

**THE  
PARLIAMENTARY DEBATES  
OFFICIAL REPORT  
VOLUME 7**

**PROCEEDINGS AND DEBATES OF THE FIRST SESSION OF THE NATIONAL  
ASSEMBLY OF THE THIRD PARLIAMENT OF GUYANA UNDER THE  
CONSTITUTION OF GUYANA**

**65th Sitting**

**2:00 p.m.**

**Friday, 23<sup>rd</sup> May, 1975**

**MEMBERS OF THE NATIONAL ASSEMBLY**

**Speaker**

His Honour the Speaker, Mr. Sase Narain, J.P.

**Members of the Government – People’s National Congress (50)**

**Prime Minister (1)**

Hon. L.F.S. Burnham, O.E, S.C.,  
Prime Minister

**(Absent)**

**Deputy Prime Minister (1)**

The Hon. Dr. P. A. Reid  
Deputy Prime Minister and Minister of National Development

**(Absent – on leave)**

**Senior Ministers (8)**

The Hon. H.D. Hoyte, S.C.,  
Minister of Economic Development

\*The Hon. S.S. Ramphal, S.C.,  
Minister of Foreign Affairs and Justice (Absent)

\*The Hon. H. Green,  
Minister of Cooperatives and National Mobilisation (Absent)

The Hon. H.O. Jack,  
Minister of Energy and Natural Resources

\*The Hon. F.E. Hope,  
Minister of Finance

\*The Hon S.S. Naraine, A.A.,  
Minister of Works and Housing

\*The Hon. G.A. King,  
Minister of Trade and Consumer Protection

The Hon. G.B. Kennard, C.C.H.,  
Minister of Agriculture

### **Ministers (6)**

The Hon. W.G. Carrington,  
Minister of Labour (Absent)

The Hon. Miss S.M. Field-Ridley,  
Minister of Information and Culture (Absent)

The Hon. B. Ramsaroop,  
Minister of Parliamentary Affairs and Leader of the House

\*The Hon. Miss. C.L. Baird,  
Minister of Education and Social Development

\*Dr. the Hon O.M.R. Harper,  
Minister of Health (Absent)

\*The Hon. C.V. Mingo,  
Minister of Home Affairs

### **\*Non-elected Ministers**

## **Ministers of State (9)**

The Hon. M. Kasim, A.A.,  
Minister of State for Agriculture (Absent – on leave)

The Hon. O.E. Clarke  
Minister of State – Regional (East Berbice/Corentyne) (Absent)

The Hon. P. Duncan, J.P.,  
Minister of State – Regional (Rupununi) (Absent)

The Hon. C.A. Nascimento,  
Minister of State, Office of the Prime Minister

The Hon. M. Zaheeruddeen, J.P.,  
Minister of State – Regional (Essequibo Coast/West Demerara)

The Hon. K.B. Bancroft,  
Minister of State – regional (Mazaruni/Potaro) (Absent – on leave)

\*The Hon. W. Haynes,  
Minister of State for Consumer Protection (Absent)

\*The Hon. A. Salim,  
Minister of state – Regional  
East Demerara/West coast Berbice

\*The Hon. F.U.A. Carmichael  
Minister of State – Regional (North West) (Absent)

## **Parliamentary Secretaries (7)**

Mr. J.R. Thomas,  
Parliamentary Secretary,  
Ministry of Works and Housing

Mr. C.E. Wrights, J.P.,  
Parliamentary Secretary  
Ministry of works and Housing

Miss M.M. Ackman,  
Parliamentary Secretary,  
Office of the Prime Minister, and Government Chief Whip

**\*Non-elected Ministers**

Mr. E. L. Ambrose,  
Parliamentary Secretary,  
Ministry of Agriculture

Mr. S. Prashad,  
Parliamentary Secretary,  
Ministry of Co-operatives and National Mobilisation

Mr. J.P. Chowritmootoo,  
Parliamentary Secretary,  
Ministry of Education and Social Development **(Absent)**

Mr. R.H.O Corbin, **(Absent)**  
Parliamentary Secretary,  
Office of the Prime Minister

### **Deputy Speaker (1)**

Mr. R. C. Van Sluytman, Deputy Speaker

### **Other Members (17)**

Mr. J.N. Aaron  
Mrs. L.M. Branco  
Mr. M. Corrica  
Mr. E.H.A. Fowler  
Miss J. Gill  
Mr. W. Hussain  
Miss S. Jaiserrisingh **(Absent – on leave)**  
Mr. K.M.E. Jonas **(Absent – on leave)**  
Mr. M. Nissar **(Absent – on leave)**  
Dr. L.E. Ramsahoye  
Mr. J.G. Ramson  
Mrs. P.A. Rayman  
Mr. E.M. Stoby, J.P. **(Absent)**  
Mr. S.H. Sukhu, M.S., J.P.  
Mr. C. Sukul, J.P.  
Mr. H.A. Taylor  
Mrs. L.E. Willems

