

# Official Report

*PROCEEDINGS AND DEBATES OF THE NATIONAL ASSEMBLY OF THE FIRST SESSION (2015-2016) OF THE ELEVENTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF THE CO-OPERATIVE REPUBLIC OF GUYANA HELD IN THE PARLIAMENT CHAMBER, PUBLIC BUILDINGS, BRICKDAM, GEORGETOWN*

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28<sup>TH</sup> Sitting

Friday, 12<sup>th</sup> February, 2016

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*Assembly convened at 1.11 p.m.*

*Prayers*

*[Mr. Speaker in the Chair]*

## **ANNOUNCEMENT BY THE SPEAKER**

### **Influenza vaccine available to Members of Parliament**

**Mr. Speaker:** I have been asked to remind the Hon. Members that the vaccination or the vaccine, which is being offered in the forecourt of the Public Buildings, is available. All Hon. Members were notified of its availability. I am merely reminding Hon. Members that it is available today in Committee Room 2.

## **PRESENTATION OF PAPERS AND REPORTS**

The following Reports were laid:

- (1) The Excise Tax (Amendment) Regulations 2016- No. 1 of 2016;
- (2) The Customs (Amendment of Schedules) Order 2016 – No. 5 of 2016; and

- (3) The Value-Added Tax (Amendment of Schedule 1) Order 2016 – No. 6 of 2016.  
[*Minister of Finance*]

**MOTIONS RELATING TO THE BUSINESS OR SITTINGS OF THE ASSEMBLY AND  
MOVED BY THE MINISTER**

**HOURS OF SITTING**

WHEREAS Standing Order No. 10 (1) provides for every Sitting of the National Assembly to begin at 2.00 p.m. in the afternoon and unless previously adjourned, end at 10.00 p.m. on the same day;

AND WHEREAS Standing Order No. 10 (2) provides that the Speaker may at any time suspend the Sitting for a stated period but, unless the Assembly otherwise resolved, the Speaker shall, at 4.00 p.m., suspend the Sitting for one hour, and at 7.00 p.m. suspend the Sitting for half an hour;

AND WHEREAS Standing Order No. 10 (3) provides for the Assembly at any time by motion made and carried without amendment or debates suspend or vary the provisions of paragraphs one (1) and two (2) of Standing Order No. 10;

AND WHEREAS Standing Order No. 10 (4) provides for the Assembly from time to time, alter, by Resolution, the hours provided by Standing Order No. 10 for the beginning and ending of a Sitting.

BE IT RESOLVED:

That Standing Order Nos. 10 (1) and (2) be suspended to enable the Assembly to sit during the following hours to complete the consideration of the Estimates of Revenue and Expenditure for the 2016 Budget within five (5) days:

- 1.00 p.m.                      4.00 p.m. — Sitting
- 4.00 p.m.                      5.00 p.m. — Suspension
- 5.00 p.m.                      7.30 p.m. — Sitting
- 7.30 p.m.                      8.00 p.m. — Suspension

- 8.00 p.m.                      10.00 p.m.- Sitting

[*First Vice-President and Prime Minister*]

**Mr. Speaker:** Hon. Members, I have given consent in accordance to the Standing Order No. 28 (2) for the following motion to be proceeded with at this Sitting.

**First Vice-President and Prime Minister [Mr. Nagamootoo]:** Mr. Speaker, I wish to move the following motion as it regards the hours of Sittings for the consideration of the Estimates, which is as follows:

“WHEREAS Standing Order No. 10 (1) provides for every Sitting of the National Assembly to begin at 2.00 p.m. in the afternoon and unless previously adjourned, end at 10.00 p.m. on the same day;

AND WHEREAS Standing Order No. 10 (2) provides that the Speaker may at any time suspend the Sitting for a stated period but, unless the Assembly otherwise resolved, the Speaker shall, at 4.00 p.m., suspend the Sitting for one hour, and at 7.00 p.m. suspend the Sitting for half an hour;

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- 4.00 p.m.                      5.00 p.m. - Suspension

- 5.00 p.m.                      7.30 p.m. - Sitting
- 7.30 p.m.                      8.00 p.m. - Suspension
- 8.00 p.m.                      10.00 p.m. - Sitting”

*Motion Proposed.*

**Ms. Teixeira:** We are a little confused with this motion because under Standing Order 74 (1), second sentence, it says that, it should be the duty of the Sub-Committee to consider the allocations of time for the consideration of the Estimates of Expenditure in the Committee of Supply, and to report to that Committee upon the number of Sittings to be allocated for the consideration of the Estimates, the allocations of the proceedings to be taken at each Sitting and the time at which the proceedings, if not previously brought to a conclusion, shall be concluded.

It appears to be a bit rather redundant because the Business Sub-Committee, as far as I know, in its report will take into consideration all these things. However, we will not oppose it; we just cannot understand why there is such redundancy among the Leader of the House, this motion and the Business Sub-Committee’s mandate under the Standing Orders.

**Mr. Speaker:** Hon. Members, I must ask if you would bear with me for a few minutes. I thank the Hon. Member, Ms. Teixeira, for raising the question. The fact is that, this provision, Standing Order 73 (1), does speak of seven days. However, the Business Sub-Committee has no such authority to amend that Standing Order. The motion, which was just proposed, seeks to do that. It is only the House that can amend the Standing Orders.

I hope that explains the apparent error, as you said there was. There is no error. The Standing Orders speak of seven days, if I may repeat myself. The Estimates are going to be considered in five days as recommended by the Business Sub-Committee, but the Business Sub-Committee can only recommend, the House has to make that change. So, I thank you. Shall we proceed?

**Ms. Teixeira:** Mr. Speaker, I appreciate your clarification, however, nowhere in the motion does it refer to Standing Order 73. It refers to other Standing Orders. I believe that is where I got my point about redundancy. However, as I said, Sir, we will not oppose this motion, but Standing

Order 73 is not referred to in the Standing Orders as being amended. I appreciate your clarification and I thank you, Sir.

*Question put, and agreed to.*

*Motion carried.*

## **PUBLIC BUSINESS**

## **GOVERNMENT'S BUSINESS**

## **MOTION**

### **BUDGET SPEECH 2016 – MOTION FOR THE APPROVAL OF THE ESTIMATES OF EXPENDITURE FOR 2016**

“WHEREAS the Constitution of the Cooperative Republic of Guyana requires that Estimates of the Revenue and Expenditure of the Cooperative Republic of Guyana for any financial year should be laid before the National Assembly;

AND WHEREAS the Constitution also provides that when the Estimates of Expenditure have been approved by the Assembly an Appropriation Bill shall be introduced in the Assembly providing for the issue from the Consolidated Fund of the sums necessary to meet that expenditure;

AND WHEREAS the Estimates of Revenue and Expenditure of the Cooperative Republic of Guyana for the financial year 2016 have been prepared and laid before the Assembly on 2016-01-29.

NOW, THEREFORE BE IT RESOLVED:

That this National Assembly approves the Estimates of Expenditure for the financial year 2016, of a total sum of two hundred and twelve billion, nine hundred and sixty three million and one hundred and thirty two thousand dollars (**\$212,963,132,000**), **excluding seventeen billion and seventy three million, three hundred and ninety four thousand dollars (\$17,073,394,000)** which is chargeable by law, as detailed therein and summarised in the undermentioned schedule,

and agree that it is expedient to amend the law and to make further provision in respect of finance.” *[Ministry of Finance]*

*Assembly resumed budget debate.*

**Minister of State [Lt. Col. (Ret’d) Harmon]:** I rise to give my unequivocal support to the Budget presented by the indomitable Minister of Finance, Mr. Winston Dacosta Jordan, and his team at the Ministry of Finance. If we were to appoint a Minister of Happiness in Guyana, as was done in the United Arab Emirates (UAE), I would vote for the Hon. Minister Jordan because of the happiness that he has brought to this Nation, as a result of this Budget.

Let us face reality, after 23 years in Government, the People’s Progressive Party (PPP) had become tired – they became a tired Administration. Their ideas were tired. The vision they had for Guyana had become blurred into one of blindness almost. I recall the Budget Debates of 2014 highlighting this very situation to the former PPP Hon. Minister of Finance, Dr. Ashni Kumar Singh that he was tired and his ideas for the budget lacked inspiration. I suggested to him that he took a rest.

*1.26 p.m.*

Of course the Hon. Minister was grossly upset, and made my remarks the primarily focus of his budget wrap-up. Happily, the people of Guyana were listening, and on the 11<sup>th</sup> May, 2015, they gave Dr. Singh and the PPP Government a long rest. We can therefore understand why a ‘fresh approach’ was necessary to restore the confidence of the Guyanese who had lost hope and were demonstrating their hopelessness by migrating from any port where they could leave Guyana legally or illegally.

I wish to compliment Ministry Jordan’s team for being pragmatic and realistic, given the circumstances we found, when the A Party for National Unity and Alliance For Change (APNU/AFC) Government took Office. The Minister and his team recognised that there were some good programmes which the previous Administration had undertaken and those were to be continued. Likewise, there were those matters which formed part of the APNU/AFC’s Manifesto as a covenant with the people of Guyana, which had to be given priority.

The measures announced in this Budget will certainly stimulate growth and continue to restore that confidence in our people that, Guyana is the place to live, work and earn – ‘the good life beckons’. Well done Minister Jordon.

This is our Jubilee year, the 50<sup>th</sup> Anniversary of our Independence, and the evidence is already emerging that, not only our Guyanese brothers and sisters in the diaspora, but other citizens of the world, are planning to get to Guyana by boats, planes and yes, buses. The Hon. Minister, Mr. Winston Felix told this House how many persons were trying, by any means necessary, to get to Guyana and to share in this ‘good life’ which beckons.

Before the Budget presentation on 29<sup>th</sup> January, 2016 and after that, the APNU/AFC Administration had been, and continues to consult with the people of Guyana. These were not phantoms or the objects of illusions emerging from castle of dreams, but the real salt of the earth Guyanese who told us where they wanted their dollars spent. We listened and we continue to listen to the people and make no mistake my Colleagues in this honourable House, the people are listening to us.

Today, I speak directly to Ms. Anisa Thomas, who attended the Ministry of the Presidency’s outreach at Aurora, on the Essequibo Coast, on Thursday the 4<sup>th</sup> February, 2016. These were her words, “Minister, I see we have a Budget for \$230 billion and there is an allocation for the rehabilitation of the Supenaam wharf. I hope that when the work is done, I would still be able to continue selling at my stand there”. What this is saying is that the Guyanese people are listening to us, they are reading what we say and they understand it. I have today invited Ms. Anisa Thomas, as my guest, to understand and listen to what is taking place - a real person, not an object of my illusion. To you Ms. Anisa Thomas, and to all other Guyanese, this Budget is for you. *[Interruption]*

Despite this new found love, which the Hon. Members on the other side profess for the poor people of Guyana, let me tell you, the people could see through your bogus claims. There is one Hon. Member of the Opposition who, with his silver spoon, posted on Facebook that he will be riding the bus once a week to get a feel of the common people. I wanted to know if, in fact, that Hon. Member has visited anybody or whether he has actually ridden the bus once a week with his silver spoon. The people can see through you, Hon. Member.

The Hon. Member, Mr. Joseph Hamilton, asked the question of this Budget, where is the beef? Hon. Member, this is a fresh cow, it is only nine months old. Ask your Colleagues on the other side where the beef is. You would recognise after that, that by the time you arrived in the PPP the beef from the cow was already gone, and only the bones were left. So all you had to settle for was some soup from the bones to drink out of your cup.

Having the honour and privilege of speaking on the last day of this debate gives one a perspective of the debate from both sides of the House. So while, on the Government side, my Colleagues have set a very clear vision of how the Budget would impact, and of how they will execute programmes in the respective sectors, I hear, save but a few exceptions, pure and simple criticisms and pandering to specific segments of our population from the other side.

Where are the recommendations emanating from our Colleagues who had been in office for over 23 years; where is the experience; where is it, we asked? As a responsible Opposition, you do not just gripe. Come to the table and let us talk.

Much meal is made of the situation at the Wales Estate – comedy is the word. No less a person than the Leader of the Opposition himself went on television outlining some plans which he has for the Estate, saying to the Government that he was prepared to lay those plans and to meet with us. The Hon. Leader of the Opposition was and still is, I presume, ready to meet, as we are still waiting for him to meet with us to discuss these matters. It is not just a matter of going on the television and pandering to the public to say that “I had known this and I know that” and you cannot come to the table to say “These are my plans, let us discuss it”. Where is it, we are still waiting. He is the one who said that he wanted to come, let him call us. [A Hon. Member from the Opposition: Are you inviting us] Do I have to invite you?

While some gripe, we have a nation to build and a global environment where there is serious competition for investment funds for development. We have to be clear, in this National Assembly, of the message which we send to the world.

My contribution today will address the public service as an agent for *Stimulating Growth, Restoring Confidence: The Good Life Beckons*. When we take a look at the countries around us, what do we find? Let us look and see where Guyana is positioned and how we are positioned.



We will look at Brazil. The economic conditions in Brazil say this: The Gross Domestic Product (GDP) fell by 4.5% in the third quarter compared with the same period in 2014, the country's Statistics Bureau reported on last Tuesday. The cumulative drop from 3.2% for the year, so far, is the worst since 1996, according to the Brazilian Institute of Geography and Statistics. The result is that Brazil's economy has now contracted for three straight quarters and is more than 5% smaller than it was at the start of 2014. That is Brazil. [A Hon. Member from the Opposition: Let us go to Thailand now.] You have a problem with geography; I said the countries around here. *[Interruption]*

Venezuela - On the 15<sup>th</sup> January, 2016, President Nicolás Maduro declared a 60-day economic state of emergency that allows him to rule by Decree. The measure was announced hours before delivering the first State of the Nation address to the Assembly in 17 years, in which he declared that inflation in September soar to 141.5% and the GDP contracted by 7.1%, as compared to the previous year. The Decree grants the President sweeping powers to combat shortages of goods and ballooning inflation.

Suriname, on our border - This South American country has devalued its currency by more than 20%, with officials blaming a drop in world prices for the oil and gold that sustained the economy. The announcement late Wednesday, by the Central Bank of Suriname, sparked fear that prices for consumer goods would spike across the former Dutch colony. "Suriname is momentarily experiencing a genuine commodity shock", the Bank said in a statement. Suriname previously devalued its currency by 20% in 2011.

Trinidad and Tobago - In the effort to stem the decline in Government revenues, Prime Minister, Dr. Keith Rowley, announced in December that land and building taxes would be restored and that the value-added tax system would be revised. After two decades of nearly uninterrupted prosperity, the Government is being forced to scale back spending by 7%, siphoning some US\$1.5 billion from the Stabilisation Fund over a next couple of years and the word is that its 1.3 million populations would have to make-do with less.

The point I make is that, these countries around us all face economic circumstances, which are not the same as was in 2014. But the point is that, there is going to be a heavier competition for

Foreign Direct Investment and for creating conditions in those countries where it makes it easier for investment opportunities to survive.

What is important here to understand is that when companies survey these countries, they look to see whether, in fact, this is the best return they would get for their investment dollar.

*1.41 p.m.*

So when they look at Guyana, before the end of 2015, what is it that they saw? They saw an international corruption index which was not something that made them very comfortable. Corruption eats away at the marrow of the bones left for the Hon. Member, Mr. Hamilton. It eats away at the moral fabric of a society. This is the ranking we found when the A Partnership for National Unity/Alliance For Change (APNU/AFC) Government came into office.

The Transparency International Corruption Index for 2006: Out of a total of 166 countries visited, Guyana was at 121. [Ms. Teixeira: Out of how many countries?] It is out of 166. In 2007, it was 123 [Ms. Teixeira: Out of how many countries?] It was 166. In 2008, it was at 126. [Ms. Teixeira: Out of?] You are not going to dictate my pace. In 2009, it was at 126; in 2010, it was 116; in 2011, it was 134; in 2012, it was 133; in 2013, it was at 136; in 2014, it was 124; and, in 2015, it was at 119 and going down. As it can be seen, there was a decline in 2015 and we trust that the measures we, as a Government, put in place will correct that perception and provide a quality of public service that can make us proud and provide certainty to all that Guyana is a country that is serious about doing business.

We believe that the public service has to be reformed so that it understands its role of being servants of the people. In our vision of a new public service, the Administration sees a uniformed standard of service in all of Guyana, with no exception for geographical locations. This public service will be well trained, highly motivated and properly remunerated. In this regard, the APNU/AFC Administration commissioned an inquiry into the salaries and conditions of service of public servants. It is our hope that when the Commission's report is presented on the 29<sup>th</sup> February, 2016, its recommendations will point the way forward for a modernised public service. While I am on this point, let me refer to the Minister of Finance's Budget speech, page 72, paragraph 6.12, where it states:

“...an announcement on salary increases for public servants, for 2016, has to await the conclusion of discussions with the relevant unions.”

He goes on to say:

“We ask that they give the collective bargaining process an opportunity to work.”

This is what the unions want. This is what the unions demand. As a person who was connected, in the past, to the Guyana Public Service Union (GPSU), I can say, without a doubt, that this has been a source of frustration for the Union.

This has been the People’s Progressive Party/Civic (PPP/C) Administration’s record on the subject of collective agreements: in 2001, meetings were to be held with the Public Service Ministry (PSM) and the Union but meetings were aborted; a 5.5% increase was arbitrarily given. In 2002, meetings to be held with the PSM were, again, aborted and an increase of 5% was imposed. In 2003, it was the same thing. In 2004, it was the same thing. In 2005, a 7% increase was given. In 2006, a 5% increase was again given. In 2007, a 9% increase was given. In 2008, a 10% increase was given. In 2009, a 2.9% increase was given. In 2010, an 8% increase and a 5% increase were given. In 2011, the increase was 8%. In 2012, a 5% increase was given. In 2013, a 5% increase was given. In 2014, a 5% increase and an 8% increase were given. In 2015, a 5% increase was given.

The point to note is that the former Administration has a track record of not negotiating with the Union in good faith, then, arbitrarily, imposes an increase of a figure that it decides in its Administration. This is what the Minister said: “We will negotiate; we will sit with the Union and allow the collective bargaining arrangement to work.” [Mr. Damon: What about the Police? What about the Army?] What about you, the police and the prisons?

At page 48, paragraph 4.88 of the Budget speech, this is what the Minister said:

“Mr. Speaker, our Government has recognized the need to improve the quality of human resources within the public sector and, to this end, will operationalize the Public Service Staff College this year. Further, capacity building in project management planning and public policy analysis, monitoring and evaluation, and procurement planning will become a standard feature within the public service. To ensure that this all happens in an

environment of accountability, we will be strengthening our internal audit capacity and mechanisms to ensure that the delivery of public goods and services occurs in a transparent manner. Together these initiatives will build the absorptive capacity of our public and private sectors to respond promptly and effectively to the development challenges before us.”

**Mr. Speaker:** Hon. Member, you have five minutes remaining.

**Minister of Social Cohesion [Ms. Ally]** I move that the Hon. Member be given five minutes as extension to his original time.

*Question put and agreed to.*

**Lt. Col. (Ret'd) Harmon:** This is the administrative approach to producing the new public servant. There will be, very shortly, a public service staff college. At the entry level of public service, all applicants will be required to complete a period of training at the public service staff college, where the prospective public servants will be exposed to training in many areas. We anticipate that the public service cadets will do six months of theoretical work and six months attachment to the various branches of public service before graduation. It is expected that, over the next five years, 500 cadets will be trained in this programme.

At the middle service level, the training division of the department of public service has redesigned programmes which will focus on retraining the current workforce, emphasising the core values of the new public service and including the use of technology in the workplace. Every public servant must become computer literate. This division will receive significant funding in the department's budget to help it to deliver quality training.

The senior level in the public service will receive tremendous help from the Canadian Department of Foreign Affairs, Trade and Development, formerly Canadian International Development Agency (CIDA), and it is expected that Guyana will host the sixth cohort of the Caribbean Leadership Project capitalised at CAD \$20 million. As such, we expect that, at least, 12 senior level persons in the public service will benefit from this exposure.

Additionally, we will continue to offer scholarships to Guyanese citizens. The scholarship division has been reorganised to make its work more transparent and to allow for greater

oversight in the grant of scholarships. In addition to the formal structure, a review panel was introduced to give its recommendations before approval by the Minister responsible for public service.

Scholarships will be awarded in areas that are critical to the Government's development agenda and will include areas such as mining, petroleum engineering, environmental science, chemical engineering, information technology, agriculture and civil engineering. The department will support 574 scholarship students at home and abroad in continuing their studies. Two hundred and sixty-eight of these will complete their studies in 2016. Additionally, there are 323 students commencing scholarships for 2015 and 2016.

The Minister of Finance has already given an allocation of \$920 million for scholarships and training, an increase of \$147,975,000 over the sum spent in 2015. The people of Guyana thank the Minister of Finance for this investment in their future.

