets were done at Hope Town Experiment and Bath new housing scheme at a cost of \$10 million. Under the road rehabilitation programme in the region, Sir, \$35 million was spent on the construction and grading of sixteen streets within the region. *[Interruption: 'Where?']* I have the copy here; I can provide it for the Honourable Member. I can call these names but I do not want to take up the time of the National Assembly, but it is here, the first cross street in No. 10; Da Silva Avenue, Hope Town; Grant Avenue, Hope Town; Dundee Middle Walk Street, East Coast ... They are all here, Sir.

Mr Speaker, I now turn to Region 6, the pride of Guyana. Under the various programmes maintenance works were done. In agriculture \$46 million was provided and with this provision the major waterways in the primary rice cultivation areas of Black Bush Polder and Nos. 52 to 74 areas were kept clean to provide irrigation waters to farmers.

Mr Speaker, with this high intensity rainfall and if the PNC/R was running this country all of Guyana could have been drowned today and all of us could have gone with them. Thanks to this Government, we are putting infrastructure in place. The irrigation pumps at Black Bush Polder were maintained. Under the Public Works Programme \$19.5 million and \$5.5 million respectively were spent on the maintenance of roads and bridges throughout the region. The sum of \$6 million was provided of the maintenance of buildings within the region. Mr Speaker, the Health Sector of this region is being administered by the Regional Health Authority under the supervision of the Regional Administration. The sum of \$19.2 million was provided for the maintenance of buildings in the sector. Sir, we heard the Honourable Member, Dr Max Hanoman, mention the New Amsterdam Hospital. All these little bad things they come here and report, but they are not reporting the good things. The New Amsterdam Hospital has completed more than 1200 cataract operations free of charge to our senior citizens. *[Applause]* They should come here and report that. Mr Speaker, it is worth noting that an amount of \$37 million was spent on the provision of dietary supplies to our hospitals in Regions 5 and 6. In the region's capital programme the sum of \$197.9 million was provided under Bridges and Road Programmes. Seventeen community footpath bridges were constructed and numerous roads were

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rehabilitated and I have here in my hand a list of those roads in different communities across Region 6. In all communities no matter what is their political affiliation, we have maintained this structure and built new roads, *[Applause]* because these days people talk about discrimination, they are setting up people against the Government to fight for relief and this, but when our President visited there he was received and welcomed by the people of those areas and they accepted him and come 2006 as I said earlier, we are going to lick them like peas. We are going to lick them and this side will get bigger and their side will get smaller. Under the Health Building, the sum of \$10 million was provided to continue with the revetment and backfilling of the Health Centre at Orealla. The major allocation of \$70 million was provided under the Drainage and Irrigation Programme. Under this Sector the following works were done:

- revetment works to avoid erosion of the Crabwood Creek and No. 3 Sluice;
- rehabilitation of seven heavy duty bridges in Black Bush Polder and Nos. 52 and 74 villages.

These are two rice production areas in Region 6.

Mr Speaker, under the Capital Road Programme the sum of \$41 million was spent and under the Land Development Programme, Sir, the sum of \$12 million was spent to construct roads at Ordinance Fortland and Canefield - two new housing schemes in Berbice. Mr Speaker, I daresay that the various sums of money spent in both Regions 5 and 6 have considerably improved the lives of our people in those regions.

The present Budget, Sir, will not doubt give the opportunity for a continuation of these developments. At the national level, Sir, our dear country has been faced with many challenges. The sugar industry appeared to be the hardest hit with the steep reduction of price from the EU market. Our production level fell due to heavy flooding early 2005. Nevertheless, challenges are what bring out the best in our people. Like I said in my budget presentations in 2004 and 2005, developmental works in our country are moving at a rapid pace and this will further accelerate this year. Works are moving apace at the Skeldon Estate Expansion Programme, which when operationalised will see our cost of sugar production reduce considerably.

Sir, 2006 is another important year for us. The Berbice road project is about to commence and this project will transform the New Amsterdam/Moleson Road into a modern highway.

The CARICOM is not only completed, but is being used by the Caribbean Community.

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The Convention Centre is near in completion whilst the Cricket Stadium is moving apace.

The Ogle Airport is being developed and the tourist outlook is promising. Those are some of our programmes and our visions, Sir. New and elegant hotels are in varying stages of construction. Sir, definitely World Cup Cricket will certainly usher into Guyana a new way of life. Mr Speaker, the Berbice River Bridge will become a reality as only recently we have passed legislation in this Honourable House to ensure that the construction of the Berbice River Bridge commences.

RUSAL has already taken over the Berbice Bauxite operation and the indication is that a refinery will become a possibility in the near future. Mr Speaker, those are the developments, those are the visions of the People's Progressive Party/Civic Government. *[Applause]*

Mr Speaker, as I indicated earlier in my presentation, we are in another difficult situation coping with floods occasioned with very intensive rains. Our Government under the astute leadership of President Bharat Jagdeo is again handling the matter frontally. There are those who seek to make cheap political mileage out of peoples' sufferings; rather than explaining the phenomenon of global warming and climate changes, they are out there creating mischief. Mr Speaker, politics is not about laying blames; rather persons who are very critical must offer solutions in a very constructive way. Politics should be about nation building and nation building is about plans and programmes to improve the lives of our people. We know what the state of our country was before 1992 and we also know what life has become. We need to work together to preserve and build on the phenomenal development taking place in every corner of this country. Our Government, since 1993 presented our plans and programmes in a most comprehensive way. We have carried out those plans in a manner in which all Guyanese have been benefiting and can be proud of and will continue to do so.

The 2006 Budget as presented by the Honourable Minister of Finance deserves our wholehearted support. It contains exciting formulas for transforming Guyana through modernisation and partnership as we move towards sustaining growth and development while at the same time, as I said earlier, we continue to unshackle the chains of poverty which was tied around the necks of every Guyanese by those before us.

Sir, in conclusion I would like to commend the Minister and his team for a well prepared and thought out Budget and I now commend this Budget to the Honourable House. Thank you very much.

*[Applause]*

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**The Speaker:** Thank you very much Honourable Member and thank you Honourable Members for a very productive day. This brings us to the end of our business for today.

**Hon Reepu Daman Persaud:** Mr Speaker, I move that the National Assembly stands adjourned to tomorrow, Tuesday, 31 January 2006.

**The Speaker:** The National Assembly is so adjourned.

*Adjourned accordingly at 22:15h*