### **Members of the Opposition – Liberator Party (2)**

Mr. M.F. Singh, Leader of the Opposition (Absent – on leave)  
Mrs. E. DaSilva

## **OFFICERS**

Acting Clerk of the National Assembly – Mr. M.B. Henry, AMBIM

**PRAYERS****ANNOUNCEMENTS BY THE SPEAKER****Leave to Members**

**Mr. Speaker:** Leave has been granted to the Hon. Deputy Prime Minister (Dr. Reid) and the Hon. Member Mr. Bancroft for today's Sitting, and to the Hon. Members Mr. Jonas and Miss Jaiserrisingh for four weeks starting today.

**PUBLIC BUSINESS****MOTION**

“Be it resolved that paragraphs (2) and (3) of Standing Order No. 46 be suspended to enable the Assembly to proceed at its sitting on Friday, 23<sup>rd</sup> of May, 1975 with the Second reading and the remaining stages of the Vesting of Property (Acquisition by Purchase) Bill 1975 (Bill No. 22/1975)

**(The Minister of Parliamentary Affairs and Leader of the House)**

**The Minister of Parliamentary Affairs and Leader of the House (Mr. Ramsaroop):**  
Your Honour, at this 65<sup>th</sup> Sitting of the National Assembly there is a Motion tabled under my hand which was dated and published since the 21<sup>st</sup> May, 1975. The substance of that Motion is, briefly, that paragraphs (2) and (3) of the Standing Orders of this House be suspended to enable this House to proceed at this Sitting today with the Second reading and the remaining stages of the Vesting of Property(Acquisition by Purchase) Bill 1975.

Your Honour, it has always been the policy of this Government not to treat the rules of this House with disrespect. Indeed, only when circumstances of grave importance are surfaced that there has been a departure from the rules of this House and we feel that the measure to be presented to this House, to wit, the Vesting of Property (Acquisition by Purchase) Bill 1975 is a matter of grave importance.

Since last Saturday, I am happy to say, I have been in close touch with the Hon. Member Mrs. Elinor DaSilva from the Office of the Leader of the Opposition and I submitted to her on that day a draft of the Bill which was published on Saturday's date, that is 17<sup>th</sup> May, 1975. This Bill was introduced last Wednesday and I was looking at the dates myself and although one may say that there has been a technical breach of the rules, reasonable time, I think, has elapsed, between its publication and introduction, for this measure to be studied.

Although the rules of the House make a distinction between "days" and "clear days", it is accurate to remark that seven days have elapsed since the publication of this Bill although seven clear days have not elapsed. There has, therefore, been a technical breach but, I submit, not a breach of sufficient import as to justify my opposition. In this context, I am heartened to remark that the Hon. Member from the Opposition has indicated her intention to me not to oppose this suspension. It is with pleasure therefore, Your Honour, that I commend this measure to this House and ask for its unqualified concurrence.

*Question proposed, put and agreed to.*

*Motion carried.*

## **BILLS SECOND READING**

### **VESTING OF PROPERTY (ACQUISITION BY PURCHASE) BILL**

A Bill Intituled:

“An Act to provide for the transfer and vesting of property purchased by the Government on behalf of the State.”

**(The Minister of Economic Development)**

**The Minister of Economic Development (Mr. Hoyte):** Over the years the State has acquired, on behalf of the Guyanese people, a number of ongoing business enterprises. Inevitably, given our objective of social and economic reconstruction, the State's intervention in

the economic life of this country will become more intensive and extensive as the months and years go by.

In the past, however, every time the State acquired property, particularly ongoing business enterprises, on behalf of the people, special *ad hoc* arrangements had to be made in each particular case. Up to this time there has been no comprehensive legal framework which enables the State to acquire this kind of property in a simple and expeditious way. The purpose of this Bill, therefore, is to provide a legal framework which facilitates the acquisition and vesting of property in the State in the name of the people of Guyana. The Bill, therefore, is simple in concept, intention and design and, as I have said, enables the property to vest in the Government without long drawn-out technical formalities.

The scheme of the Bill before this honourable House is quite simple and straightforward. The relevant minister, that is, the Minister whom Cabinet assigned to deal with the particular transaction, invokes the provisions of this legislation by issuing an Order. That order enables the particular property in question, subject to such modifications and qualifications as may be necessary, to vest automatically in the State or, in the terms of the Bill itself, to vest in the State “without further assurance”.