The issue of contract workers has been raised in the public domain, and to which I have responded in that space. I will circulate, for the use of the House, the statement I made on the matter so that I do not have to *eat up* much more of my time.

Finally, while we, as a nation, look forward, let us not forget the mistakes of the past, lest we be condemned by repeating them. The State Asset Recovery Unit (SARU) will continue to focus on returning, for the people's benefit, those assets of the State which have been unlawfully detained by persons. SARU, with help from international organisations, will focus on these issues and will also help with tracing, and it is expected that the Stolen Asset Recovery Initiative (StAR) project, which is a World Bank unit, will help us to deal with the issues of legislation and the manner in which SARU continues its work. Already, the work of SARU has helped us to understand the magnitude of corrupt practices by the previous Administration and the work that is needed to correct that situation.

In conclusion, I wish to commend *Budget 2016* for passage, in this House, and trust that all of us will support it unequivocally.

Thank you. [*Applause*]

**Leader of the Opposition [Mr. Jagdeo]:** Thank you, Mr. Speaker. I rise, on this side, to add my voice to those of my Colleagues in pointing out the many deficiencies of the Budget that was presented to us.

I have heard a lot about the pandemic of the Zika virus that is sweeping across Latin America and the Caribbean and about its possible affliction on Guyana.

*1.56 p.m.*

It seems as though we do not have only the Zika pandemic to deal with in this country; we have an epidemic fast becoming a pandemic, an epidemic of “make believe” in this Government. An epidemic that is sweeping across the Cabinet and many of those who hold Government offices today, a cocoon-like behaviour, thinking that because they live the good life, because they are there, then everyone else must be living the good life too. What we find characterising this new virus that is sweeping our country is boastful, bombastic, pompous language: “it is our time now”; “we are here”; “we will do what we want”; “we will suspend the Standing Orders of Parliament to pass Bills willy-nilly”; “we will avoid the tender processes” and “we will take away the subsidies from the pensioners and they should be grateful because we have removed the licences fees for them to drive; they do not have to pay any longer”; “we know better for you”. This is the attitude that seems to be developing in our country.

As we talk about the good life, my dear Friend, in 1994 or in 2004, *The good life beckons* came from an article by John Kenneth Galbraith. I know the Hon. Member, Winston Jordan, must have read it and he forgot to attribute it to John Kenneth Galbraith. Let us examine the “good life” for whom. Today, as we stand here, I would like to welcome the young woman, Anisa Thomas, to the Chamber of this Assembly. I know you are from the Essequibo Coast and I am very happy that the Hon. Member, Mr. Harmon, invited you here. You will know, Anisa Thomas, that, on the Essequibo Coast, the main activity is rice growing and a substantial part of the disposable income of the community and the entire coast comes from rice growing. The doldrums on the Essequibo Coast, the hardships that people are faced with, the market vendors who are complaining, the taxi drivers who cannot get business any more... The workers who are there now have lost their jobs because of this Government saying that the rice industry, which provides

the bulk of the employment for people in your region, is not their business. I am very happy she is here.

We sit in the Chamber here and, as we talk about the “good life” and we enjoy the large salary increases for ourselves and the enhanced *per diem* policy that was changed in June of last year, there are several communities now, just a short distance from here, across the river... The people who live in those communities are worried about their future. They are worried about whether they will have a job tomorrow. They are worried about the future of their children, whether they will be able to send them to school. The market vendors there are worried too. Those people are not talking about the good life. They are worried about their future, a future that this Government...and the uncertainty that has been visited upon them because of a callous decision to close the Wales Estate.

Just yesterday, I met with the Guyana Taxi Drivers Association and it told me that it has 1,400 vehicles and that means 1,400 drivers. They said to me that, because of the measures in this Budget, the cost of acquisition of their vehicles will go up at least by 30%. Many of those drivers are worried that, in this depressed economy, they are not going to be able to make a return on their capital. Many of them will lose their jobs too. Do you think they are enjoying the good life? They are worried that, from a short period henceforth, when the ban on used tyres comes in place, their cost will triple and they will not be able to conduct their trade. There are thousands of them. I am just speaking about the small group I met. They are not happy about this good life. They are wondering what this Government is really talking about when it says “the good life” and they are questioning for whom this good life is going to materialise.

The pensioners across the coast have lost their water subsidy and have lost their electricity subsidy. Many of them cannot, from the meagre increase that they got this year, recognise that they are in a worse off position on a net basis. Do you think that they are happy and the good life beckons to them? The answer is no.

Although we have heard from the Ministers here that there is no known job loss, talk to the retail trade. I do not want to call the names of the companies but I can tell you that many companies had to lay off workers because their sales cannot meet the cost of their wage bill. There are thousands of people who are working in the construction industry whose jobs have dried up

because that industry has dropped. Do you think that they are concerned about the good life and that they are happy? They are listening to us here today. They are listening and hearing this Government speak about the good life and they are wondering where this good life is.

Compounding all of this, we have heard that, after the local government elections, increased valuations would be done for properties and that people will have to pay higher taxes on their properties right across this country. People in the city, people across the country and all the Neighbourhood Democratic Councils (NDCs) will now have to pay higher taxes. I say to them that the best way of ensuring that they do not have to pay higher taxes is to make sure that they do not vote for the other side; if you vote for them in the local government elections, you are voting for higher taxes.

I have heard the Hon. Member, Mr. Harmon, re-embrace their Manifesto, and I thought that they had distanced themselves from the promises made there! In that Manifesto, we heard about the reduction of Value Added Tax (VAT) but, in this Budget, we see over \$5 billion increase in the collection of Value Added Tax. [Mr. Jordan: *[Inaudible]* ... a Point of Order.] Do you want to make a Point of Order? Get up, Mr. Jordan, and let me show you the section. You do not know what is in here. Mr. Speaker, I am sorry about that.

We have heard about the substantial increase for public servants. You can list the entire history of the PPP in office: how much money the public servants got and what was the percentage increase. In 1992, the minimum wage was US\$25 when we took office. I will come to that in a moment.

We have heard about collective bargaining and I am glad that the Government has re-introduced collective bargaining. I hope that the Guyana Public Service Union will request, at least, a 50% increase in wages and salaries because, if the Ministers got a 50% increase in wages and salaries on a \$579,000 base, then, at least, the public servants can get a 50% on a \$50,000 or \$75,000 base. I hope that when they come to the table and make that argument, they would not be told that their proposal is unrealistic.

We have heard further that there is a Commission of Inquiry (CoI) into the Public Service and a lot of these things have to await the report of the Commission of Inquiry. The experience of one Commission of Inquiry has shown this Government's attitude to its CoIs. This Government spent



a large sum of money. In our estimation, in the first few months of the CoI on the Guyana Sugar Corporation (GuySuCo), the Government spent over \$50 million. We believe that it is over \$70 million to do a commission of inquiry. The Commission's Report was presented and then we heard that the Commission of Inquiry's recommendations are not gospel; "we can move away from it". We can put in place a CoI, argue to the nation that we are awaiting the recommendations of the CoI and when the report comes in and we do not like it, then we can say that it is not gospel and move away from it. How can the public servants believe that the CoI's recommendations on their public service will be implemented by this Government? When a Government loses the trust of the people, then there is a serious problem.

We have heard our Minister, the Hon. Member, Mr. Harmon, give us a treatise on why we should be grateful in this country and that is because our neighbours are doing bad economically. These are some of the most uncreative arguments I have heard in the economic sphere.

*2.11 p.m.*

The structure of the Brazilian economy is very different than Guyana's economy. Venezuela, Trinidad and Tobago and Suriname have a huge reliance on the oil and gas sector for their revenue. In Guyana's case, we have saved US\$200 million in 2015 in terms of lower import cost. In 2014, it was US\$562 million and, in 2015, it was \$355 million to import fuel. We saved US\$200 million, GY\$40 billion, because of lower fuel prices. That should be an impetus to the economy. We should be doing better. That is the only reason the balance of payment improved. So how can you compare us with the three neighbours who rely on oil and gas for the bulk of their revenue and then say that they are doing badly so we should be doing badly? This is the most uncreative argument that I have heard in a long time.

We have heard, from the same Hon. Member, Mr. Harmon, who just spoke, about the Transparency International Index... He outlined the history of this index. He did not say much about the slippage and how this slippage came last year. The slippage came largely because of the Fedders Lloyd issue where a huge contract was awarded by this Government; in fact, it is not awarded as yet. A Memorandum of Understanding (MoU) was signed and there were questions about the Guyana Power and Light Inc. (GPL). Therefore, there was a major slippage because of these two issues. We have seen Transparency International Guyana Inc. write extensively about

this. So why is there a slippage? We have, already, in the first eight months, seen a slippage in the Transparency International Corruption Perception Index.

It is under this Government. I dare say that the Members on the other side have lost every moral authority to speak about corruption when they voted against the motion that we presented to this National Assembly, a motion that would have seen the past 10 years of tax records of every Member of this Parliament made public and would have seen the past 10 years of submission to the Integrity Commission...

**Mr. Speaker:** Hon. Member, do you rise?

**Lt. Col. (Ret'd) Harmon:** Mr. Speaker, Standing Order No. 40 (b) – explanation... The Hon. Member has quoted extensively from some figures which I gave, pointing out that the Corruption Index for 2015 had Guyana standing at 119. [*Interruption*] Mr. Speaker, now that the noise has subsided, I can correct...

**Mr. Speaker:** Hon. Member, Mr. Joseph Harmon, do you rise on a Point of Order?

**Lt. Col. (Ret'd) Harmon:** Yes, please, Mr. Speaker. It has to do with the content of the presentation of the Hon. Member. Standing Order No. 41(6) – Content: the Hon. Member has actually quoted the 2015 figures as 119, as I indicated. The Hon. Member went on to say that the figures have actually slipped. The question is, what is it he is relying on to say that it has slipped? Where are the facts? [*Interruption*]

**Mr. Speaker:** Hon. Members, we still have other speakers. We cannot start celebrating now, so let us try to maintain some order in the House while we continue the speeches. Please go ahead.

**Mr. Jagdeo:** Thank you, Mr. Speaker. May I return to the point that I was making, that the Members on the other side have lost every moral authority to speak about corruption when they voted against the motion that would have seen the tax records of every Member of Parliament, for the past 10 years, made available to the public and they would have seen, also, the statement, the declarations to the Integrity Commission for the past 10 years made public? Had they been able to see those, then the nation would have decided who is corrupt and who is not. I am aware that many Members, contrary to the law of this country, have not submitted their statements to the Integrity Commission and they are choosing conveniently to decide when they want to do so

in the future. Well, the law has been in place since 2000 and there is a jail term for those who have not submitted. They have not submitted. If you are convicted, then you can go to prison. So be careful how you talk about prisons, Hon. Member, Mr. Harmon.

Mr. Speaker, may I just come back to the Budget speech? I was very pleased that the Minister of Finance sought to *paint a picture* of what is taking place around the globe. It is a trying time around the globe. We have had stock market volatility of unbelievable proportions; we have had low commodity prices; we have had a slowdown in China, which has affected global demand; we have had exchange rate volatility, *et cetera*. So, the Minister rightfully said, on page 5 of the Budget speech:

“Given the Structure of our domestic economy, with its heavy dependence on primary products, in the expected mix of soft commodity prices and continued tumbling oil prices, focus has to be on accelerating production and, through our various policy measures and reforms, stimulating growth and exports.”

He then went on:

“It is against this background that I now review the performance of our economy...”

One would have thought that, if the Minister of Finance points out something of such a fundamental nature about the global environment, we would have to construct our national economic policy for the upcoming year. Given that we have a very open economy, if you go to the section at the back and you add imports and exports under the balance of payment, you will see it is over 100% of Gross Domestic Product (GDP). That is an indicator of the openness of the economy. So, the external environment will definitely affect us. So, he should have gone on to say what the channels of transmission into our economy are. How are soft global prices going to flow into our local economy and how will it affect our productive sectors? Therefore, what do we do about this to insulate our productive sectors?

Then there is an interest rate channel through which international volatility can flow to the country. We have heard a lot about quantitative easing; we have heard about the United States moving away from that policy which can cause interest rates to rise. Will this have an impact on us, especially because our economy is not greatly integrated into that of the world's, unlike

Brazil? So, in exploring that channel of transmission of global volatility, how could we have fallen and then are deciding what we can do about it? And, how would fallen international prices or the threat of deflation affect us?

We have not heard or have benefited from any analysis of any of these issues. And because we have not analysed the issue properly, we cannot come up with a coherent set of policies to insulate us from the global environment and, therefore, continue prosperity in Guyana.

Mr. Speaker, I will just give you an example. Everyone knows that the biggest worry in the world today is deflation. The Managing Director of the International Monetary Fund (IMF) spoke recently about the threats of deflation and how they could derail global economic recovery. Although the target in the European Union, in Britain and the United States of America is 2% inflation, they are all now 0.2%, 0.3%, 0.5% inflation. Low inflation is a problem. Deflation is a problem. Why is it a problem? It is because it harms investment; a dollar earned tomorrow is worth less than the dollar earned today; nobody wants to invest. If commodity prices will be cheaper tomorrow than they are today, nobody will want to consume. It is a big threat.

We have seen, from the numbers, the Minister of Finance speaks about last year's deflation in our economy. It was the first time for a very long time. What is the policy response? Is this deflation temporary? If it is temporary, that is fine. But is it a structural type of deflation? Nothing is in this Budget. What the Minister moved on to was to simply say that there is a 2% target for inflation today. This is a shot in the dark type of policy. It has no bearing to the threats of what we face. So, we have seen, again, the same Minister, having said that the external environment is so bad, saying, about this year, on page 62:

“Mr. Speaker, having emerged from the disruptive year that was 2015, the clear expectation is that 2016 will be a year of recovery...”

On one hand, he said that the global environment is so bad that it will affect us and, this year, it will be recovering. But let us see what it is recovering; let us see about this wonderful 4.4% growth that he has projected this year.

*2.26. p.m.*

Agriculture, fishing and forestry sector: what is the growth? It is 0.3%. Now the agriculture, fishing and forestry sectors employ tens of thousands of people, yet the Minister believes that there is a major recovery. If you cannot acknowledge that one of the biggest sectors of our country is in a crisis and you are hiding behind a macro-growth figure, then you cannot come up with policy measures to address that sector, to ensure that the growth goes on. The policy measures follow the analysis, but if the analysis is absent or flawed there cannot be a coherent set of policy measures.

The manufacturing sector will shrink by 0.7%. Where in the budget is any measure to help the manufacturing sector? There is not a single measure to help the manufacturing sector. Services will grow by 4%.

Then the Minister, Hon. Member Winston Jordan, comes to the gold mining sector and says most of the growth will come from the mining and quarrying sector. The bulk of it will come from growth. Guess what? The bulk of it will come, Hon. Member Harmon, from two investments that started under the People's Progressive Party/Civic (PPP/C) Government!

We can say that in manufacturing, there is a decline, in agriculture, there is a decline, services will grow minimally, construction in a small way, gold mining will grow, but there are tens of thousands of small miners facing bankruptcy and having their equipment repossessed. We do not seem to see a problem with this? This is the great economic recovery that we are talking about. You have to do something for these sectors. You have to understand that there are people who work in mining, people who work in agriculture, producers and people who work in manufacturing who need help from the budget too - not special interest, not cutting alcohol prices.

Yesterday our dear Vice-President spoke about inheritance, that every Government inherits from the preceding one a set of policy measures and programmes that sometimes it continues, and we should not make a big deal of this. What is the inheritance that the PPP/C got? Our dear Minister Harmon outlined a long number of years. I wished he had started the time series data, which he subjected the National Assembly to, a bit earlier. Had he gone to 1992 he would have seen the inheritance...We are extremely grateful to the Hon. Member Vice-President Carl Greenidge for an affidavit that he gave when we continued to take up the case of Green Mining Construction.

In that affidavit, in paragraph 16, the Hon. Vice-President said that our debt to GDP ratio was 925%. We heard that last year it was 50%. He said that the servicing of that debt took up 150% of revenue. [*Interruption*]...

**Vice-President and Minister of Foreign Affairs [Mr. Greenidge]:** A Point of Order, Standing Orders 41(6), please.

**Mr. Speaker:** Hon. Member Mr. Jagdeo, there is a Point of Order.

**Mr. Jagdeo:** Okay.

**Mr. Greenidge:** On the question of content, Standing Order 41(6), the document, to which the distinguished Member made reference, has no statement by me speaking to the payment of debt amounting to any sum above 100%. The speaker, himself, had an exchange with Professor Helleiner pointing out that that was nonsense. [**Ms. Teixeira:** What is the Point of Order?] The Point of Order is that he has imputed to me a figure he has fabricated himself. Let him cite the wording. Read the document to us.

**Mr. Jagdeo:** Mr. Speaker, I cited paragraph 16 of the affidavit.

**Mr. Speaker:** Hon. Member, if you would cite then you should give full details.

**Mr. Jagdeo:** It is in the affidavit, Mr. Speaker. I have it here. I will find the page. Is the Hon. Member denying that he had said this?

**Mr. Speaker:** Hon. Member, you should clarify this.

**Mr. Jagdeo:** I am clarifying and it is from the affidavit. Is the Hon. Member denying, that he said in the affidavit, that the affidavit is a public document? I will submit it after I am finished speaking. That is the practice. [*Interruption*] It is unless the practice will change now for me.

**Mr. Speaker:** Hon. Members, there is a matter on the floor. I know that and the temptation is for everyone else to resolve it except the Speaker. Let us be patient.

Hon. Members, the practice is that whenever a Member of the National Assembly reads a document or an extract thereof in the Assembly he must identify the document. [**Ms.**

**Manickchand:** We know that.] I thank the Hon. Member, but you will let the Speaker do

this now. I did not join you earlier, so please let me do this. Whenever a Member does, he will identify the document or the extract by stating its title and by furnishing other relevant particulars such as its date, page, paragraph number and make the document or extract available immediately thereafter to the parliamentary reporters.

**Mr. Jagdeo:** Mr. Speaker, it is an affidavit.

**Mr. Speaker:** You are to comply with these.

**Mr. Jagdeo:** Mr. Speaker, it is an affidavit of Mr. Carl B. Greenidge. It was for the International Chamber of Commerce Arbitration Case Nos. 7630/CK and 7640/CK. It is paragraph 5 which states:

“Guyana is one of the poorest countries in the world, the second poorest in the Western Hemisphere. As a consequence it is classified by the World Bank as an IDA-eligible country requiring grants and highly concessional loans for development purpose.”

**[Interruption]**

**Mr. Speaker:** Hon. Members, we cannot conduct ourselves this way. Let me assure you that the Speaker will not be persuaded beyond what he believes and truly believes to be the right way. Do not strain your voices too much, allow me to do this.

*2.41 p.m.*

Hon. Member, do you have a Point of Order or a point of explanation?

**Mr. Greenidge:** Yes Mr. Speaker. The distinguished Member on the other side quoted a specific figure and he does not have to read the entire document. I am challenging a specific figure and he has not got there yet.

**Mr. Speaker:** Hon. Member, could we hear what the point is that you are presenting?

**Mr. Greenidge:** Yes. I would like the reference, in paragraph 16, in which I claimed that a 192% of revenues had been paid by the way of debt service.

**Mr. Speaker:** Hon. Member, what is being challenged is the reference which you would have given in relation to a 192%.

**Mr. Jagdeo:** Mr. Speaker, it is the paragraph I am reading. I am not reading the whole document. I am confining myself to paragraph 5 which has that section.

**Mr. Speaker:** Hon. Member, let us deal with this. Is there a Point of Order, Sir?

**Attorney General and Minister of Legal Affairs [Mr. Williams]:** If it pleases you, Sir, Point of Order, Standing Order 41 (6), content. Mr. Speaker, the Point of Order taken by Mr. Greenidge related to paragraph 16 and the specific figure quoted. The Hon. Member and Leader of the Opposition must read that specifically. He cannot be going all over the place.

**Mr. Speaker:** Hon. Member, there is an expression, “over talk”. Now you are saying that a particular figure, the reference to it, that is fine but the rest is for me to decide.

**Mr. Williams:** I appreciate that Mr. Speaker.

**Mr. Jagdeo:** Mr. Speaker, thank you for protecting me from the “thought police” in here.

“By 1989, Guyana’s external debt to Gross Domestic Product ratio was approximately 925% with approximately US\$1.9 billion in debt, including US\$1.14 billion in arrears owed across the spectrum to international institutions, foreign country donors, commercial banks and other creditors. In 1990, the external debt to export ratio was 951%. Between 1986 and 1990, Guyana’s average annual debt service payments were 153 % of fiscal revenue”.

I was generous to the Hon. Member because I said 150%. The Hon. Member seems to forget what he signed on to, and it is his own affidavit, but I have it here before us. Now that we are talking about the inheritance, which I wanted to talk about, since the Hon. Member Joseph Harmon started the time series data, I will just give two figures. Just imagine that inheritance that the PPP started with and just imagine what the inheritance was, in terms of public debt, today it is from 925% of Gross Domestic Product (GDP) to 50 % of GDP, from a 153% of revenue to service debt to about 5% of revenue to service debt. I would dare say that this is an excellent inheritance.



I may also talk a bit about the inheritance, in terms of commercial interest. At that time the weighted average interest in the commercial banks was 35 %. Imagine borrowing a 35% to start your business and today, based on the Minister's figure, it is 10%. Now, this has changed the environment. In 1992, the reserves in the Central Bank were about a \$150 million. When we left last year the reserves were close to US\$700 million and the fiscal deficit was cut from 25% of GDP to ...the Minister boasted to ...a low level last year was 2 % of GDP.

**Mr. Speaker:** I must remind the Hon. Member that the Speaker is at this side.

**Mr. Jagdeo:** Mr. Speaker, I am addressing you and not Mr. Jordan. The Hon. Member is trying to distract me to engage him in a conversation. Mr. Speaker, may I tell you a bit about the environment that we left?

We passed a slew of legislation in the 23 years of the People's Progressive Party (PPP) to modernise the financial architecture of the country. A new insurance legislation, new Company's Act, the Financial Institution's Act, a new Bank of Guyana Act, new Procurement Act, we established the Guyana Revenue Authority. We moved to programme budgeting and we computerised the accounting functions of the Accountant General. These are just some of the things that we did. There were 25 pieces of legislation that we passed to modernise the financial architecture of the country and I would say that is a good inheritance too.

The *per capita* GDP was about US\$300. The *per capita* GDP today, when the new Government took office, is over US\$3,000. That is a good inheritance and at that time we waited a week to get power in the country because the entire power infrastructure was down. Today, the Guyana Power and Light Inc. (GPL) is functioning well and has just accumulated close to \$11 billion in a bank because of not adjusting the fuel prices, in good shape.

The entire physical infrastructure of the country was in a state of disrepair. We not only fixed the first generation set of infrastructure but we had moved on to a second generation set of infrastructure that would have changed the nature of the country and the wealth creation possibilities of Guyana. I can say that the PPP left a good inheritance

Secondly, that all this talk about the PPP leaving a bankrupt economy was just talk because there is no way we could have left a bankrupt economy and the Minister of Finance, nine months later,

could have come and boasted about presenting the biggest budget ever in the history of our country. He could not. Let us put that myth to rest.

There are several things that were mentioned in the budget. The first is that when we talk about transparency... The Minister of Finance spoke extensively about the revenue agencies, and collecting more revenue and ensuring that people comply with their tax obligations. Let us see what is happening in the country, at this point in time, in our revenue agency. There is not a substantive Commissioner-General; there is not a substantive Deputy Commissioner-General. We have just seen from a public statement, which I have here, issued by the former Commissioner-General, that I will submit to the Clerk. That the Commissioner-General, who had started his career in the People's National Congress (PNC) and worked through the entire PPP era, was recently replaced. He made four very telling accusations in a public statement. I hope that the international community is paying close attention to what a technical person, who has worked all his life in collecting revenue said. He said: "I was requested to rehire people..."

**Mr. Speaker:** Hon. Member, as Speaker, I must tell you that I am not well disposed to quotations from public servants or quotations about public servants in this House.

**Mr. Jagdeo:** Mr. Speaker, this person is no longer employed with the Government. The Guyana Revenue Authority is not the traditional public service. Secondly, this is in the public domain. It has been reported in all of the national newspapers. It is the statement made by the Commissioner-General, a copy of which I have here.

**Mr. Speaker:** Proceed Hon. Member.

**Mr. Jagdeo:** Yes. The former Commissioner General said:

"I have been asked to rehire people who have been fired in the past for corruption."

We, in this House, need to know. Will the Minister of Finance, in his speech this afternoon, give us a list of those people who have been rehired, who were replaced in the past by the board because of acts of corruption?

The Commissioner-General said:

“I have been prevailed upon to settle tax cases for individuals which would result in billions of dollars of foregone revenue”.

He further said:

“I have been asked to promote people who are not qualified and there have been people who have been photocopying files of various persons...”

He mentioned one person, a Member of this National Assembly. I will not name him.

*2.56 p.m.*

When a former Commissioner of a revenue agency, which is so critical to the collection of our revenue and to ensuring that more taxes are collected, made these charges, then they have to be investigated thoroughly because these are precisely the points that we have been making about the lack of transparency by this Government. Are the people, who are now benefiting from tax settlements, political investors? What is the purpose of photocopying and taking out of the agency tax files of members of different groups? Well, at least one, a Minister included, a Vice-President, and...

**Mr. Speaker:** Hon. Member, I did not direct you as to how you should present your statement but I do believe that it might be helpful if you move on from that particular incident. None of this is being tested in this House. My discomfort is not lessened by massaging it, so please, I would suggest.

**Mr. Jagdeo:** Given the budget is about revenue, as a critical part of revenue, and tax collections, my point is that these are ominous signs for how this Government will manage the agency.

Moving on, we heard from the Minister of Finance, again, that the cost of generating power is 28 cents per kilowatt hour. I have before me the first quarter report of the GPL to the Minister for 2015. At that time, when fuel prices were \$70 per barrel, the production cost on average was 11 cents but that excluded amortisation, which is about two cents per kilowatt hour. The total cost of power generation was 13 cents in March of 2015 when fuel prices were \$70 per barrel. Fuel prices have now gone down. The crude oil has gone down below \$30, but the last figure I got from GPL is \$45. That means that the cost of generation now, including the amortisation cost,

will be about nine cents per kilowatt hour, total cost. The Minister said 28 cents, three times more. I was wondering why this big discrepancy? Now if the Minister of Finance comes to the National Assembly, in an area this critical, and presents a figure that is so patently wrong, there must be a reason for it.

I cannot believe that. Given all the debate about the hydropower in this country, the cost of generation, given the Minister's statement last year that it would be criminal to go ahead with the purchasing of a 1,000 gigawatt hours because it will cost us \$2.6 billion over 20 years, the Minister had to know the real figures to make such assertive statements.

**Minister of Finance [Mr. Jordan]:** On a point of clarification, Mr. Speaker, Standing Order 40 (b). I think the exact quote from last year's budget speech, and I am sure Hon. Member has it, is that in its current conceptualisation, it will be criminal to proceed with the Amaila Falls Hydropower Project.

**Mr. Speaker:** I thank the Hon. Member for his explanation. Please proceed.

**Mr. Jagdeo:** Numbers were used and so our argument, all along, has been that the cost of the hydropower, first of all, \$165 million, will come from the Government of which \$100 million would have come from Norway. Close to \$700 million would be in private investment and that the price of power would have been about 10 cents per kilowatt hour and that is guaranteed capacity. If 1,000 gigawatt hours is bought, which is the average production of Amaila Falls Hydropower Project, looking at the peak season and the low season, it will cost us about US\$100 million, compared to the 19.5 cents per kilowatt hour at 2012 prices for fuel. That was our argument. In 2012, when the fuel was at a peak the cost for generation was 19.5 cents, it could not have been 28 cents.

We have now heard in this budget that the Inter-American Development Bank (IDB) is doing a study that will determine the appropriate power mix for the future and then a decision on Amaila Falls Hydropower Project will be made in that context. That is fine. If that study on the power mix is being made now, for the future, why this indecent haste to conclude a power purchase agreement? What is driving this, especially at about 13–14 cents per kilowatt hour? Above the price that we are generating at now, especially in light of the fact that this is not guaranteed capacity because the wind power... There was a study done in 2013, by a Dutch company which

used Amaila Falls Hydropower Project as the balancing capacity. A study has to be done to show that whether the Wartsila, a technical study, can be the balancing capacity. If 25 megawatts is bought of new wind power, at least 25 megawatts of fossil fuel has to be invested, so that if the wind goes down to zero, because it is variable... Amaila Falls Hydropower Project is guaranteed capacity... this is not guaranteed capacity.

If the Minister of Public Infrastructure, the Hon. Member, asked me such a question that there is a huge difference between spinning reserves, that you have to keep those sets on, fossil fuel sets, to deal with the wind farm, You do not have to keep that on when you have the hydropower. It is guaranteed capacity. I can talk to the technical people who understand this. Why is this Government not doing this? Are we moving forward on this project because another political investor heads this proposal? I have repeatedly asked this House...

**Mr. Speaker:** Hon. Members, it has been brought to my attention that visitors to the chamber have been using their cell phones. It has been put to me that they have been using their phones to make recordings. This should stop immediately, but persons, who feel that they must, are free to leave the chamber now. They cannot remain and indulge in recordings of Hon. Members. This is the only time I will speak about this. I thank you. Please proceed.

**Mr. Jagdeo:** We have argued that the cost of power should go down tremendously because of the adjustment in fuel prices. I would request the Minister of Finance to table in this National Assembly the growth in the bank account, the sum of money that GPL has accumulated now in its bank account because of the difference in the fuel prices falling and it is not adjusting the rate. I would dare say, it is close to \$11 billion that should be in the pockets of ordinary citizens through lower electricity tariffs. GPL is now getting this. Hon. Minister, this would be the ultimate stimulus if you give this back to the people they will spend this money in the economy. We cannot just park it in the coffers of GPL.

**Mr. Speaker:** Hon. Member, according to the list I have, you have five minutes more.

**Ms. Teixeira:** I had had a discussion with you and I publicly said on the floor that we had not agreed for the time for the Leader of the Opposition, but I have also had a discussion with you in which I said that there was no agreement on the time. Therefore I am moving a motion for the

extension. I am calling for the extension of the time for the Leader of the Opposition, allowing him to complete his speech and presentation.

*Question put, and agreed to.*

**Mr. Jagdeo:** Also we have heard a lot about the IDB's involvement in the project. It was said that the IDB has never supported this project because it found it not feasible. What I have brought today is a copy of the mandate letter that the Inter-American Development Bank had signed in January, 2015 with the investors. This was signed by Hans Schulz, the General Manager, Structure and Corporate Finance Department, Inter-American Development Bank. I plan to give this to the Clerk. This document should put to rest the role of the Inter-American Development Bank in the process of developing the Amaila Falls Hydropower Project.

I wish also now to move on to the sugar industry. This is the most callous decision, precipitous decision, and unthinking decision of a Government that really does not care for people. Today, many workers are on the breadline. What is more worrying to me is how the Government approached this issue. The Ministry of Agriculture issued a statement, which can be found on its website, which claimed that this decision had nothing to do with the Commission of Inquiry, that in the action plan of the Guyana Sugar Corporation (GuySuCo), the management plan, it had intended to close Wales Sugar Estate. The unions, National Association of Agricultural Commercial and Industrial Employees (NAACIE) and the Guyana Agricultural and General Workers Union (GAWU), went to meet the management, after the announcement was made, and they were told that this decision was made by the board. We heard that the decision was made by the company, the management, then we heard it was made by the board, and then we heard, subsequently, recently by President Granger, that it was a decision made at the Cabinet.

*3.11p.m.*

Three sets of explanation and this decision had to be made somewhere else because the indisputable fact is that, if it was part of the management's plans then, two weeks prior to the precipitous announcement of the closure, they would not have been tilling lands at the Wales Estate. They would not have been investing in that because it would not have been part of their action plan and their plan for the year.

Why does the Government feel that it has to kick around the responsibility for closing the Wales Factory? They recognised that the decision was not only an unhealthy one, but it would have had severe consequences on people's lives. When one appoints 10 persons who are supposed to be the most preeminent minds in the sugar industry or in the development of sugar; who spent six months debating the issue with eight of them voting in favour of the non-closure of any estate, and they submit this document, which the Government took and threw in the rubbish bin and now wants us to discuss it at the Parliamentary Sectoral Economic Services Committee - the Commission of Inquiry (COI) Report is garbage now. Why does this have to happen? The approach is so callous. There were just announcements on a website. They posted the future of 2,000 workers and 20,000 people just callously on a website: "We are going to shut it down". The approach is what bothers me a lot.

When, in 1985, the factory was closed at Diamond, the fields were not closed. By the time the numbers had dwindled from 1200 to 300, the Houston Estate was also operating on the East Bank. The Houston Estate got out of sugar and went into cattle; they diversified. The Government at that time, because they were arguing that it was a far distance to transport the cane, wanted to get out of sugar on the East Bank. We named a committee headed by a Board Member, Mr. Raghu Rai, who was also a preeminent agriculturalist. We invited the two unions, the National Association of Agricultural, Commercial and Industrial Employees (NACCIE) and the Guyana Agriculture Workers Union (GAWU) to be part of a team that visited every area and looked at the field data. They talked to the workers and had looked at the deterioration in the quality of the cane which had to be moved a long distance by waterway because it was connected. Then that decision was made. It was put to the 300 workers that they should move to the La Bonne Intention (LBI) Estate and many of them said no because it was beyond 10 miles of their workplace and that under the laws they could have taken severance. Many of them took the severance, but many of them were re-employed. The approach was different.

It was the same thing with the LBI Estate. When we had to close the LBI Factory, there were about 250 workers there, but we had expanded the cane cultivations at the Enmore Estate and there was a new packaging plant there and both factories were working at half capacity. So, we argued that, since these estates were contiguous and canes were already moving between them and that one factory was down, we needed to close the factory. Again, the union was involved

and sat with the workers and interviewed every one of them. The workers were mainly absorbed at the Enmore Factory. Some who did not want to go there stayed on at the LBI Estate because the Government kept a workshop there for them. Four persons lost their jobs! It extends into bauxite industry too and yes, we will talk about bauxite in a moment.

The approach was very different. They did not hear it from a website or from the news that their jobs were at risk. The unions were not involved until now. When the unions went to the Guyana Sugar Corporation (GuySuCo) meeting, they asked several question about who made the decision? Of course, they did not get the answer. Neither the Chairman of the Board nor the Chief Executive Officer (CEO) met with the unions. On such an important decision, they allowed the staff to meet with the unions - 2,000 people on the breadline but they were staff. They asked how many and were told that some would go to the Uitvlugt Estate. They also asked how many would be severed and the answer was, "We do not know". They were told that there would be other activities, such as, diversification. They asked what the activities were and were told that they did not know as yet.

We heard two sets of explanations: The Chairman of the Board was saying that lands would be given to workers; we heard about livestock and aquaculture here in the House; and then we are hearing about a feasibility study to take place now. What if the feasibility study says that it is not feasible? So, then it is done, nobody will get a job there. This is a serious problem.

The Hon. Member, Lt. Col. (Ret'd) Harmon, correctly said that, we had pointed out that, given the European Union's money for sugar which was about US\$111 million, that if we look at the net contribution from the Treasury to the sugar industry, we would see that it is not as high as was reported. If we looks at investments like the power plant that is at Skeldon, which is an investment that ideally the Guyana Power and Light Co. (GPL) should have made. It is close to US\$25 million and is carried on GuySuCo's books because they supply GPL with the power below the cost that GPL would have spent procuring the power from elsewhere. If we look at the nature of the debt, it is in excess of \$30 billion of the over \$60 billion in long term debt, which could easily be written off. We have done it before for other industries. We could easily find resources to fix the factory and that is what I have said. We are willing to work with the Government.



The Hon. Member, Lt. Col. (Ret'd) Harmon, forgot that we had a conversation right here. He said, "I saw what you said and we should meet" and I said, "Yes, whenever you are ready". But now I have to call them to say, "Can you have a meeting to help to work together to save the sugar industry?" Then this Government says that it is inclusive. If they have anybody at the table who thinks that they can help in this process, then they should be including them. They are either farming out the intellectual work to us now - they want to do that - or they do not have any desire to fix the problem. Why is this so? Is this another assault on an industry that is perceived to be close to the PPP? We have seen it in the rice industry already..." no help for you". The situation is very different.

Paragraph 12 of the affidavit by the Hon. Vice-President, Mr. Greenidge, spoke of the Guyana Mining Enterprise (GUYMINE). That throughout the 90's GUYMINE had amassed such enormous losses that the Government had to inject \$220 million between 1982-1990. If we use an 8% interest rate because that is what discount rates tend to use, and we were to compound this \$220 million in today's term, it would yield US\$1.5 billion! We assisted. When we had gotten into office, a company called MINPROC Holdings Limited had won the contract because of a World Bank loan to prepare the company for privatisation, which had included the severance of some workers, downsizing of the staff and a whole range of things. We continued working over the period with that programme, but we did not shut down. The idea was, either we privatised or we shut it down because of the Enhanced Structural Adjustment Facility (ESAF). We kept going.

In the past 10 years alone, we had spent over \$25 billion in subsidies for electricity to the community. If we could have helped that community with a \$25 billion injection into the industry when it mattered, the country could help. Why can we not help the sugar industry now?

Prior to all of these activities, even the privatisation, and I was looking through the pictures of the some of the staff at the Ministry of Finance, we went and we walked the entire Region 10. We developed a diversification plan. We went into West Watooka, and we said, "Here are some agricultural lands, how are we going to open up these lands? We would need roads and infrastructure". People had said at that time that, they needed an incubator for business because they needed new businesses in the area. They talked about a small-loans programme. There were other facilities.

We came back from Linden, applied for a European Union grant, and got a Euro\$12 million grant to do that through the Leadership and Democracy (LEAD) Programme, to help the transformation of that area because we recognised that the approach had to be to diversify the activities of Linden. Some of the programmes were successful and some did not bear a lot of fruit, but the desire was to help. The approach was that we deal with diversification before we put people on the breadline. That was the approach we took.

We then came to this Parliament and passed a new special incentive regime that could have given tax benefits only to people investing in that Region, not in Regions 2 or 6, where our support base was, but in Region 10. We said that, if one invested in the Region, he/she was going to get enhanced benefits passed by this Parliament.

I heard, while I was abroad, that the Hon. Member from Linden spoke about Linden and our involvement in Linden. In West Watooka, the road was built. Many people benefited from the Small Loans Programme. We worked on Amelia's Ward and it was on bauxite lands. I spoke about this last year. There is a spanking scheme there in Block 22, Victory Valley. All of these places we had worked in. Burnham Drive was in disrepair and we fixed it. There was a spanking new hospital and a water treatment plan. We did not treat communities differently. Why at this time of trouble can we not help the sugar industry?

I remember when the Aluminium Company of America (ALCOA) had walked away because it had stated that it had wanted to merge the Aroaima Bauxite Company (ABC) with the Aroaima Mining Company (AMC). The Opposition at that time knew that the bauxite industry was black gold and that we should not have done it. The ALCOA just walked away. We did not let the industry collapsed. The Government re-nationalised the industry and took it back for \$1. When the Berbice Mining Enterprise Ltd. (BERMINE) operations had issues, and their market had also collapsed, we merged the two.

*3.26 p.m.*

The workers asked us to sit with them. I went to a meeting and sat with the workers to discuss the merging of the two companies to preserve the jobs there. That was our approach to the industry, a very different approach than this callous behaviour that we find from this

Government. These are our people, whether they live in Linden, Essequibo or Berbice; these are our people, the people of Guyana.

The Low Carbon Development Strategy (LCDS) - well the environmental sector is the portfolio responsibility of the Hon. Member, Mr. Trotman. I have not seen at any time in our history, the squandering of such an opportunity on this scale. The squandering because of ignorance somewhere, I do not know where it is. The squandering because they are trying to prove a political point rather than focus on this huge inheritance of a \$150 million. One Hon. Member of this House, on the other side, went to see the Norwegians and while in Opposition he told the Norwegians not to disburse the funds. I met with the Norwegians and I told them that we wanted the money to be disbursed to Guyana and not to withhold it because we wanted this country to be in the forefront of the provision of global environmental services. We thought it could be a new industry.

What we heard, as I read in the newspapers, was that the PPP gave out all the productive lands in the forestry sector and that the State forest was given out. The fact is that, about 55% of the State forest has been given out so far in our history. It is about seven million hectares of 12.5 million hectares. So it is not true that all of our State forest were given out. Of the 55%, just about 40% is under extraction, so that means that there is active extraction in about 25% of our forest. Of that, the Timber Sale Agreements (TSAs), the 4.4 million hectares that were given out, almost half was given out in the pre-1992 era. The Barama Company Limited (BCL) alone had 1.7 million hectares. The difference is that we gave out 568 concessions of the State Forest Permits, totalling about two million hectares, close to what the Barama Company Limited has, but there are 73 Community Forest Organisations included there. The 73 Community Forest Organisations directly employ 3,000 people and there are indirectly 6,000 people. These are leases that are controlled by large numbers of people.

I dare the Government.

I heard yesterday that they said to take it back and to go to Ituni, Kwakwani and the Community Forest Organisations and take it back from the people. It is 10,000 people that we are talking about. They are not creating more jobs or thinking about the people, taking back everything. They have all of these people out there who are reliant, whom they should be helping.

If the argument was that we are raping the forest, then there are the Norwegians who, every year based on payments, would send in international assessors and these are people who would examine the deforestation rate for the year. We also have the Measurement, Reporting and Verification (MRV) System which tracks changes in forest carbon. What was the Extraction Rate? The Extraction Rate, in the 2014 MRV Report - the deforestation, was 0.062%. And guess what? Most of it came from small mining, not from forestry extraction. So we were the best stewards of the forest. We kept the forest intact; we negotiated a ground breaking deal to sell forest carbon, which is the largest per capita carbon deal in the world and you are benefiting from that now. There is \$150 million there. We are using \$3.1 million from the Guyana REDD + Investment Fund (GRIF) to fund, according to this Budget, all the things the Hon. Member, Mrs. Catherine Hughes, spoke about. It is the GRIF money for the telecommunication sector, \$3.1 million, which is coming from that. Most of the things that are going to the Amerindian communities are coming from the GRIF that we had negotiated and put in place that you are opposed to.

The forests are intact because they are monitored by an international agreement. And we did this without stymying the extraction of logs and giving our people a chance to earn a living. We did it without stopping the small miners because they too have a role to play in the development of the country. They must live the 'good life' too, not just you.

We have heard the Hon. Member, Mr. Trotman, speaking about this biodiversity offset and that it is one of a kind. Well, in 1972 the boundaries of the Kaieteur Falls were reduced from 45 square miles to 4.5 square miles. In 1999, it was increase to 224 square miles - that is the first thing. Like with the Intended Nationally Determined Contributions (INDCs), this was not indigenously developed pushing for our rights and obligations. Given the international climate agreement, we had to find the balance between contributors to a mitigation option to climate change, also creating opportunities for our people to earn from our productive lands. That was the balance we sought, through a comprehensive Low Carbon Development Strategy.

The agenda of the Government, whenever they deal with it, in a very kind of unregulated way, a way that is very confusing, because I was not clear about their climate strategy until today, but they seem to be driven by external interests. So this biodiversity offset, the Guyana Gold Fields, as is mentioned in the Budget speech, has applied to the International Financial Cooperation

(IFC) for some financing, and so, we are going to work with the Guyana Gold Field, a gold mining company driven by an external agenda to go to the IFC and talk about this Kaieteur National Park. But what happens to the land rights in Chenapau, where is the Hon. Member, Mr. Sydney Allicock, who lectured us on Free Prior and Informed Consent (FPIC)? Has that been obtained from Chenapau for this? Are we not imposing this on the Indigenous peoples and will it affect their land rights? We are doing this to partner with a mining company that is seeking to get some financing from IFC. That is how our agenda is driven; it is externally driven and the Hon. Member, Mr. Trotman, brought this here.

Mr. Speaker, if you look at our record, and I do not want to go to the record of the PPP/Civic Government, but one would see the results. The strengthening of the Guyana Forestry Commission (GFC), the Forest Laws, the international agreements, the enhanced scrutiny, the European Union (EU) external review, the Extractive Industries Transparency Initiative (EITI) that we spoke about so that we do not negotiate oil deals in secrecy or in the dark and then one day say, “Oh, we are going to set up a Sovereign Wealth Fund” and the next week say “We want an advance on the money”. This is not the approach that we take.

There have been many cases in and around the world where oil companies have been caught with political people doing shady deals. We want to avoid this in Guyana. And the way to do that is to sign on and accelerate the Extractive Industry Transparency Initiative. And the way to do it is to make public, all the agreements and all the requests to the oil company. That is what we need to do because we would be stuck with this for a very long time in the future. This is important.

Our natural resources sector is in shambles. It is incompetent management of the natural resources sector. We have no climate change policy. Greening of Bartica is not a climate change policy. Planting trees along the East Coast Highway is not a climate change policy. People seem to be confused with the picking up of garbage, greening, putting in sidewalks and planting a few trees with a climate change policy. A climate change policy, particularly in a context that we put it in, is about Low Carbon Development Strategy. It is how we create new industries for export.

The Hon. Member, Mr. Carl Greenidge, spoke about there being only 12% of service exports, although it contributes close to 60% of Gross Domestic Product. Now, what are sectors we are going to expand services exports in? We cannot do it in the financial services or the creative

industries, maybe we can do it in Tourism but we do not have the impetus or the initiatives in this Budget to do it. But one way in which we could do this is to export biodiversity services, educational services, not of a generalised nature, but along climate change. That is how one expands the service account of the balance of payment. That is how we can start getting our economy on a broader footing and this is what we had started.

I do not want to go into the Low Carbon Development Strategy in great detail, but that strategy had money for adaptation to ensure that our crops could face drought and heavy rainfall without being destroyed. There was money for the shoring of the Conservancy dam, for the Mangrove Programme, the Transformation of Indigenous Peoples' Village Economy, and for the expansion of Information and Communication Technology (ICT) to the hinterland. There was also money for a series of activities, such as, for food security in the Amerindian areas, the expansion of land rights and titling activities. There was money for the establishment of the biodiversity centre at the University of Guyana. I saw the huge allocation to the University of Guyana and the Minister spoke extensively on it. Guess where it is coming from?

*3.41 p.m.*

It is coming from a loan that we had negotiated with the World Bank. They have not focussed on what the climate change policy is and have not linked it with development. We are busy hearing about planting a couple of trees along the highway and stuff like that. This is about transforming a country and the economy; this is about creating opportunities, more jobs for university students, foresters, Amerindian people and those scientists who can go into the forest and explore the wealth of it and our biodiversity there. There is the absolute absence of any vision on this matter.

We have a Government that is living in a dream world. There are talks about new industries. Let me tell you about the new industries that are being created in Guyana. There is help for the manufacturing industry but it is to manufacture excuses, not jobs or wealth. The excuses are that they found a bankrupt Treasury; too much money is being smuggled from gold; \$28 billion was stolen through public procurement; there is a need for commissions of inquiry before anything is done; we need studies on VAT and the tax reform. There is an excuse for every single thing. Excuses are being manufactured and that is the only industry that this Government has created.

Another blooming industry is rent-a-service: get taxes waived; make the right donations.

The commission of inquiry industry is thriving. Lots of people are getting lots of money and nothing else. Where are the other jobs that are being created? People are losing jobs everywhere. Even the *per diem* industry, the travel industry, is thriving too. The advisers industry: advisers are flowing out of our ears. Hundreds of them are all over the place. There are 32 abroad alone. This is the new type of industry that is being created.

I come back to the issue about good life for whom. All we can see is a good life for a select few. Special interests won in this Budget. Taxes are reduced on alcohol but people will pay more for vehicles. I am calling on this Government to extend the ban on vehicles from eight years to beyond 12 years. The arguments we heard from some of the Members, on the other side, about the switching...there is no price elasticity. How will people switch? If the differential in cost is looked at, even for the new vehicle with lower taxes, there is absolutely no elasticity between the two. People will simply not be able to afford new vehicles. They will have to keep the same vehicles on the road longer and more will be spent on maintenance, *et cetera*. They will have to keep the old tyres longer. For the productive sector of our economy, for trucks, I am asking that the restrictions be removed.

We are asking that the firearm licences for farmers and Amerindians be waived or kept at the old rate.

We are asking for a rethink of the tax compliance for everyone who accesses government services.

Mr. Speaker, I am sure that you will see the irony in it. The Members of Parliament, on the other side, voted against people seeing their tax records but, on the other hand, they want people to pay taxes before government services are accessed. There are two standards. I am asking that this be reconsidered.

I am asking that the closure of Wales Estate be reconsidered and I am asking that help be given to the rice industry that may not even have a fiscal implication. Could the Minister of Finance not sit with the Central Bank and the commercial banks to try to renegotiate some of the loans

for rice farmers who are bankrupt so that they have longer repayment periods, waiving some of the taxes and helping in small ways?

I would ask that the small miners be helped so that they do not have to come out for the tax compliance; so that they can faster access the duty free concessions that were announced last year since many of them are faced with bankruptcy; that they introduce a sliding scale for the royalty payment and waive some of their acreage fees.

This can be done for the manufacturing sectors too; they can give some help. Reduce the cost of electricity. Lower the cost of fuel and that would have a big impact. Even with the faulty analyses and even with the inept policy measures, we have time to fix these things now if the Government is serious about the economic development of Guyana.

As I indicated earlier, we... Indigenous peoples...

**Mr. Speaker:** Hon. Member, I must tell you that we have passed the one and a half hours mark and we are in danger of hearing the speech a second time.

**Mr. Jagdeo:** No. You are not going to hear the same thing.

**Mr. Speaker:** There must be a time when I would have to call this.

**Mr. Jagdeo:** We would like the disciplined services to be paid immediately because the disciplined services do not have any wages negotiation.

There is one last point that I would make. We have heard a lot about settlement of tax cases and about the Rudisa Beverages & Juices NV arrangement that came to this Parliament.

First of all, we got into trouble because of the unconscionable action of the Opposition at that time. We exposed the country to liability and we fought it to the end because we recognised that the people who went to the Caribbean Court of Justice (CCJ), on behalf of Rudisa Beverages & Juices NV, admitted that they were under-invoicing. This is public knowledge, yet we have done an offset and we are not representing the interest of the people of this country. An offset should have been done.



We heard recently about Dipcon Engineering Services Ltd. and how the PPP/C left that problem that the now Government has to settle. I am familiar with that issue. It was a fixed price contract for the road between Mahaica and Rosignol. We could not depart from the fixed price contract, although the cost escalated, because it was an Inter-American Development Bank (IDB) contract. This matter has been long outstanding for many years. If we were so corrupt, we would have settled it. If it were settled, then why is it being settled only now? Is the interest of the State being represented well? I hope that these things are looked at carefully. The Government is very prone to accusations.

I thought this Government was being different this year. Last year, we argued that it was a short year and that they were new in office, so, maybe, for that reason, they were trying to depart from the tradition. Having taken a stand, last year, I said that the People's Progressive Party will never allow Members of the Government to make us victims in this Chamber or anywhere else because we are proud of the role we played in changing this country. There is not a bigger dollop of patriotism on that side that God gave them. All of us are patriots. Therefore...

**Mr. Speaker:** Hon. Member, I must interrupt to let you know that we will allow 15 minutes more.

**Mr. Jagdeo:** Thank you, Mr. Speaker. I just need three minutes more actually. What bothered me profoundly is this, almost, flippant way of dealing with colours. I was President of Guyana for 12 years and never once did I wear a party colour to a State function. When I was President, I insisted that the Ministers not do so too and that happened throughout. All of you, on the other side, belong to the people of this country just as we, on this side, belong to them too. Imagine the election season is over. How does a PPP supporter come and feel that the colours... a Minister now represents him or her if they insist on being so divisive.

Once again, until this House fixes the problem, until the other side agrees with something that has become an age-old tradition of this House where the Leader of the Opposition is the penultimate speaker, we will not listen to the debate of the speakers after.

Thank you, Mr. Speaker. [*Applause*]

*Opposition Members rose to their feet.*

**Mr. Speaker:** Hon. Members, I see you have all risen. I have not raised the Assembly. I do not know how the Assembly will... I am speaking now to say that we have the privilege of speaking in the Assembly for one hour and 40 minutes and then Hon. Members rise and would not see the end of this debate. I do not understand it. I am bound to say that there is something of a... If the people to whom so much reference was made today, the people of Guyana, are listening, they must wonder and maybe they want an explanation from - using the words of the Leader of the Opposition - the Government; Members must explain. Maybe the Leader of the Opposition and the Members of the Opposition must explain to the people of Guyana why the debate has not ended. Maybe there is room for reconsideration about walking out. Thank you.

What we have now is an interesting situation. I am tempted to suggest that, in the light of the fact that there are two speakers remaining, we continue.

*Opposition withdrew from the Chamber.*

**Mr. Nagamootoo:** Oh boy! Cut and run. You cannot take it. It is tradition; cut and run.

*3.56 p.m.*

What a shame! You claim to represent the people. You cannot accept the verdict of the Guyanese people. You come, you “cuss” and you “buse down” and then you walk out.

**Ms. Ally:** Mr. Speaker, may I crave your indulgence, please? I am just looking at the time and I see it is five minutes to the hour of four o'clock and I was wondering whether we could not take the break now and then come back to conclude the two speakers. Sorry for going that way. Thank you.

**Mr. Speaker:** I thank the Hon. Member for her statement. It is not equivalent that, if there is dissentient voice, the motion cannot be withdrawn, but I certainly would yield to it. We did agree that the time for suspension should be four o'clock. I would, of course, accept that. In this instance, we would return at five minutes to five o'clock.

*Sitting suspended at 3.58 p.m.*

*Sitting resumed at 5.03 p.m.*

**Mr. Nagamootoo:** Mr. Speaker, thank you very much. I want to say that I had expected whatever I say and would say today in my contribution to have been entirely different. I had expected that this House would not have been treated with the disrespect we have witnessed today from a recalcitrant Opposition that has felt that it could come in this House and it could resort to methods that would only bring disrespect to this honourable House; that is disregard for the Speaker presiding over a democratic National Assembly in which certain procedures are observed. If it is that the Prime Minister, as Leader of the House, should be the last speaker for the Government side, then that should not be considered something unusual. If the Leader of the Opposition decides that he or she, whichever would be applicable, should conclude the debate for Members of the Opposition, then he or she should be allowed to do so. But to use it as a pretext to flout traditional respect for the National Assembly to speak *in extensio* on all matters that were irrelevant, all matters that were vexatious, all matters that were malicious and based on hearsay, and then walk out, it smacks, for me, as political cowardice. This House and this Speaker, as far as I can observe, have muzzled no one. It happened last year; it has happened again that the latitude has been extended for the Member to speak as we saw just now for one hour and 40 minutes. [An Hon. Member: It was for two hours he talked.] Perhaps two hours. I stand corrected, Sir. For me, it seemed to have been an endless harangue. I would want to deal with some of those in the course of my presentation, Your Honour.

First of all, permit me to extend, as all my Colleagues have done, congratulations to the Minister of Finance, Winston Jordan, and his team for having crafted this document before us, the 2016 Budget, and it has been noted that it has been crafted within five months of the presentation of the first Budget. I believe that the theme, *Stimulating Growth, Restoring Confidence: The Good Life Beckons*, is very appropriate and I will try to address the issues on the theme.

I would like also to congratulate all Members of the Government benches who have made sterling contributions during this debate and have ably demonstrated to the people of Guyana that this APNU/AFC coalition Government has all the people of Guyana in its heart. This Government has sought to restore the faltering confidence of the people of this country, who have lost not only confidence in the leaders they have elected 23 years ago, but they had wanted to restore confidence in themselves that they could go to an election and, given their right to make a choice, choose a coalition of six parties to represent them. What we have seen here today

is much of the same old khaki pants of one party rule that had brought disrepute and had undermined confidence in this country for 50 years. In 2015, the people of this country said that they have no confidence in one party anymore; they wanted a combination. They wanted a coalition. This is the confidence that the people restored in themselves that they could elect such a combination and they could restore confidence in governance.

The Hon. Leader of the Opposition, who has decided that he would scuttle from these debates, having said what he had to say, spoke in very solicitous terms about sections of the Guyanese population, particularly the working people. While he spoke to the issue of the rice industry, one would have thought that, when we are in this House, as honourable as we are, we say the truth, the whole truth and nothing but the truth. One would have thought that he would have known that the PetroCaribe deal had floundered and prematurely came to an end while his Government, the PPP, was in office but they had not told the people, the rice farmers in particular, that the deal was coming to an end. To try to situate difficulties in the rice sector, particularly with the loss of the Venezuelan market and with the drought, at the footstep of this new Government was nothing less but an untruth. It could not speak to what actually happened. If he had been so concerned about the welfare of rice farmers, should he not have interrogated his own colleague, the Head of the Guyana Rice Producers Association (GRPA), who, according to the Minister of Agriculture, had signed to return \$100 million taken from the Guyana Rice Development Board (GRDB)? If they were so concerned, he would have had the Hon. Member, Mr. Seeraj, return that money and give it to rice farmers to help them tide over the difficulties. And the \$2.5 million a month that was paid over many, many years to the GRPA could have easily been money that was given to the GRPA to help farmers who are in distress.

We, as representatives of this Government, tried, while we were in Essequibo, to speak to the Guyana Lands and Surveys Commission (GL&SC) to see how payments for lease lands could be rescheduled. We have said, and everyone knows, that the rice industry is a private sector industry. It is not owned by the Government. It is not owned by the State. All a Government will try to do is to allow certain facilitations to take place to help farmers. It has done so over many years and it has not changed where the Government of the day would allow, help and spend tremendous sums in drainage and irrigation facilities and would facilitate the supply of fertilisers but, above all, it is the GRDB, as an entity, that is responsible for interfacing with the rice

farming community to ensure, in cooperation with rice farmers and rice millers, that their concerns are addressed. It goes beyond the remit of a Government to decide that it will pay rice farmers for crops sold, but this Government saw it fit to ensure that all moneys that were collected for the sale of paddy and rice to Venezuela were paid over to the rice millers. The farmers' concerns are with the rice millers. While I was in Essequibo, recently, I had cause to call a rice miller during our meet the public day and ask that he pays a farmer who had complained and had come to the meeting for non-payment of rice supplied during the last crop, and I was assured that the payment would have been made that very day. The rice farmer has not complained since and I suppose that the payment had been made.

One has to understand that one cannot make politics, on the eve of local government elections, for vote catching and vote buying, using rice farmers as scapegoats, using their legitimate concerns as a wooden horse on which you can have people vote for a political party. This is a party that has now found itself, after 23 years, on the Opposition and it will spare no effort, fair or foul, mostly foul, to ensure that they get people to come back to support the lost fortune of that party.

*5.19 p.m.*

I need to mention that it is this Government that has brought an end to the sloth that had taken place to provide pumps to irrigate the lands of rice farmers. I was invited by the Hon. Minister of Agriculture to commission a pump at No. 40 Village, that is the Joppa pump, a pump at Gangaram in Canje and a pump at Lima, Essequibo. While we were in Essequibo, not so long ago, we were told of the efforts that were made to sabotage three out of five pumps. Sand was found in a pump and, in other pumps, the diesel disappeared. Recently, we saw someone was arrested in Black Bush Polder for trying to take diesel away in order to make the pumps inoperable so that the farmers can blame this coalition Government for not attending to the woes in regards to drainage or irrigation, as the case may be. While we were in Essequibo, we spoke to the technical people and they were able to put into action four pumps at Dawa so that if 25% of the crops had not been put under cultivation in Essequibo, it was not because of a lack of effort; it was the sabotage that had taken place before. It was the disrepair of the pump and the leakage of these pumps that did not permit them to do as good a job as they ought to do to bring water from the Pomeroon River and to irrigate the lands of the farmers. But the farmers are grateful

that some efforts had been taken. Therefore, one cannot blame the situation in Essequibo or even elsewhere on this Government.

We were told in the very final penultimate plea that there should be consideration for people who deal with used tyres and old vehicles, eight years and older, a passionate plea from someone who had been Head of State for 12 years, longer than we probably would have two terms. It was more than the second term; it was two terms plus and, therefore, whatever might be the motivation, we have this plea for second hand to be recognised, whether it is tyre or third term triers, they are trying to get into the act so they are pleading for consideration for terms and for old things. At the same time, Your Honour, without any disrespect, men would have noticed the way they talk about geriatrics and people who had been in public life for many years, but that did not seem to bother the Leader of the Opposition; 12 years were 12 years too many. And, there are others who are functional, who ought not to be considered in the deprecating and demean tone. I have known, in my life, many people on that very side of the House – Hon Members Clement Rohee, Indranie Chandarpal and Komal Chand - who gave their youthful life, alongside me, even though I had been there before, fighting for the independence of Guyana and, today, they may all qualify as geriatrics. We all may be considered to be old, but we are not useless. I have known people whom we had loved until their death, like the late Cheddi Jagan, the late Mrs. Jagan and the late Hon. Reepu Daman Persaud, whose able representative and successor in this House was the one who raised the generational issue. I believe that we have now gone *beyond the pale* of dealing with gender issues and ethnic issues. We are dragging age into the arena, as if age is a sin, as if age is a crime. Therefore, I consider that as *part and parcel* of this motif of disrespect not only for the House, but for elected Members of the House and for elected leaders of Government.

We were told that we are manufacturing excuses and that that is the biggest industry in Guyana, but I know the Leader of the Opposition has been the one who started to manufacture; the biggest manufacturer was when he said that the 2015 Elections were rigged. That was an excuse to justify the defeat. When he realised that no one believed that and that it was an insult to the intellect of the Guyanese people that you could tell them that they voted openly and freely for a Government of their choosing and then you could turn around and say that they had committed a fraudulent act, he decided to make a self-confession, which is, of course, good for the soul, if you have a soul, when he said that they lost the Elections due to their own arrogance and

complacency. They lost the Elections but they had not lost the values attached to them - arrogance and complacency. It is the arrogance that was shown here today that you could say what you want to say and, like a little brat, you pick up your bat and you walk out and you say that there shall be no more games; but this game will continue; the game is on.

We were told about this great love of our biodiversity, but we were not told that, under the former Government, Iwokrama Park was left as a destitute, begging for finance to survive. The largest, single biodiversity park in this country has been left in neglect, yet we have the Leader of the Opposition telling this House that we are the ones not paying attention to biodiversity and that we ought to do more, when they have left Iwokrama, which is a rich heritage for humanity, in the state where it is, hardly able to function on the sums handed out to it. On top of that, the arrogance was that we were trying to farm out more work to the intellectuals on the Opposition side when we raised some issues here of sugar; that we needed to have specifics where sugar will go and to have consultation, if they have any ideas as to the future of sugar. We were told that that was an attempt by the Government to farm out intellectual work. But I can say that, if that is the intellect we are looking for, no, thank you, because that type of intellect is what was responsible for the pervasive poverty in Guyana.

Forty per cent of our people, by the time the PPP left office, the Jagdeo/Ramotar regime, had been under the poverty line. It was also responsible for the bankruptcy that we face in places like the sugar industry. Eighty-two billion dollars in debt and, yet, we were told that we should now go back to farm out to the intellectual who had brought the sugar industry into bankruptcy, a cure for the disease with which he had afflicted the industry and brought it into a state of paralysis. So, we do not buy that talk. One Member on the Opposition side asked, looking at me and some other Members, such as Vice-President Khemraj Ramjattan, speaking to the issue of sugar, where we were when the announcement for Wales was made and he quoted Martin Carter:

“...the mouth is muzzled by the food it eats to live.”

But I remember that those same persons, who are talking about mouth being muzzled, when they learnt that the Guyana Sugar Incorporation (GuySuCo) was broke, that it had been indebted \$82 billion, did not say a word; their mouths were muzzled. When they learnt that the Government then under Ramotar/Jagdeo combination was going to shut down the Guyana Agricultural and

General Workers Union (GAWU) and derecognise the Union, their mouths were also muzzled. They did not say a word. When Diamond Factory was shut down, the factory and its operation were merged with Enmore Factory and workers were displaced, where were they? Their mouths were muzzled. So, today, a corollary to Martin Carter is, when you hear these people sing the song that we are doing nothing to save sugar workers' jobs and to protect their welfare, it is only, for me, a heavy dose of hypocrisy because you cannot want to defend sugar workers now and you had not defended them when they were in most need of being defended.

I believe, and I say this sincerely, that the agony of Wales' workers is a genuine agony. I remember many years ago, as a little boy in the Corentyne, it was sometime in the 1960's when I heard that the Port Mourant Estate Factory was being closed. I can still imagine, with my mind's eye, this picture of darkness, this picture of dread, that people would have been displaced. As I grew up as a little boy, all I remembered was that Port Mourant Sugar Estate was like the centre of our universe and, later on, I was able to work close to the closed down factory when I started to teach at the Corentyne Comprehensive School. The School was situated in the offices of the Port Mourant Estate, in the clerical staff buildings. But I did not see the gloom for long. People later on confessed that it was like *a blessing in disguise* because all operations were shifted to the modern Albion Factory and workers who were still working in Port Mourant could have the canes sent to Albion Factory and they were produced into sugar at a lower cost. Greater efficiency meant greater rewards for the workers, and many of the workers who had been made redundant and were given severance pay turned to what would be described as petty bourgeois activities as shopkeepers, as cattle rearers, as fishermen, and many went into the Black Bush Polder and became very prosperous rice farmers.

Our umbilical cord to the sugar factory and the sugar estate must not be considered as something that is unseverable because, sometimes, when some doors are closed, other opportunities are opened up. So too I believe for the workers of Wales and their families; I believe that the agony of having lived all their lives in dependence on a sugar factory and a sugar estate is shared by many and I still believe that efforts should be made to undo what had happened, that is that the workers were not told in a timely manner about the impending closure. I still believe that you need to have conversations with the workers and their families to explain what opportunities are



opened up for them and how the closure of the factory and the merger of its operations with Uitvlugt will affect the lives and perhaps make possibilities better for them.

*5.34 p.m.*

I also know that I cannot accept the crocodile tears of those who came here to talk about the problems confronting the Wales Sugar Estate workers and their families because West Bank Demerara had the single largest cultivation under peasant cane farming than anywhere else in Guyana. I have seen Members of the then Government, now the Opposition, colluding with certain elements in the community to take away the Belle Vue Cane Farmers Marketing Co-op Society and take away their land, and concentrate it in the hands of their friends. They had said nothing when that happened under their watch. They allowed the lands to be taken away. They allowed phoney elections to be held in the co-op and put their friends to seize control of the co-op. Today, they shed crocodile tears for the workers in the sugar industry and for all those involved in peasant cane farming. I could call the names because I know the people who were involved but I am not going to do that. They know themselves.

I say this: that we will not shut the door; we are not bound by everything the Commission of Inquiry states. We had interrogated the Commissioners and we wanted them to explain what their findings were and to rationalise their findings. As a Government, we are not bound by the recommendations; we cannot dictate to the board which is an independent and autonomous body; we cannot give political directive to the board if it states a certain operation should be rationalised. We are not going to do as in the past, to bring our political friends from the United States of America and foist one of them as Chairman of the corporation. We are not going to be putting people who held office as adviser to the President and later became a Minister of the Government to head GuySuCo's board. We did not see the GuySuCo's board then as we see it now. We did not see it then or now as an instrument of party political influence and dicta.

That is why when the board said it had made a certain decision, as a Cabinet, we could take notice of that decision and we could approve or disprove. In this case we were convinced that there was good financial and economic sense to merge the operation of Wales Sugar Estate with Uitvlugt Sugar Estate because we believe it had become a millstone on the neck of the sugar

industry and, if left to go unattended, it would pull the entire sugar industry down and all the workers in Guyana would be affected.

For the Leader of the Opposition to come here and say that we threw the report of the Commission of Inquiry into the garbage is further disrespect he is showing to himself and to this honourable House because the report of the commission had been tabled in this National Assembly and will be referred to a Special Select Committee of this House for its deliberation, and for a considered view on the recommendations. We do not consider this Parliament to be garbage. We do not consider any Member of this Parliament to be garbage, unless he or she chooses to become garbage. We do not feel that we could use that type of language.

Today, as I said, we are full of understanding of what is happening in Wales. We can tell you that when we decided that this year the Minister of Finance would have announced that there will be \$9 billion as a further bail out to the sugar industry, it was the interest of the sugar workers that prompted that unilateral declaration. We had not come here, bringing protesters outside, to force the National Assembly and the Opposition to agree to a sum of money as a bail out. It must be to the credit of this Government that without any prompting, without any agitation, without any strike or industrial unrest, the \$9 million has been placed in the budget to help the sugar industry. A sum just under \$12 billion had been given as a bail out to GuySuCo last year. In 2015, we were only a few months in Government and the Minister of Finance was looking at all the possibilities to see that the sugar industry did not go under. Within two years there are almost \$20 million to \$21 billion.

What did the PPP/C do when it was in the Government? The sugar workers had to drag and kick the Government in order to get a few dollars when they were really in trouble. I can go back to the budget when in one year \$6 billion was given, that was in 2012. In 2013, it was \$1 billion; in 2014, I believe, it was \$6 billion, \$11 billion. It did come with a supplementary after mobilising protest outside but on its own volition. It was so thrifty - "thrifty" is a bad word - stingy that it was pinching the purse when it comes to the sugar workers. It was putting them every day on the breadline and almost telling them that they had better produce or perish. It was saying that better would come. They did not realise that the hand maiden for the destruction of the industry had in fact been the people who were trying to say they are the saviours of the industry. Long ago, since 2011, 500,000 tons of sugar were to be produced through the magic Skeldon Sugar Factory after

\$47 billion dollars had been spent on that factor to modernise it, so they said. It started to limp; it started to sputter; it could not produce sugar even at a level that was produced 50 years ago.

I come to the issue that when the Leader of the Opposition came here and had this untrammelled freedom to speak as he wished and as long as he wished, the freedom for him to exercise that option in this House did not include the freedom to mislead the House. I am not going to be able to finish dealing with the issue of what the Leader of the Opposition had intended to say. I doubt whether he had intended to say that Amaila Falls Hydropower Project guaranteed capacity. All the people of this country are intelligent, sensible, right-thinking Guyanese. They all saw the photographs in the newspaper that that Amaila Falls had run dry. Where is the guaranteed capacity he spoke about? How did he come with all the fancy foot works today to talk about the IDB's technical report and the feasibility? All those things were answered by one photograph – no water at Amaila Falls. Then there is the wind farm to have alternative energy, to have renewable energy, to have clean, green energy, and he said that one could not guarantee wind. When I was referring biblically it was a transpose. We have the biblical far seers, that there would be no wind at Hope. Little did he realise that was not what they thought, that was not what they were thinking on 27<sup>th</sup> May, 2014 when the Cabinet, signed by Roger F. Luncheon, MD – the letter “F” means Forbes, Roger Forbes Luncheon – Secretary to the Cabinet, the approval to execute a Memorandum of Understanding for the development of the Hope Beach Wind Farm Project, 2014. Now we are told wind cannot be guaranteed. More so, they say the investor was a coalition financier, but the investor, in this Cabinet, is a company called the Hope Beach, Guyana Wind-Farm Inc., for short it is GWI. The Director of that company is Mr. Lloyd Singh. Mr. Lloyd Singh could not have been the financier, this year, of the APNU/AFC when they had signed on to him.

“Cabinet noted and deemed acceptable the results of the review of the financial arrangement. They reviewed the financial arrangements.”

They knew that wind can work and wind is available.

“Cabinet also noted and accepted the results of an environmental and social impact study.”

They did all of that. It is not what we are told today, this wishy-washy gaff about wind. The scientist, the earth champion, suddenly becomes an authority on wind. He was very windy today, long-winded.

“Cabinet approved the execution of the Memorandum of Understanding for the development of the Hope Beach Wind Farm Project along the terms and conditions set out on the Cabinet paper. Cabinet also approved National Industrial and Commercial Investment Limited (NICIL) being authorised on behalf of Office of the Prime Minister (OPM) to negotiate with Guyana Wind-Farm Inc. and draft all documents necessary to implement the project.”

Today, what are we told? That this cannot work. If Amaila Falls Hydropower Project was on, it would give 11.5/10 US cents per kilowatt hour, but look at this agreement they signed. This was sent by NICIL. Our good friend Mr. Brassington that said electric power generated from the wind farm to be sold to Guyana Power & Light at a price of 18 US cents per kilowatt hour. They agreed to 18 US cents but are now saying that there could not be wind at 18 cents but it is to wait on the Amaila Falls Hydropower for 10 or 11 US cents, that that is a better option. They were not thinking then about the Amaila Falls. Were they when they did this two years ago? Today, I am told that the offer being made for the provisions of a similar arrangement would be in the vicinity of 12 US cents per hour. They signed on to 18 US cents.

I just want to say that one does not have the right to come to this National Assembly with the luxury of trying to stir up mischief and brand people as political financiers who are being rewarded, without also dealing with their own history. A lot of the financiers we hear about who have shady deals with the former Government, with anybody, particularly the former Government, were those we know, the notorious ones, who were either in jail or on their way to jail. We know the shady type.

*5.49 p.m.*

If he did lecture us on that, he would be well qualified. I think I have dealt with some of those issues and I know my learned and highly and knowledgeable colleague will deal with these issues that he finds necessary to deal with.

One other issue, which I think I should address, was that of the noise made here that we had not paid workers any money for this year. A lot of talk was made about we were promising 20% increase. I would like to nail that as a lie. This is the manifesto of the coalition of the APNU/AFC and I read it several times to find whether someone might have slipped in 20% increase. I found here that there was the reference to wages. I read, from page 22, “Employment, Maximisation, Inequality and Poverty Reduction.”

“The APNU/AFC in Government will award a 10% increase on the total public Sector Wage, Salaries and Emoluments Bills and thereafter consult with their unions on the method of allocation of increases on the wage scales. This is in keeping with our new approach to industrial relations. It is expected that this could trigger a new era and further reforms in industrial relations in the public service”.

We promised that and we are delivering what we promised on. I remember going to back to 1998-1999 to the same primary advocate who said that we should pay 50% wage increases to public servants. I was in the Cabinet then when I argued vociferously for 12% interim payment to be made to public servants and my friend, under the doctrine of affordability, this was his position in allowing a strike that could have been avoided in five days to cripple the country for 55 days. He said 4.5% increase, no negotiation, no arbitration - 4.5%. I fought him down as an insult to the working people and then later on I was asked to intervene and, I had discussion with the late Waddell at the seawall, to communicate to unions because communication had broken down. It was that the Government was prepared to throw in 100 house lots and certain duty-free concessions for cars to certain categories of public servants, to cushion the hard blow of the Jagdeo medicine for public service in 1998-1999.

Then I was sent to speak with the Trades Union Congress (TUC), to Mr. Lincoln Lewis, to influence the strike to come to an end. He was there when I was authorised to speak with Lincoln Lewis. He went subsequently after I got Lincoln Lewis to go to television to call off the strike or to make a call to call off the strike. He turned around and said that I had disclosed to the TUC secret information on how much he was going to pay. I knew, and he knew, Sir, that it was contemplated that the figure would jump from 4.5% to a high single digit number. What am I to read in a high single digit number? Is it not 9%? I did say an interim of 9% would be paid and I

was pilloried and almost expelled from the PPP, even at that time when I was at my most popular performance, but that is a different point.

The point here is that he cannot come and say that he wants to pay public servants 50% up front when his own record showed that he had been adamant, he had been stubborn and he had resisted any attempt to bring justice to public servants. That is the hypocrisy that we are dealing with here today. When the workers had been paid 50% in 2000 and 2001, he could not have said then that it was out of the volition or the good heart or the kind heart or the generosity of the former Hon. Member and Leader of the Opposition. He could have said that because it was the Armstrong Arbitration Tribunal that investigated the plight of public servants and said that the public servants need 20% to 30 % in 1999 and 2000 and he immediately found the 50%, 30% and 20% to pay. Why, because my goodly friend had then ascended the throne of power. He paid it. When Mrs. Jagan was President - I wanted to tell him that to his face; that is why he walked out - he allowed the strike to prolong to bring her down and she resigned. We are dealing with a political situation that demands an answer. I intend to answer that as well.

Sir, in this National Assembly, we heard, *ad nauseam*, Members of the PPP, Opposition, were saying how we promised rice farmers \$6,000 and \$9,000 per bag of paddy. Again, I went and I consulted the manifesto and I found no reference in the manifesto of the coalition that speaks to the issue of either \$6,000 or \$9,000 per bag. They are inventing the figures to create mischief in the county, to set people up against the coalition. It is a form of political agitation based on invented facts, based on political untruths. This is what is going through the entire debate that you had figures being invented and thrown around willy-nilly because they realised that Local Government is on its way and therefore they need to influence people in the elections of Local Government.

Sir, I want to say that you perhaps heard several times here that there is there is a situation, in which, it is in the public domain, it is said that the Prime Minister's house...The Hon. Member Mr. 'Bull' Dharamlall, from Bath, my relative, said Sir...I am not sure that I like to jump very readily to claim relations. We heard that he said that \$60 million had been spent on Prime Minister's house and other buildings, but the voice fell as if it was on a cliff, that fell off, with the other buildings. Then it was this year \$200 million laud on the Prime Minister's house. That

is the type of misinformation; that is the trite of truth and mischief not a single cent has ever been spent on the Prime Minister's house. I live in Sophia and I live in my own house.

There is money allocated for a building occupied by the former Prime Minister Mr. Samuel Hinds, my good friend, for 23 unbroken years, which had been allowed to go into rot. It is a heritage building, a magnificent building of worth, in which we should have pride and it is that public building that is called the Prime Minister's Official Residence that is being rectified. That was when they were on their side, Sir, I spoke at one budget when I was in Opposition on that side and I referred to this side which was the PPP Government as "*we bruk um, we fix um Government*", because everywhere it was hustling to *bruk up* things to give its friends contracts to fix them and that was one of the things that it did not fix and so the Member started to peddle that mischief.

Another untruth is in regard to the forestry. The Minister of Natural Resources, my good friend, Hon. Raphael Trotman, former Speaker of this honourable House reported from official sources that he had available to him, and he said these words, "100% of the production areas of our forest had been allocated by the Guyana Forestry Commission (GFC)". The goodly gentleman, who essayed to speak for the Opposition,...

**Mr. Speaker:** Hon. Member, I should remind that the references must be "Hon. Member" or "Comrade".

**Mr. Nagamootoo:** I am grateful, Sir. The very Hon. Member said in a blast of pomposity that it is not true, that only 25 % of the forest land had been allocated. I have here, which I will share with the House, that the report was that the total production area allocated by GFC seven million and twenty seven thousand, eight hundred and forty hectares. It states percentage total allocation 100 %. This is what this report states. In terms of the percentage of state forest, that is the production area - 56%. What is stated here, and the Hon. Member said when he referred to the 25%, "unallocated state forest estate" - five million five hundred and forty eight three hundred and sixty three hectares. Now that is the unexplored forest land. That is not the productive forest land but it is the unexplored. They had to go and get a map to show where the land is and whether you could access the land or whether you could give an exploratory permit or a state permit or a wood cutting lease or even a timber sale agreement. That is way down the line. You

have to first go and find it, explore it and you have to perhaps inventorise it and then you go to that state. In terms of what the state outlay is, it is the productive land that they hived off - 100% - all of our precious forestry land.

That is why this House cannot be a victim or a hostage to political deception and they could walk out on me because they know I will do exactly that I am doing now. I will unmask those who try to deceive the Guyanese people. I will do that all the time. I am not troubled by walkouts. That is the least of the behaviour I would expect of leaders who want to lead people to turn away and run when they are faced with the truth.

That is why you find when Your Honour was trying to suggest to the Hon. Member that the Member could have all the time he probably he would need with such great magnanimity and such great generosity, he essayed one word "Amerindian". It was for some strange reason he pulled back the word "Amerindian" as if it was a bad word and said "I would say something else". As you know why it was, is because someone whispered that that matter was done with. What was that matter - "Amerindian".

*6.04 p.m.*

The Hon. Vice-President and Minister of Indigenous Peoples' Affairs Mr. Sidney Allicock exhibited a Cabinet document that showed that it was never the intention of the PPP/C Government to pay the Community Support Officers (CSO) beyond April of 2015. It was a Cabinet decision which frozen the retention, frozen the subsidy. They wanted to bring them closer to election time so that they get to use them as the red shirt brigade for political propaganda and agitation purposes; to bring them with placards in their hands; to make noises outside of Public Buildings; to say to the then Opposition that we were involved in ethnic cleansing. They incited racial and ethnic passion by paying out the money. Just before the elections they shut that office down, and then came and said that this Government shut it down. He could not have gone beyond. I could see him choking on the word "Amerindian" as he stood up there. He turned around and said, "not a good word today". It is because he could not have misled and fooled the Amerindian people that he was on their side and he decided to shut their life down.



Sir, I can say that those contributions were highly prejudicial and vexatious. I want to say, Sir, that a genuine, authentic, qualified economist, Dr. Tarron Khemraj, writing in *Stabroek News* Wednesday 10<sup>th</sup> February, 2016 had this to say:

“My reading of Budget 2016 suggests that Minister Jordan has his eyes focused on the long term, which might...”

He was asking about the vision. Here is the vision, and this is the qualified opinion of an authentic economist. This is no doctorate handed on the side, Sir. This is not that type; this is the real McCoy.

“...have elicited disbursement from the political types who only focus on the cycles around the virtually flat trend from 1960–2015. Several progressive policies were outlined such as making sure Guyanese can buy relatively newer vehicles and new tyres. Over time, the middle class will benefit and save money from owning newer vehicles and probably save themselves from road accidents.”

Here is a reading within the intention of the budget, and by Budget 2017, there should be a further reduction on the taxes on newer vehicles and complete removal of taxes on new types. This is yet another reason why the Value Added Tax (VAT) should remain at 16%, in order to finance the reduction on these miscellaneous taxes, and the expansion of zero rating of the things consumed by the poor. This is really an analysis that I appreciate coming from a qualified person able to make that. When former Minister Mr. Irfaan Ali spoke, he spoke about the economy sliding and slipping, and he essayed to give some statistics of the economy sliding and slipping. He said that in 2012 the Foreign Direct Investment was US\$363 million. I tried to check the figure of US\$363 million and I could not find it. I found a higher figure of US\$373 million that came in, in 2012. I want to find the notes that I had on that, so that I can rebut the contention that the slide starting when we were in the Government because he said that from US\$363 million in 2012 to by 2015 the Foreign Direct Investment was reduced to US\$125 million. I had been with a team of Ministers speaking with the European Union and a delegation that came here. One of the reasons, which they gave, why they did not release some EUR\$23 million for the sugar industry and for drainage and irrigation, and other infrastructure, was that there was no accountability in Guyana.

What had happened is that in July of 2014, when confronted with the no confidence motion, they decided, the PPP Government, not to hold a Parliament. They shut it down subsequently; did not introduce a Budget for 2015, so, that no one who would want to invest or transfer investment in Guyana had any confidence anymore. There was no Parliament that could give account for moneys that could be received, even as grants. They were the ones, the hand maiden, of the decline of investment. They set the stage for it because in 2014 it dropped from US\$373 million to US\$217 million. The slide had started long before we came into the corridors of power or in office.

As I said, this is the 50<sup>th</sup> year of our independence, and it is the golden jubilee, and I had anticipated that I would have been speaking here differently. It is not as someone using up parliamentary time to rebut contentious and woefully erroneous arguments and presentations. I should not be doing that. I should be doing things that are lofty, that would mean something to the Guyanese people, like letting them know that for 50 years, if we had considered that there had been a lost opportunity to take our Guyana forward, that we could now make a new beginning. We could start over again, because we cannot go into another 50 years divided and fragmented as we are. Today the prophets of doom and gloom, they are telling the world that we could no longer be different. We cannot in the next 50 years, even dream or hope, that we could be united, that we will have to carry this weight, this burden of history, of division and fragmentation.

When I was speaking in New York, at the launching of the 50<sup>th</sup> Anniversary celebrations there, I choked with emotions because I recounted how I joined the political struggle for Guyana's independence way back in 1961 and that I did not celebrate on 26<sup>th</sup> May, 1966. When I saw people marching before me in my village, I sat and I looked with a heavy heart, heart probably bleeding, that I could not have been among those who were celebrating the independence because our country became independent under a state of emergency. Our country became independent while political patriots were in jail – incarcerated as political detainees. I had decided, like many others of that time who made a contribution, that it should be celebrations – independence yes, celebrations no. That is the moment for me that is most precious in my mind because I cannot live another 50 years to realise that we are going down this road of division and fragmentation.

Today, I had hope to make an appeal and to, once again, offer the olive branch that we could have national unity; that we could have dialogue; that we could have the experience, as one Member on the other side said. I should congratulate Hon. Member Clement Rohee, for what he said, that they have experience and they were there; they saw it and we have to share from their experiences because life is not what it starts to be. Life is a continuation, a continuum of experience and we reject the bad but we embrace the good. When the Golden Arrowhead was flown on the 26<sup>th</sup> May, 1966 and Dr. Cheddi Jagan and Mr. Forbes Burnham, two arch enemies, hugged and embraced that Guyana was free at last. It was the dream of the first native people, our first people, who came here that one day. They could say that Guyana is my land. It was the dream of the first slave who came here in chains; the immigrant who came here as bounded labourer. It was a continuation of that dream. It did not matter that Mr. Burnham ruled Guyana for two decades or the PNC. We do not throw away the Demerara Harbour Bridge because it is Burnham's bridge. Even if we were to style the Berbice Bridge as Jagdeo's bridge, it did not mean that people belonging to the PNC should say that we are not crossing there. We have to live the fact that life in a dialectical way continues and we will have to build upon what we inherited, and there is no shame in that.

We are not thieving anyone's intellectual property because when they were elected to office to conceive and to implement plans, programmes and projects, it was to implement what the people elected them to do and pay them to do. Therefore they have to leave that for the people and other leaders more worthy who would take up the tasks of implementing them and make sure that they are done so fruitfully.

Today, I had intended that I would refer to the speech I made in New York, in which I said that the story after Independence was how to heal that division; how to quell that fear; how to build and achieve unity and social cohesion. The goal of unity has proved to be elusive, though not from a lack of effort by many leaders to achieve it. When it had appeared that we had drifted astray into the side alley of authoritarianism, a call during the 1970s for national patriotic front and a united government was a step in the right direction. In the 1990s when civil society joined with one of the major political parties to form a political civil alliance, it was another move in the right direction. That movement was also short-lived and the promise of national unity became delusional. When after over 20 years of one-party rule, six parties came together to form a

coalition and became a broad based united Government. It was an unprecedented leap into tomorrow from the divisive politics of yesterday.

I say this now, in the House, for the first time, that one of the persons who had given hope that we could enter a coalition politics, for whom credit has not been given, is a man named David Arthur Granger.

In 1997, after we had seen riots in the streets and we thought that Guyana would have descended into civil ethnic racial conflict, a group, which I had referred to as the group of nine, came forward with ideas to call for a peaceful way forward, that there should be dialogue and constitutional change. I had the honour then to address the leadership of the PPP on the way forward, and it is titled - this booklet - *The Political Situation and the Way Forward in Guyana*. I was told by the then President, Dr. Jagan, that 100,000 copies should be printed. Unfortunately, after the riots calmed down and we returned to business as usual, this little publication, with my picture at the back, became the first target of a bonfire, engineered by one of my friends over there from the Stalinist gang. It is because I was unstoppable in my quest for national unity.

*6.19 p.m.*

They realised that what I was saying to the leaders of the party and all their activists at Freedom House, was that there is a man whose name, along with Dr. Kenneth King and Malcolm Paris, was David Granger, some of whom we refer to as the group of nine, who favour some sort of dialogue and constitutional engineering. They have created a new shift in the balance of forces favourable to the establishment of a state of national democracy.

That was the 1997, when we realise that there were people in the society who wanted to get away from the old type politics, and to embrace the new. I referred to that to show that it is still possible that the divine becomes the target of hatred and despise, and could not deal and deliver the formula for national unity or for dialogue. The PPP could always go to Mr. David Arthur Granger. I think that he would facilitate them. I think that he feels it is necessary for there to be a new type of politics in Guyana. He had said so when he had addressed this Parliament. He felt that we should go beyond a mere coalition among six parties, he felt that we should broaden it and find ways to bring about political integration.

I say this today, in the 50<sup>th</sup> year of our Independence, that this call and this need for national unity is as fresh and essential today than it has ever been. Even though the Opposition may have a tendency not to accept the reality of defeat, it must consider that it cannot be bigger than Guyana. The innocuous of Guyana is bigger than all of us at a time when we face a challenge to our territorial integrity from our greedy neighbour, Venezuela. It is time for us to band ourselves together, and to send a message to Venezuela that we are united, unstoppable and undivided in our quest for one Guyana and our love for our country cannot be sacrifice by any other expediency, including the quest for power. This is all about power. I say today that, reason is now prevailing, even though, haltingly, I read in today's edition of the *Stabroek News*. One Mr. Vishnu Bisram, who usually would criticise me for all manners of things and would use all kind of Hindi words to describe me, said today, in his letter:

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“So the party has to begin to think of a national unity government and to re-attract those political forces it alienated and marginalised that caused it to lose such support to AFC and APNU in 2011 and 2015. The party has to reform and bring in new blood. The old timers have to make way for the young and outsiders who can bring credibility to the party. And the party must change over to the language of national unity government and through representatives of all races.”

Here is one who has been in the PPP's camp as a supporter, who is advocating that the time has come. Yesterday or the day before, I read Mr. Bato Rambarack, this time in the *Guyana Times*, saying that national unity is the only way forward for Guyana. This is what Mr. Bisram said here and I read:

“The real reason why the PPP did not want to hold discussions with Mr. Nagamootoo is bad blood. The PPP cannot forgive him for leaving his natural party, the PPP, and linking up with the PNC to oust the PPP from power. It was the popular, grass-roots Nagamootoo who pulled mass support from the PPP in 2011 and brought about its defeat with a repeat in 2015. If the PPP really had an interest in power-sharing and did not want to hold a meeting with the Prime Minister, it could have proposed a meeting between President David Granger and Opposition Leader Bharrat Jagdeo or General Secretary Clement

Rohee, instead it flatly rejected the offer for a national meeting to discuss power-sharing.”

The question is that we must not cease calling for national unity. We cannot cease calling for dialogue with the Opposition. That is why today, as I said before, we are facing a serious un-president situation, where not only do we face a threat to our territorial integrity, but we also face a threat from drought. We had threats twice last year from floods, and we also have all the types of threats to our social fabric like crime and suicide. Even though I cannot agree and it is not factual that there is any type of serious outbreak of the Zika or H1N1 viruses in Guyana, we still have to provide and band ourselves for even the uncertainty. Therefore, these are all the propagative that we have before us to unite. We cannot run away from that responsibility.

I am now seeing a World Bank Report that I received today, which is dated 1<sup>st</sup> January, 2016, it says that:

“Guyana is a low income country and the third smallest country in South America after Suriname and Uruguay, with about 800,000 inhabitants. It is the third poorest country in the Western Hemisphere after Haiti and Nicaragua with a per capita GDP of approximately US\$3,763.”

We were told, not so long ago, that 23 years ago Guyana was the second poorest country in the Western Hemisphere. That was in 1998. Now, 26 years after, we are told that under the Champion of the Earth, we crawled up one place more and that is awe. It was good reason for jollification. We are so proud that we are making it one at a time, out of 180 or 200 countries. We are proud that we climbed like a snail, one step higher. We tried to pulverise and to make points to compare 2016 with 1998. What an odious comparison? If we really had 23 years of real growth, we would have been like Singapore today, unprecedented, among the top 10 like Lisa Punch. We would have been among the top 10 of the world and we could have song melodiously to the credit we deserve. But no, we are still in the disgrace cage, locked in into our cocoon of deceit, lies, and deception that we are good and great, when over these years we have done nothing to make our country better.

Today, while the Opposition mocks at Minister Jordan for saying that we have increase GDP by 4.4%, they have to look that between 2006 and 2013, according to the World Bank, Guyana’s

economic performance has significantly stabilised, expanding by an of 4.7% per annum. Under the mighty, we stabilised at 4.7% - the master blaster. When we had the Hon. Minister, Mr. Jordon, saying that we will have to start over, things did not happen the way they ought to have happened, but we will get there, to 4.4%, it was mocked at.

Let me tell this House that, under the former PPP/C Government and under the financial wizard Dr. Ashni Singh, the World Bank said that real GDP growth slowed in 2014. Do you remember? I said the slide from US\$373 million Foreign Direct Investments slide to US\$217 million by 2013. Now they have real GDP growth slowed in 2014, it was 3.8%, reflecting the softening in global commodity prices, including gold and bauxite.

If it was valid then that one could have consider that in 2014 it slowed, at least, when I said that I will address the theme of the Budget: *Restoring and Stimulating Growth...* that the way we improve on slowing down is to stimulate. Stimulate means to give it energy; reenergise the economy. That is why this document is such an important guide for our economic development.

Under the great *Ma-Ha* Party Government, the World Bank said that real GDP Growth is projected to fluctuate within the range of 3% to 5% during 2015- 2018. This was if the PPP had been returned to Office, it would have relied on this. That we could not have done any better because the World Bank projected that we could only grow by 3%-5% and within a cycle of five months, two budgets were prepared. We had literally four months, last year, to activate a budget. So when they are talking about non-implementation of capital works, *et cetera*, for last year, the window is, they are trying to stagnate and strangle the economy by not bringing a budget in 2015, so by the time the budget was approve, we were on life support, dealing only with emergencies and priority needs out of the Consolidated Fund. We could not have gone and embark on full time capital projects to stimulate the economy and create jobs. They know that. If they had returned to office, they would have held on this as their Bible. They would have said that they could not have done better than the World Bank projected, but we are doing not better, we have scaled the 3%, we are into 4.4%. I am sure that next year, continuing with the blast of energy and the commitment of the team that is called Team Guyana in this coalition, this country will accelerate and we will move forward beyond the expectations, even of the World Bank.

Today, it is with great honour and pleasure that I speak to the issue I have spoken on. I know that it will be said that, I had not address matters that are under my remit because my Hon. Friends on the other side go to bed every night trying to strip me, and imagine me stripped of all powers. So, today I came like the beggar maid before King Fetua, barefooted, to say, when they question me during the Estimates, I will be available to answer their questions, providing they come. If they are not here, I am not obliged to tell them what I am doing. In their eyes I am stripped, therefore, I will reserve for a later date, my comments on what the Prime Minister, who in charge of domestic affairs, is doing, not only in the sector of information, but also in the sectors of good governance, constitutional reform, parliamentary management and in so many other areas that fall under me, working with my Colleagues in other ministries. I will be prepared to answer those questions.

Before I take my seat I would like to address one issue that concerns me very much because I have people who have been brought in to work in the Office of the Prime Minister, who were brought with their Master's Degree from the Bank of Guyana, others came directly from other institutions with degrees. Some of them are very highly qualified. I heard the good right Hon. Bishop Edghill referred to them as parasites and that I had taken on an addition of 11 staff and had put them on super salaries. There is no one who is working like the fat cats for \$1 million; there is no one in my Office who has a super contract; there is no one there on sinecure appointment, having gone through their political life and is just provided a job for political purposes and political patronage.

*6.34 p.m.*

There is a group of highly skills professional persons who have come on board to help the Prime Minister because the former Prime Minister, and Sir I have the figures, between 2010 - 2014 we had the figure of about \$30 billion voted for a Prime Minister to do Capital Works and he did not have the staff. I was trying to find the staff who would be implementing the Rural Electrification Programme and I was told that the staff were paid for by the National Industrial and Commercial Investment Limited (NICIL).

So they parked the money inside the Prime Minister's budget - \$30 billion over the years, but the Prime Minister did not have staff to supervise the allocation or the implementation of the money.



I am asking the Minister of Finance to take serious note of what I am saying today because I have discovered this just because of the comments that were made, branding people in my Office as parasites. I have decided to investigate what has happened to the budget that was given to the former Prime Minister. Then I stumble and found out that my Ministry was perhaps the Cinderella Ministry of all the ministries with just about \$600 million.

I realise that, having this situation, with a staff of 20 or 23 persons working, who presided over \$30 billion, I have the years here, from 2011-2014. Thirty billion dollars with a staff of 17, something was definitely wrong in the state of Denmark. The employment costs were hidden in Augean Stables of Denmark because they would say that it did not happen here.

Also, I must say this. We came in to Office just the other day and we were told how we should have been fixing all the problems that had been happening in Guyana simultaneously. As I said to the people of Guyana, “You are intelligent and you know that the Government is hardly nine months old. One did not deliver a child in nine months, probably in seven months and some in nine months, but the full nine months are what one needs to have a safe and healthy delivery”. We are not even nine months, and we are branded with a brand that says ‘fix it’.

We have to say to the people of Guyana that it not only unreasonable, it is laughable because we know that in five years, if the budget of the PPP is totalled, it came up to \$911 billion. We just came in in five months. They have to account for what they did with \$911 billion. We cannot fix it because they took the money and their \$911 billion ended in May, 2015. But before they left, they blew up the twin towers of democracy, which is accountability and transparency in Guyana. We cannot fix the mess that they left because they collected the money and walked with the \$911 billion. Now, we are starting over from ground zero, all over again and we cannot be held accountable for the damage they had done in the past.

Today, I believed that this second Budget by Mr. Jordan and his team give us hope and some energy that we are on the right track and that we have a mission to complete, despite the obstructionist behaviour of the Opposition. We shall move like the elephant, undeterred, even by the barking and yapping of the dogs at our heels. Thank you. *[Applause]*

**Mr. Jordan (replying):** Thank you, Mr. Speaker! I believe that it was a strategic move, perhaps even a master stroke of our Chief Whip, to have been able to locate the Hon. Prime Minister in

the slot that he was put. In addition to his known eloquence and gift of gab and gaffe, he has been able to successfully destroy the harsh and the useless talk of not his opposite number, because the Opposition Leader cannot be equal to the Prime Minister. And, he has saved me from the tedious task of having to respond or rebut mostly the Opposition Leader.

I am on record already as saying that I will not be responding to anything that the Opposition Leader says. That is not out of disrespect. I find it difficult and nearly impossible sometimes to even try understanding what he is saying. And, since I am known mostly to be a technocrat (I am not a politician) maybe, he is speaking to the wrong gallery.

I have also been asked by my Colleagues to remember that 29<sup>th</sup> January, 2015, was my day when I spoke for two hours and 40 minutes, or thereabouts, and that I should remember that today is Friday, and I should not dare to repeat such an exercise for such a length of time. So I can say that my time that was left from the hour can be ceded to somebody else.

I would like to wind-up these last five days of debates, and note that I said “wind-up” - I am not rebutting, I am just winding it up - by first recognising the hard work of my energetic staff, who, young as they are for the most part, have thoroughly enjoyed working with me. I want to say to them that I thoroughly enjoyed working with them, too, and I look forward to the restart of the exercise, as we work towards the 2017 Budget.

I would also like to thank all 32 of my Colleagues in this House for their steadfastness and support for Budget 2016. Thirty-one Colleagues - you will forgive me if I single out the young, vibrant and youthful, Hon. Member, Ms. Dawn Hastings, whose dynamic presentation on Wednesday night made us forget the late hour. I daresay that, even though all of your support was forthcoming, the passion and fire with which you prosecuted your tasks were symbolic of your abiding interest in our country. We should grow from strength to strength.

I would also like to thank all the Hon. Members of the Opposition, in particular, those who were gracious enough to recognise that, in spite of the prism through which we view the development of our country, we are all in it together. We can only wonder if more of their presentations could have been as focussed, constructive and stimulating as the Hon. Member, Ms. Dawn Hastings. Then we would not have been here at this hour. But, as the young people would say “They didn’t tu’n up”.

It would be remiss of me, Mr. Speaker, if I did not recognise your deftness and dexterity in guiding this House through, at times, stormy exchanges, some of which, I am aware, taxed your patience. However, your calm demeanour, even in dispensing stern warnings, was like a balm to soothe many bruised and inflated egos.

Finally, I wish to acknowledge the thousands of Guyanese for their love and support. Whether it was a letter or short note, a telephone call, a one on one in bar or on the streets, the staff and people I meet at my favourite supermarket or the vendors in the markets, I express my heartfelt thanks and appreciation. Very often, their reassurances, advice and words of encouragement came at a difficult time. Most would not know how deeply I am touched by their considerations or the extent to which they motivate me to go the proverbial extra mile. It is a tough job and when called upon by His Excellency, President David Arthur Granger, I did not hesitate to come out of forced retirement to serve. I intend to see it through to its successful conclusion.

Mr. Speaker, permit me to quickly touch on three preliminary matters, which I detected during the debates and which I thought I should make quick comments on. The first one was touched on by the Prime Minister. It seems to me that some Hon. Members of the Opposition have a problem with growing old or becoming elder citizens of the country. How else should one interpret their disparaging use of the word “geriatrics”, which literally means aged persons, when referring to Cabinet and other Members of Parliament of the Government? As we all know, in the cycle of life we are born; we grow up; enjoy the brashness of youth, the warmth of middle-age and the swan song of our golden years. But it would appear, from the contempt, the derision and wide criticisms of selective Hon. Members of the Opposition, that being old is a disease to be scoffed at and scorned. In their eyes, this group of Guyanese citizens, who are protected equally under the Constitution of Guyana, must be cast away or cast aside. I say, “shame on all of you for your miasmatic inferences.”

This Government consists of people who are not ashamed of their ages and not afraid of growing old. We are not preoccupied with grey or greying, unlike those who are seeing red when they see green and yellow. We are a Government of Grown-ups (GOG), who bring unparalleled and unmatched experience from a wide variety of fields and pursuits, which is being employed in the singled-minded, driven task of bringing the ‘good life’ to all Guyanese. Sense and sensibility

seem distant in what was once a powerful political party, now frigid and fatigued, fraying at the edges, but still exhibiting a high degree of flatulence.

The second matter I would like to bring attention to is this matter of a religious quote being introduced into the Budget Speech for the first time, according to the Hon. Member who flagged it, Madam Gail Teixeira.

*6.49 p.m.*

This matter was raised previously by my Colleague, Hon. Raphael Trotman, and I am raising it again because, in Hon. Member Teixeira's presentation, I detected a subliminal message being sent to a certain segment of their constituency. In my view, this is a dangerous and damaging development designed to derail our efforts at building social cohesion and unifying this country. Who would have imagined that the use of the simple and apt quote, "Let us rejoice and be glad!" could have attracted commentary because it was quoted from the Good Book? I think I am noted for wearing white shirt jacks. I have decided to wear peach today and I am told that I look like the swami. When asked, I understand that they meant Swami Askharananda who, I am told, actually went to a school of mine and that is a very good school. I am hoping and I am glad that it did not attract attention that I was wearing a colour symbolic of some other person's religion. Never could I have fathomed that a simple but apt quote, regardless of the book, would have raised a religious hackle. Should I ask the question whether it is now dangerous, politically incorrect, to source a quotation from a universal Christian book if, at the same time, you do not reference similar quotations from other religious books? This level of reasoning belies rational thinking, even for a fractured society such as ours. It just goes to show the level of banality that some Members utterances in this House have descended. I will have some more to say about this later in the presentation.

The third matter is that I think it has been said often enough that everyone is entitled to his or her own opinions but not his or her own facts. In this House, several Hon. Members of the Opposition have been guilty of throwing out unsubstantiated figures. For example, the Hon. Member Nandlall said that the Lotto Fund had \$28 billion. This figure has been quoted in today's *Stabroek News*:

“He added that the Lotto Fund alone has over \$28B but only \$1B was transferred according to Jordan.”

Ever since the Lotto Fund’s establishment, I do not know whether it would have had \$28 billion cumulatively. I asked for the balances and it states that, in the year 2011, the balance at the Lotto Fund was \$853 million; at the end of 2012, the balance was \$1 billion; at the end of 2013, the balance was \$1.1 billion; at the end of 2014, the balance was \$1.4 billion; and at the end of last year, after we would have taken out the \$1 billion, the balance was \$0.5 billion which is equivalent to five hundred million. Not only did the Member know that this was a patently false assertion, but it seems to be the norm in the House today. This is the kind of falsity that will soon land another Hon. Member of this House before the Committee of Privileges. I believe that it is time this is stopped. The Standing Orders of the House must be observed by all Members. This is the tactic used by a certain newspaper and every time we try to get it corrected, it is never done, and that newspaper is aligned to the Opposition. Now, they are bringing it into the House and it needs to be stopped.

I am happy that the Hon. Member, Mr. Harmon, brought a live person who told him what she told him because a related issue is the frequency with which alleged stories of individuals, who had been supposedly aggrieved, for one reason or the other, are being used by Opposition Members and their stories are being brought to this House. Such stories may be good on the political hustings but, I submit, that when it comes to them being used to buttress arguments to advance a point, the authenticity of these anecdotes should be substantiated by signed affidavits by the persons to whom references are being made. Otherwise, everyone here will come to say X person told me this and Y person told me that. This cannot be a House where those types of inferences and anecdotes are accepted, especially when it is being used to buttress someone’s arguments.

Those were the three matters that I wished to clear out of the way and I thought more needed to be said about them, but I guess they will be in the Hansard and they can be looked at later on.

*Budget 2016* has been a trending topic, ever since its delivery on Friday, 29<sup>th</sup> January, 2016. Judging by the reactions in the newspapers, radio, television and social media, this Budget has

stimulated the consciousness of the citizenry. I looked at the *Guyana Chronicle* dated 1<sup>st</sup> February, 2016 and the article is titled:

“People’s Budget - Private sector hails *Budget 2016* as ‘pro-working class’”

When last did you hear a private sector talking about a pro-working class budget? These are some of the comments being made:

“The \$230B Budget presented by the APNU+AFC Government will set the stage for massive development in Guyana.”

This is in the words of Clinton Williams, immediate past President of the Guyana Manufacturing and Services Association (GMSA). It is a people’s Budget.

“It is a pro-working class budget. It sets the stage for the good life that the coalition Government has promised the people of Guyana.”

And I may add after that quote, “and we are keeping that promise”. Going on further, Mr. Williams said:

“The rebuilding of physical infrastructure - such as roads, bridges, airstrips and harbours - is critical for the development of the country. Investment in technical and vocational education is critical for our existing manufacturing sector, and also for the mining sector and the emerging oil and gas sector, among others.”

In the same newspapers:

“In addition to representatives from the private sector, the Guyana Trades Union Congress (GTUC) was among organisations that applauded the Government on this year’s budget. The GTUC has said that the Government’s decision to await the conclusion of discussions with the unions before announcing salary increases for public servants ought to be applauded.”

So, if the key partners in society – private sector, trade unions, members of civil society, others - are very much in favour of the Budget, not to say that there are no criticisms of the Budget but their general view is that the Budget is pro-working class, pro-business and aims to put the

country on a higher growth path, then I do not suppose that we have any need to debate in this House. There is probably no need to debate *Budget 2016* for the opportunity to do so was not provided by our erstwhile Hon. Members on the opposite side of the House. Listening to the Opposition Members, one gets the impression that they did not read the Budget speech or, if they did, they did not understand it. We were treated to more of the same jaded, tired, worn-out mantras and messages: the Budget is anti-poor; the Budget has nothing in it; the Budget has repackaged programmes and so on. These messages are so familiar that I would be forgiven for suggesting that, in future, it may save us time and other costs if the Opposition is invited to simply submit their statements so that they can be read into the Hansard. Then, again, they might feel a tinge of obligation to earn the pay increase they were given as part of the increases for all Members of Parliament (MP) and not just the Ministers. Some told the public that they were going to give it and were not going to take it, but my investigations have suggested that everyone has taken it. I am not saying what they are doing with it, but all I am saying is that all Members have taken the increase and nobody has given it back.

It may also be that they are going through the motion for the sake of their constituency. I got this distinct impression from the Hon. Leader of the Opposition, whom this House did not have the honour of his presence during the reading of the Budget speech, even though he was within the precincts of the Public Buildings. Such disrespect for this honourable House must not be countenanced. His remark was that we were seeking to increase the unemployment of youth. My response was that if that is the only thing that can be found to criticise the Budget speech, then this Government must be doing something right.

The Hon. Leader of the Opposition's press conference, immediately after the presentation of the Budget, and his more than hour long harangue in this House, today, continued the trend and convinced me more that the Opposition, led by its Leader, had made up its mind about *Budget 2016* as it did, indeed, about *Budget 2015*. In the Opposition's mind, it is all doom and gloom, conjuring up conspiracy theories and adopting fear and scare mongering tactics. The lessons and reality of 11<sup>th</sup> May, 2015 still seem not to have been grasped.

Here, I am reminded about *Pogo*, the possum's quote in the Walt Kelly created classic newspaper comic strip:

“We have met the enemy and he is us.”

Indeed, we are our own worst enemy. We continue to *bob and weave*, attack and counter attack, *play to the gallery*, especially now that there is live television, radio and the wider social media coverage of these debates. We continue to be engaged in “*old talks*” as the Trinidadians are wont to say. And *old talk* is what we have heard for almost two hours. “*Budget 2016* has very little,” is old talk.

The Hon. Leader of the Opposition attempted to teach me Economics, quoting John Kenneth Galbraith. I was enjoying myself. In this House, you have to enjoy yourself, lest you fall asleep.

7.04 p.m.

I want to tell the Hon. Leader of Opposition, as he well knows... [An Hon. Member: ...that he is not ready yet.] I would not tell him that. In less than eight months on this job, I have been invited by the prestigious Harvard University, for the second time, as one of only 10 Ministers of Finance to attend a five-day leadership workshop. We will be sharing experiences. Obviously, I will be learning a lot more than I will be able to share. I do not say this to boast or anything; I do not wear my experiences nor my qualifications on my sleeves. Most of the people who know me know that. I say this because I am serious and committed in what I do and no amount of adjectives such as “incompetence”, “unprofessional” and all of these words that are being used by an individual who... At last year’s debate, I already gave a whole background where those words could comfortably fit the Hon. Member. No amount of those words will faze me. A person’s works and what the people think are what are more important.

The Hon. Leader of the Opposition continues to talk about Amaila. What is it about Amaila Falls that causes this bull in a china shop reaction? We are not telling any untruths about Amaila Falls. We said a lot about it last year and, when I got up to make the intervention and to make the correction, it is exactly what the Budget speech has. It is that, “in its current configuration...” It is right here, actually; *Guyana Chronicle*, published on Monday, 1<sup>st</sup> February, 2016 quoted me absolutely correctly:

“Though not considered to be viable in its current configuration...”



That is what we said. We never said that we threw away Amaila Falls or discarded it. In the same *Budget 2015*, we said we were working with the IDB on an energy mix. Amaila Falls was one of the falls that was being considered in that mix. So how could we have said that we discarded it? Are you *playing to the gallery*?

As recent as December, we met with Norway together with IDB. Just before that, the President of the IDB met with President Granger at the United Nations (UN) and Hon. Vice-President who was in that meeting, could tell you exactly what was said. What was said and reported by the Vice-President to us is exactly what the President of the IDB told me when I went there for his re-election for the third time. They were happy to finally get away from this project. They spent a lot of money on it and it is just not viable. We have documents on it. So whatever he brings to this House are dated documents, long ago documents, feel good documents; Guyana is a member of the IDB and so on and so forth. As of now, IDB is not engaged as it relates to providing funding for this project.

They were there in France when we were there in December of last year at the Conference of the Parties (COP) 21 meeting. We were invited there to meet with Norway and IDB also. There we said, "We have never been against this project but what we are saying is that this project is not configured in a way that would benefit Guyana." Indeed, we have all reasons not to even want this project. A very good one is the one that the Hon. Prime Minister came up with. This project has the tendency to dry up. So, you are going to have a lot of redundancy, Guyana Power and Light Inc. cannot give away its equipment; it has to keep them there. [Mr. Patterson:

Increase it.] Yes. If the Amaila Falls were to generate 150 megawatts, you have to have that to match when it is not there. Can we imagine we are going to put the hydro project in Essequibo and then bring it all the way to Demerara to share out on the coast and leave poor Essequibo out? It does not touch a single place in Essequibo. How should the Essequibians feel?

Norway said, and we agreed, to do a final review to put the whole thing to rest. That is the stage we are at. The Ambassador of Norway to Brazil was here two weeks ago and we had a good discussion. We are at the stage where they are giving us a name of a firm that they will wish to contract. We have a difficulty with that name and we are intending to tell Norway that we have a difficulty with that name. So, we are asking them to give us two or three more names so that we can pick one. That is the stage where we are at. Once we contract that firm, that firm will come

here and do the due diligence and the work which has to be done before June. Then we will know once and for all. Do not prosecute the case anymore. That is the stage where we are and that was told to him by the Norwegians when they were here two weeks ago. Do not bring the case here. We all know this. There was a big photograph of him in the newspapers with the whole Norwegian team. That was told to us. I think he is free to bring whatever he wishes to the House, but I think the House needs to know where we stand on this matter.

The central occupation of all of us is the achievement of sustained growth and job creation. Through the harsh and difficult times last year, we were able to steer the economy to a 3% growth. I think people do not realise the magnitude of that achievement. The previous year from which the economy has started to slide – and, if they want to use the fancy word, “tanking” - we had moved from a growth rate of about 5%, in 2013, to 3.8% in 2014. Given all that happened in 2014, from the time Parliament was shut down to the time it was prorogued to the time it was dissolved to Elections to the post Elections antics of the Opposition...

**Mr. Speaker:** I believe the word “antics” should not be part of the expression. Please proceed.

**Mr. Jordan:** Hon. Speaker, is “contretemps” a good word? I am just asking because I would not use it if you say no.

**Mr. Speaker:** The Hon. Member might wish to repeat the question that he has addressed.

**Mr. Jordan:** I am asking, could I use the word “contretemps”?

**Mr. Speaker:** The Hon. Member cannot use the word “antics”.

**Mr. Jordan:** Given all that took place last year, I think it is a tribute to not so much the resilience of the economy because I do not think that our economy is very resilient, but it is a tribute to the management capabilities of the young Government that came in, backed up by a strong performance in gold that allowed this economy to achieve the level of growth rate. The theme of this Budget, because of the 3%, because we are rebuilding and, as we also said in the Budget speech, because there was some degree of loss of confidence by a number of actors in the economy, most definitely the business sector and the consuming public...we have to restore that confidence in this Budget. We have to build back that confidence, even as we stimulate growth to put this economy on a higher growth performance. Why, with all the growth we are talking

about and all the decades passed, nine consecutive years of growth and all these things, unemployment is still one of the highest in this country ever? That was jobless growth. You come here and you talk about youth and we are not finding work for youth. Nine consecutive years of growth you are claiming and the unemployment rate, which you do not want to put out...when last did they put out an unemployment rate that was backed by statistical credence?

Anecdotally, the national unemployment rate hovers between 15% and 25%. In some regions, like Linden, it could be as much as 60% or 70%. There are not much jobs there. Who are the beneficiaries of this so called growth over the last couple of years? Look around and see. Who owns the palatial mansions? Who cannot get water? Who cannot even see light up to today? Yarrowkabra, a scheme that has been there since the 1970s, like many areas, has no light. Many areas have no light, no water and no roads. Look at several communities. Where is the money? "Where is the beef?" he asked. Go look and seek to find it.

What we are seeking to do in this Budget, in nine months...they had 23 years. Let me divert a little bit. I am not as good as the Prime Minister, but I am getting there. They are talking about repackaged projects. This is by PPP, that is by PPP and everything is by the PPP. We have been here for only four months. What do you want us to do? Do you want us to dump every one of them? I will tell you about something called fiscal space just now.

When the last Government came to office in 1992, 6.1% in 1991, 7.9% in 1992... They could only claim credit from 1993 onwards because election was in October so they could not claim the 6.1% and 7.9%. All this talk about the economy had decayed and all kinds of things...those are the two figures that they met. The PPP Government, in those 23 years, in the first four or five years, was implementing projects that were set up by the People's National Congress (PNC). Go check the records. We are not blaming them or telling them anything for that. It is the nature of the business. You cannot just come in and dump projects that you have already started and loan funds have already been expended just because you have something called "your projects". By the way, if a project is started by the PNC and finished by the PPP, who do you think is cutting the ribbon? Do you think that people will remember that it was started by the PNC? It is the people who cut the ribbon who get all the praise. You know how well these people were when it came to knocking out anything that the PNC did at that time. So, what is wrong with these projects that they have borrowed big money for, that has to be paid back, being continued and

finished? These projects are crowding out the fiscal space that we have and we cannot bring our projects in because we inherited all these projects, many of which have enormous problems.

For the Cheddi Jagan International Airport (CJIA), almost half the money is already advanced. The loan is US\$130 million. Half of \$130 million is \$65 million. Sixty-five million United States dollars has already been advanced to the contractor. That is before we came in. Go there and see if you see US\$65 million worth of work on the CJIA. The work stopped.

7.19 p.m.

Negotiation has to be restarted. A US\$130 billion project going nowhere is what we inherited. Credit must go to the youngster who has been able to put together something and will be restarting soon.

Specialty Hospital: Over US\$4 million has gone down the drain. The Hon. Member met me in the food place, “Winston, give me an evaluation report.” I said, “The thing was manipulated to give somebody who did not even build a health hut, much less a specialty hospital.” “No, go and ask the evaluators,” and so on. We ended it there because you know the thing. But what is of no denying is that, out of a US\$18 million loan, US\$4.2 million was advanced to Surendra Engineering Company Ltd., and, eventually, the Company was found in our Courts to have defrauded us and has been asked to pay back over \$500 million. We have not heard from them since, and we wrote the Government of India and said, “Close off; we do not want this project anymore; it is not a priority; let us use the money and build what are priority projects - three primary health care centres in diverse areas of the country.” They (the Opposition) are talking about repackaged projects; we said we do not want it. They create all kinds of noise that put different people to put pressure on us to bring back specialty, tourism, *et cetera*. They talk all kinds of stories.

The Government of India, gracious as it is, came back to us and said, “You already expended US\$4 million. Why do you not continue with the Specialty Hospital and we will give you another loan for US\$14 million to do the primary health care?” But we did not *look the gift horse in its mouth*. We said, “Okay, we are getting two for one virtually. Before, they did not have the US\$14 million. By the way, the US\$14 million is not their loan. We went and got that for the three primary care health centres. So, there is a US\$18 million project. By the way, when the

US\$18 million loan was given to us by India, there was no project document telling one that \$18 million is the amount to be used for a specialty hospital. You got a loan for US\$18 million, then you had to come and design a project for \$18 million and that was about two or three and a half years ago. At that time, US\$18 million could not even do, but we would have had to stretch it. You take out US\$4 million out of it and left US\$14 million. Three years afterwards, who is going to build a specialty hospital for US\$14 million? But this is the kind of thing, the rabbit kind of thing, *out yuh hole, in yuh hole; one trick, two trick*. They know to put the Government under pressure. First, "It is our project they brought back - re-packaged." Make political hustings or mileage out of it. Second, "Put them under pressure. Tell them go out to tender." That will delay us for another nine months or so. In the meanwhile, you put them under pressure again and so the whole thing is coming together. It is not only this project; there are many other projects. The whole strategy is coming together. The strategy is to frustrate the Government while, at the same time, saying the Government is not doing anything. So, you are doing a pincer-like movement from both sides. Well, it is the Government which has to decide whether it is going to be crushed by this pincer or crush the pincers. They can do what they want. The people who were aggrieved in this process, who know about building specialty hospitals - not this "Mickey Mouse" we building here - massive, grand things all over the world, came to our rescue and they said, "We will try and see what we can do with the \$14 million." [Mr. Patterson: Exactly \$13.8 million] Yes, \$13.8 million because it is \$4.2 million they took.

*Mr. Chairman hit the gavel.*

Sorry, Sir.

These generous people came to us and said, "We will do it. *Come hell or high water*, we will do it. Let us sign a Memorandum of Understanding (MoU) to that effect." And then there are all kinds of people crawling out the wood work; all kinds in shapes and fashions, crawling out the woodwork touting transparency, accountability, *et cetera*. An MoU, not a contract yet....for somebody who was aggrieved and wrongfully aggrieved in the whole tendering process comes to you and says, "We will do it. We want to do it. We want to show what we can do in this part of the world and let it be a demonstration."

And, Mr. Speaker, I can report to you, true to their word, as of this morning, they brought the designs. Using the piles that they met there, they were able to readjust a design. So, it is now a question of our consultants meeting with theirs to make certain everything is okay and so on, which can be done in another week or two, then we move on to the stage of getting this contract in order and having the first pole go up in the air, and they will build a wonderful specialty hospital.

It is the old trick “*run and hide*” talk that they do not want to build the specialty hospital because it is a PPP project, but, at the same time, frustrate the projects so that it does not happen. Once there is a project, there is a demonstration effect. You could tell the whole world that that project was started under PPP but it was built by this Government and we have to make it work. Every project, whether it is theirs, ours or whose, we have to do all that it takes to make these projects work; implement them on time and show the world what we are capable of.

Where I am concerned, I do not bother with the hot air and the hot noise that is made. I figure, as I said before, by your works thou shall be judged; it is not who wins the best debate and who comes out here blowing steam, fire and brimstone. Your works are what the people will judge you on. Five years from now, you cannot tell people you won a debate against the Hon. Leader of the Opposition or we were better debaters than them in the House. What have you done for me? will be the question asked and, if you cannot answer it, then we will be old men and geriatrics for real.

This Budget is meant to stimulate higher and sustained growth in the economy, and that is exactly what we are trying to do by spending \$230 billion on policies, projects and programmes that will lead us to the good life, one that we expect to enjoy in a green economy.

Our Economy is being built so that it can withstand emerging challenges. Let us be clear on this. Our economy has been experiencing indifferent growth for a long time, and I have made mention of that. Sure, this year will mark a tenth consecutive year of real growth and we will achieve the 4.4%. So, this year, once achieved, it will be the tenth consecutive year of real growth and we shall be proud of that achievement. In my opening speech in the 2016 Budget, I said successive Governments. I did not leave out the PPP. I said successive Governments, from since 1966, have attempted to mould this nation. It is a fact of history. You cannot wish away the PPP. They were

part and they still are, but we cannot continue to enjoin a group that still remains petulant. When they finish that, they may yet come. So, our door will be kept open. In the meanwhile, we got to do what we have to do. We cannot dissipate our energies chasing after an angry individual, an angry party or a party which believes that the only time it will cooperate is when it is in the driving seat; that is absolutely juvenile behaviour. We will keep the door open, recognising the contribution that they could make and we are prepared to collaborate when they are ready, but, in the meanwhile, we will continue to build this country.

Ten consecutive years of growth is something to be proud of, except that the growth remains susceptible to the vagaries of international conditions and the challenges of the domestic environment. We need to remove the structural rigidities that impact on the productivity and competitiveness of the economy. But let us be clear: there are no overnight solutions to this. Establishing granite pillars on which our economy can stand strong requires a long-term solution, backed by comprehensive reforms that are resolutely implemented.

The 2016 Budget has launched a phase where we are seeking to diversify the economy, that is, to try to put it on an unshakeable foundation. We are not saying that this could be achieved even in the first five years, but a start has to be made and one will go brick by brick, ensuring that the foundation is becoming stronger. What we have to do is stop this business of growing today and falling down back tomorrow because, in effect, we are not growing; we are just recovering. I remembered back in, I think, May or June when His Excellency came and made his inaugural speech to the Assembly, I had indicated, for youngsters who probably do not know, that there was a time when we were doing consistently over 300,000 tonnes of sugar in the 1970s and over a million plus tonnes of bauxite in the 1970s. Today, when you are doing 190,000 tonnes, 210,000 tonnes, 230,000 tonnes and, this year, 241,000 tonnes, you are talking about growth. But how can it be? You were doing over 300,000 tonnes in the 1970s, with productivity far greater than what you are doing here today. We have to stop this business of stop-start, stop-start and start growing. This is the problem we have gotten and we have invested so much money. People do not realise the amount of money that has come to this country over the last 23 years. We may not have been like Singapore but we might have probably been half way to Barbados' per capita income. The amount of money that has come to this country in the last 23 years, check it and you

will see. Billions of US dollars were wasted, appropriated and misappropriated. So, where are you today? You grew by 5%. When you check the growth, it is sugar, gold or some other thing.

None of these industries, growing as they are, can absorb the kind of labour that is being in the form of school leavers, university leavers and so on. That is why you have this push for out migration. We are creating jobs but, with the billions that had been put into this economy over the last 23 years, we should have been half way to Barbados' goal, not necessarily Singapore's. Had we invested that money... What do you have today? A lot of white elephants – over US\$200 million for Skeldon, plus another US\$60 million to get it nowhere... You could look at all of them: Amaila Falls - a road going to nowhere, US\$50 million plus; Enmore Sugar Factory packaging plant...

On the obverse, you could look and see who have the palatial mansions. I say no more.

*7.34 p.m.*

Budget 2016 is trying to diversify the economy, trying to put it on an unshakeable foundation as well as restore confidence and, in so doing, reduce poverty and accelerate the pace of development. From 3% last year, the economy is projected to grow 4.4% this year as the state's spending, especially in infrastructure across the country, acts as a catalyst to the construction industry, while lower fuel and electricity prices stimulate the manufacturing sector and boost consumer spending.

Our growth agenda was built on, more or less, four or five broad areas. One is fiscal consolidation. We must have that. We must have a macro picture that is conducive and sustainable - conducive to stable economic growth, conducive to investment and it must be stable as we said. It cannot be up and down. There must be growth that people can use as a basis for further investment, spending and income that will create employment not jobless growth. It is growth that will create sustainable employment, not jobless growth and not pretence employment but employment where people are doing productive work.

Fiscal consolidation centres on the maintenance of a fiscal deficit and a debt profile that does not impair the capacity of the private sector to fulfil its role as the engine of growth and the generator



of employment in the economy. Already, at 4.7% of GDP this year, the projected fiscal balance for 2016 is below that recorded by past PPP/C administrations over the last two years.

Let me deal with a detail that was not brought to the public's attention, as I said before. It is the issue of fiscal space. Fiscal space is the amount of manoeuvre room that a government has to implement, let us say, some of its pet projects and programmes. Within a framework of a 4.7% GDP it may mean that the government can implement x, y, and z programmes, except that it has just come into power and has all, if you want to call it, these rollover projects from the last regime, to give a sense of what I am talking about. That space, which was there before, has now been crowded out by the rollover projects that it is forced to do. If there is a nice project, such as a road to Lethem, that would cost US\$200 million, even if the money could be found to do the project it would widen the deficit and there would be some problems. To implement the project, it would be required to crowd out rather than crowd in a project that was inherited. That is the dilemma that one is faced with. We have not come here with that because it would be said that we are making excuses, but that is the dilemma that we are facing.

To crowd in our projects, right now, over the last nine months, we would have to crowd out projects that we came and met, if we want to keep a sustainable deficit. All the projects can be crowded in, if we want, but the deficit will balloon. A ballooning deficit - unlike the economics that my honourable friend did in which he said 5% (GDP) and 6% (GDP) could be done - adds to debt. Debt is an accumulation of deficits and a deficit is borrowed money, unless a country owns a pot of gold, such as Trinidad, the government could run down its reserves. I do not know what economics he did, but it is a good thing to be able to say that our economy is in safe hands. It may not be Fort Knox.

What we have to keep doing is widening that fiscal space in a sustainable manner and begin to crowd in our projects such as the new Demerara Harbour Bridge - they might say it is theirs too but none is there and there is no project, so it will be ours - road to Lethem, extension to Kwakwani, waterfront harbour, \$1 billion plus, aerodromes and airstrips development, and all the projects that we are putting out there. Those projects are getting people excited. We are talking to the donors, trying to do work on our domestic fiscal capacity because that is extremely important. No one wants to help if one is not going to help oneself. I will quickly come to that.

It seems as if trying to make most, if not all, of the people pay their taxes is a big issue. You would have thought that this particular area would have at least got cooperation and collaboration but it is not so. It is a big issue; we will go to court.

Fiscal consolidation, as I said, in addition to keeping a sustainable deficit there also has to be a sustainable debt, because the debt has to be paid back down the road, and that debt is obviously paid out of current income. The more debt there is, the more amortisation and interest, it means less is available to spend on education, health, hinterland development, and so on. There has to be a judicious mix between debt that we are creating today and the expenditure we want to deal with.

We have been accustomed over the last 20-something years to what is called ease of borrowing, which is concessional lending. Growth over the last years, which people tend to forget - with the rebasing of the GDP in 2010, that saw Guyana's GDP overnight automatically increase by 67% - has thrown Guyana out of low income status into low middle income status. We could applaud this because we are no longer low income but are now low middle income. We are going up with the big boys, except that it comes with disadvantages. One disadvantage is that we are not going to get the kind of concessional lending that we would have had in the past. This is now facing Guyana as a frontal reality - that we will have to expect increasingly what is called "hard lending." Therefore, since we are still in this concessional mode, our access is very small. Whether it is from the World Bank, Caribbean Development Bank (CDB) or IDB our access is not the same as before. We have to find other ways of increasing the lending envelope so that we could implement our projects. One of the approaches we are trying to use is to broaden our range of donors from which we are seeking funding. Sometime this year, hopefully by mid-year, we should be accepted as a member of the Islamic Development Bank. We are on the final leg at the moment. Our application is being done on a round robin basis by the Board of Governors and, hopefully, before the middle of the year we would hear the good news. That would open another avenue for lending for us. We just had a lovely grant made available to us by the United Kingdom Caribbean Investment Fund (UKCIF), in which \$120 million in grant funding will be made available to us to do a number of projects. We are extremely grateful to the Government of the United Kingdom for making this assistance available at a critical time.

We will use other strategies, including what is called blending of grant resources with loan resources to double the envelope. We already had two of these types of arrangements, one with respect to water and another with respect to GPL where the envelope doubled overnight. I think the whole resource available to GPL is in the region of \$140 million, instead of \$70 million to which it had access. We are doing things to make certain that funding would be available to the country so that we could progress with our projects. I would ask that our public service be reformed so we could implement these projects as quickly as possible and not to lose on time and the quality of the projects that are being done.

On the matter of tax reform, I know what we said on the 100-day plan. A lot of things are said on the hustings. I always remember the caveat that whatever we say now is dependent on what we meet when we get into power. I seem to remember hearing that a lot of times on the hustings. When you get into power you see something different because this is not a country that makes information available. The little that you get is literally like pulling a tooth. It is easier to go under a root canal procedure than to get information out of the last Government. When you finally see the information that is available, you realise that some things cannot be done. Unlike the Opposition, which seems to have a thing about saying sorry or I cannot do it or going to the people and saying it is not there, we are not going to do that hocus-pocus. We went to the people and said we cannot do it. We thought we could do it but because of what we are seeing in front of us we cannot do it, but we have it in mind. We set up the Tax Reform Committee and let us see what it is coming out with. This is the Tax Reform Committee's report that was presented to me on 18<sup>th</sup> January, 2016. This report is going to be before the Cabinet, although each member already has a copy, and we will be discussing this report. The report has some interesting recommendations. I think I had an interview with a newspaper in which I referred it to the recent changes in Trinidad where the people asked for a VAT reduction and got it. Now in Trinidad VAT is 12.5% and 6%. What they did not ask for they got, which is to implement 12.5% and 6% meant almost all the zero-rated goods had to be taxed. It is because the base has to be broadened. You cannot ask for more zero-rated and exempt goods and still ask for 12% and 6%. If you want to do that then public services cannot be made available.

Somebody was scoffing today on the Opposition benches that "they said that after the elections they are going to increase rates and taxes." How many years ago have the rates and taxes been

increased? It has been 20 years. Mr. Speaker, I am not ashamed to tell you that I live in South Ruimveldt, still a reasonable middle class – not that I am middle class but still a reasonable middle-class area – and the rates and taxes per year is \$8,000. I do not have a palatial home but the grass cutter cannot be paid - one time - for cutting the grass at \$8,000. Yet for a whole year, you are paying \$8,000 in taxes and you are demanding every service that we used to get in the 1970s, when the money could have done... demanding garbage collection.

*7.49 p.m.*

As it is known, when the garbage people strike and others come around, they demand \$500 a bin, two bins will be a \$1,000. Some others, as the strike bites, they will take \$800 a bin and two bins will be \$1,600. A resident is paying \$8,000 a whole year and then what. Some people are paying \$8,000 indeed, but they tacked on a shop underneath, so now it is half commercial and half residential and the taxes are supposed to be higher. There are all of those problems which cannot be hidden and this has nothing to do with political hustings. It cannot be said, “Well, the central Government, through fiscal transfers, is going to give the money.”

First and foremost, the thing about local government is that it must be able to finance itself. The Government will support. But it cannot finance itself if it is having the year 1995 taxes in the year 2016. That is a fact of life. I always used to tell people that the day the Mayor and City Council starts increasing taxes we are going to bawl because it is for 15 to 20 years, or whatever the case maybe, we are paying the same rates and today. These are peppercorn rates. We want first class services for peppercorn rates. It is a fact of life.

Which brings me into the licences: most of these licences, which are being increased in the budget, are not being done so for any revenue...I mean, they bring a little revenue but most of the licences are regulatory. The last time most of these licences were increased, and I have the facts here, it was 20 years ago. I see people kicking \$10 coins now on the road, people are no longer picking it up and putting it in their pockets. When I bent to pick up a \$10 coin, one guard laughed at me he said, “Chief, you picked up that \$10 coin? You know how long it went there?” And that is the reality. People do not have time with \$10 coins. Some of the licence rates were good, 20 years ago, but 20 years afterwards, how can it be the same? It is not worth it. That is why part of the whole enforcement became lax because people would tell you “Why it is you

want us to think over this?" The paper alone is worth more than that. So we either get rid of the thing completely or we seek to move these licences to some level and it will never be cost recovery on them, but to some level that makes sense. In many of these cases here, that is what we saw start to happen.

While I am on these licences, let me correct some things that I know are floating around in the press and of which they have made heavy weather. Before I do, let me read the little quote from the Tax Reform Committee that I wanted to say.

"There is need for greater buoyancy in the tax system, since revenue, as a share of GDP, had not risen very appreciably in recent decades. Weak tax administration is an underlying reason for this suboptimal performance and revenue fluctuations from year to year is partly due to economic and revenue susceptibility to external shocks. However, in recent years excessive granting of tax exemptions, waivers and other concessions, including VAT zero rating of most basic commodities, has stultified the revenue enhancement effort. Therefore rolling back of such exemptions, waivers and other concessions is considered necessary".

This is the tax reform report which is completely independent. I made certain that no Government person was on it. They could not say that we have any biasness in it. Then finally this:

"Broadening of the tax base is required so as to both reduce the burden on existing individual and corporate taxpayers and enhance the revenue contribution of the hard to tax self-employed, the significant number of the un-incorporated businesses who paid little or no tax and those who make up the relatively large informal sector. Data provided by the Guyana Revenue Authority show that the Value Added Tax is not being applied across the country and is widely ignored by significant segments of the economy. These data also point to an appalling level tax evasion among professionals with only a handful of doctors, accountants and lawyers reporting that they meet the minimum threshold of gross revenue of \$10 million per VAT registration".

That was two choice quotes from the tax reform report. We intend to study this and make it available after we study it and hope to begin implementation of the report, as we said, hopefully from the Budget 2017.

As it relates to the restriction of vehicles under eight years, please note, and the Bill is before the House for passage, it excludes heavy-duty vehicles, including trucks, lorries, vehicles used in the agricultural and industrial sectors and special purpose vehicles. Only motor cars, SUVs and so on will be affected by the age limitation.

Secondly, I know English is a troubled language. It is very difficult perhaps because it has some level of Latin in it. There was no measure called the banning of tyres, as yet. There was a notice of intent that was given in the budget speech of the eventual banning of these tyres. When we do, it will be restricted to these motor cars, SUVs, and so on, but not for tyres to be used in the exemptions as it relates to heavy-duty vehicles, and so on. We are not moving to that level and certainly not in a hurry. I hope it is clear for those who continued to ask about it. I also hope that it is very clear that the notice of intent to ban the tyres, as explained just now, was meant to give whoever are importing these tyres, and so on, some notice. It is a long notice so persons would not come and say it was sprung upon them. In addition to the fact of all the things we have said, the notice was given for that reason.

Then I talked about the increases in the various licence fees, but let me tell you what is not known... The Bill is before the House, so there is nothing I am making up. I believe the Bill had been circulated yesterday in the House and those who want to read could read. You do not have to be a lawyer, it is plain English there.

As it relates to requirements for compliance with the Tax Act, prior to being issued some licences, these will include hotel, liquor restaurants, malt and wine, spirit shops and member's club, and so on, applicants will be issued with a temporary six-month licence after this law comes into effect. Applicants will be issued with a licence if they are not complaint with the Tax Act. Persons will be getting a six-month grace to put their house in order. However, they must pay 50% of the amount of licence fee and they will have six months to be complaint with the Tax Act. What that compliance means? It means that they will have six months to put themselves in order as it relates to them getting their taxes up to date or that they would have made some

arrangement with the Commissioner-General that their taxes are up to date. We are not trying to put people out of business, with all this scaremongering and all the other tactics that are being used.

The Constitution provides that people must work. Hon. Member Mr. Nandlall does not have to remind us. Most of us if, not all of us, know that and we were obviously conscious of that fact when we were putting together these amendments that there was that right. That is why we also made arrangements... What bothers me is hearing things from the Hon. Opposition Members that we are inconveniencing the poor man. Where are they going to find the money from to pay the taxes that they owe? Could you believe that you are actually hearing these things? The law, as currently on the books, states that everybody must submit an income tax return by 30<sup>th</sup> April of the year following the year of income.

Is this so hard? Now you find yourself in *purgatory*, as it said. And we are recognising some of you might be in that *purgatory*. We said make an arrangement to pay and the persons will be issued their licence. We are not taking away anybody's thing. Even though that person fails to submit his or her return, which is an offence punishable by whatever fine, 2% or whatever it is, plus the taxes which will attract a late fee, and all these kinds of things, that it is a matter for you and the Commissioner to make a satisfactory arrangement for payment. What is wrong...all of us who are receiving salaries, right there before we could even get it, *tax man* has gone with it. We pay for all those people who are either cheating the tax by not paying any or cheating it by filing false returns. I am tired and all of us are tired of paying for people who are doing that. I worked more years than I could and I still cannot afford some of the palatial mansions I am seeing today. I moved in South Ruimveldt in 1986 and I am still there, 30 years after, and I would love to move out because every time the rain set up, I have my sand bags ready. I just cannot make it, but I see people half of my age, some of them in this House, who are living in mansions I would only pass by and wonder. I would love to live in one. I am not for one moment suggesting that they did anything nefarious, but all I am saying is that I look up and I wonder: what did I do wrong? I paid my taxes.

Everybody talks about tax reform but when the tax reform is to be done, everybody is then saying, "hold on, let us think about it again." We have got to stop thinking and start doing. This budget is the beginning of doing and as soon as we could begin collecting the taxes, which we

know are out, there all the demands that are being made on us to reduce corporate taxes, income taxes, increase the tax threshold, and so on, can now become in the realm of possibility. But, as of now, those taxes remain out there. It beckons and it is coming closer, but we have to put the measures in place to bring it into reality. These measures, which we are putting in here, are the beginning of the total reform of our tax system, which we promised and which we would put in place. It is pain today and gain tomorrow.

As soon as this base begins to broaden, we will see taxes coming down, but we must have equity in taxes. Many of us should put up our placards and say we are tired of paying taxes alone because it is coming out of our pay as you earn (PAYE). All those other people there, what have happened to them? They do not pay taxes and they demand the same set of services. I think it is something that we were going to get knock for but, yes, we have to show that we are strong enough. We are not knocking back, but we have to put it out there and that is why everybody should be paying their taxes so that everybody could earn and gain the services.

*8.04 p.m.*

This has been out there as a political spinner but I am going to put it to rest today. Maybe it was not very clear but it is here now. No compliance certificate is necessary when applying for licences under the Tax Act. Now that may sound...What am I saying? I am saying that for example, driver's licence and motor vehicle licences are not governed under the Tax Act. It is to turn up and get your licence. Persons are not going to be asked if they are compliant. We will catch them in other ways. It is not with driver's licences and motor vehicle licences. All the talk of there being a long set of lines waiting for driver's licence and it will clog up the system, does not affect certificates under the Tax Act. Since driver's licence and motor vehicle licence come under the Motor Vehicle and Traffic Act. That is all. It is not the Tax Act. It is here, we have put it out here; we are not hiding. It has been shared out since yesterday. The media and everybody got it. As such, it does not require compliance with the filing of returns prior to being granted such licences.

Now, this entire issue, about us reducing taxes on liquor... Can you image that a Government is reducing taxes on the liquor prices? It is the strategy. I will tell you it is to put it out there so that



we would waste our energy trying to explain, whereas all the other things that we should be doing have gone astray or got left behind. I will not succumb to that kind of tactic.

Coming close to my conclusion, I am saying that we must seize all opportunities presented and provided, to put this country on a better footing. I was not a very good literature student but now I appreciate Dr. Roopnarine and literature – better. As Shakespeare wrote in *Julius Caesar*,

“There is a tide in the affairs of men, which taken at the flood, leads on to fortune; omitted, all the voyage of their life is bound in shallows and in miseries. On such a full sea are we now afloat, and we must take the current when it serves, or lose our ventures.”

We have to seize the opportunity. We have to band our bellies together and move this country forward. This is what we have been elected to do. It is our duty. We have been in Government for a mere nine months. During that time we made solid progress towards stabilising our economy and our country. We have weathered the stormy seas; the restoration of public confidence is on its way. Now, we are ready to move our economy on to that path that will bring the beckoning good life closer to reality.

I thank you Sir. [*Applause*]

**Mr. Speaker:** I thank the Hon. Minister of Finance for his statement. Hon. Members, we have exhausted our list of speakers for today but our business is not concluded. Before we adjourn, we will consider and dispose of the report of the Business Sub-Committee of the Committee of Supply on the allocation of time for the consideration of the 2016 Estimates, Estimates of Expenditure of the Committee of Supply. We will have to go into the Committee of Supply for this purpose.

*Assembly in Committee of Supply*

**Mr. Chairman:** Hon. Members, I wish to report that the Business Sub-Committee of the Committee of Supply met yesterday Thursday 11<sup>th</sup> February, 2016 and considered the allocation of time for the consideration of the 2016 Estimates of Expenditure in the Committee of Supply. The Sub-Committee passed a resolution on the matter. Copies of the Sub-Committee’s minutes, resolution and schedule have been circulated. Will the Honourable Minister of Finance kindly move the necessary motion?

**Mr. Jordan:** Mr. Speaker, I now move:

“That this Committee doth agree with the Business Sub-Committee in the said resolution.”

*Question put and agreed to.*

**Mr. Chairman:** Hon. Members, the Committee of Supply has been allocated five days for the consideration of the Estimates. Considerations will begin on Monday 15<sup>th</sup> February, 2016 at 1.00 p.m. and will continue thereafter on Tuesday 16<sup>th</sup>, Wednesday 17<sup>th</sup> and Thursday 18<sup>th</sup> of February, 2016. There will be no sitting on Friday 19<sup>th</sup> February, 2016. The sitting thereafter will be on Monday 22<sup>nd</sup> February, 2016, that will be the last day for consideration of the Estimates of budget. This is in accordance with the resolution of the Sub-Committee.

*Assembly resumed.*

## **ADJOURNMENT**

**Mr. Speaker:** Hon. First Vice President and Prime Minister, you may move the adjournment.

**Mr. Nagamootoo:** Mr. Speaker, I move that this House be adjourned to Monday 15<sup>th</sup> February, 2016 at 1.00 p.m. In doing so, Sir, before I take my seat, I would like to wish you and all other young persons at heart a happy Valentine’s Day on Sunday.

**Mr. Speaker:** I thank the Hon. Prime Minister for his statement. Hon. Members will know that wishes received by the Chair are very happily and fulsomely reciprocated.

The Assembly stands adjourned until Monday 15<sup>th</sup> February, 2016 at 1 o’ clock.

*Adjourned accordingly at 8.12 p.m.*