It will be seen, therefore, that the particular provision to which I have just referred gives a great measure of flexibility to the State in acquiring the kind of enterprise to which I have referred. Provision is made in the Bill for the assets and liabilities of the vendor to adhere to the State or to the particular legal entity which the State has designated to acquire the particular property in question.

I would like particularly, Mr. Speaker, to draw attention to paragraph (3) of clause 4 of the Bill which specifically provides that legal proceedings, whether by the vendor or against the vendor, will continue to be in full force and will not abate merely by a change in the ownership of the particular entity. In particular also, I would like to draw attention to the fact that all rights

and liabilities which form part and parcel of the enterprise which the State will acquire will be passed on to the State.

**2:10 – 2:20 p.m.**

Indeed, throughout this simple Bill there is an intention manifest in its provisions to do justice, not only as between the State and the vendor, but as between the State and third parties, who may have acquired vested or other legal rights against the vendor. There is the specific provision in particular clauses which seek to ensure that the rights of these third parties are protected.

In the context of the protection of rights of third parties, I think it is appropriate to refer to the provisions of clause 5. That clause seeks to give an assurance to workers that their jobs would be protected and that, whenever the State acquires an enterprise, workers may rest assured that their jobs and their conditions of service will not be adversely affected. My own view is that such a clause is really unnecessary because, by definition, the whole purpose of the state acquiring enterprises is really to protect the worker, to protect him in his job, to protect him in his conditions of service, and more important, to ensure that he gets out of the enterprise greater benefits and greater rewards than he had before.

However, I propose at the appropriate stage to over a small Amendment to clause 5 merely to ensure that we do not by way of legislation entrench a manifest absurdity which may result in the workers themselves criticising the Government.

This Bill, I believe, is long overdue. It is a simple but very important piece of legislation. It will enable the State to acquire, on behalf of an in the name of the Guyanese people, ongoing enterprises, using a very simple and expeditious procedure. I am sure that Hon. Members will appreciate the importance of the Bill before this House and I commend it for their consideration and approval.

*Question proposed.*

**Mr. Speaker:** Hon. Member Mrs. DaSilva.

**Mrs. DaSilva:** In listening to the Hon. Minister introduce this Bill, I could really hardly credit someone with the known ability and sense of perspicacity of the Hon. Minister in introducing this Bill as such a simple matter. Before 11 o'clock this morning I would have been willing to liken this Bill to a coin having two equal sides, both the same, making up that coin – a 25-cent piece, if you will. The Hon. Leader of the House called me at approximately 11 o'clock this morning, and I will deal with that in a while. I am afraid I have to change that comparison and liken this Bill to a double-edged sword, a blunt end and a very sharp end. To classify this Bill as simple and just sail it through is out of the question and I am really sorry that I cannot support the Minister in that belief.

Whilst it is true that the various sections are, on strictly legal terms necessary in any takeover, whether the takeover is my mutual agreement – because I understand it is fairly mutual anyhow – or whether, remembering that this Bill is a once-for-all and for all time. Or whether this Bill implies takeover by force, no matter how nicely it is dressed up, the fact remains that the legal wording of the Bill is necessary. But it is well planned to execute the machinations of the Government with a heavy veil drawn over the true purpose of this Bill. As I go on, I hope to clarify and explain a little more of what I mean about this.

I notice in the introduction by the Hon. Minister that he took great care. Was it intentional? Maybe it was just that way, or maybe he was sticking to the letter of the law. He is a learned lawyer and I am but a mere housewife. But he was most careful to stick to the letter of the law, and nowhere in his introduction did he once mention the words “Demerara Company” or “Jessel Group of Companies”.

We know that the hon. Prime Minister has a great sense of the dramatic and a great sense of timing. On certain occasions such as the celebration of important days in the history of our country, he makes announcements. One such occasion is coming up shortly, on Monday, which will be the ninth anniversary of our independence. I am sure that is too good an occasion for the Hon. Prime minister to miss making the announcements which will tie in with the one he made

on the eve of the fifth anniversary of our becoming a Republic, last 22<sup>nd</sup> February. It is known that on these dates the Hon Prime Minister likes to take the opportunity to make announcements. Fair enough. I do not see anything wrong with it; all honour and glory to him if he wishes to do that. It is his prerogative if he wants to make use of the opportunity presented on those days to make spectacular and momentous announcements to the nation.

As you probably know, Mr. Speaker, the announcement will be made at the National Park, or Cuffy Square, or Burnham Park in New Amsterdam, and not in this honourable House where it should be first announced to the nation, as we have said several times before. We have become accustomed to that. It is part of the new egalitarian socialism that we are learning to accept, where things that were done in the past are pushed aside, whether they are good, bad, or indifferent. Courtesy does not seem to matter anymore. We are accustomed to that, so if an announcement is made at the Park, it does not matter very much.

This Bill is going to affect the future acquisition of property by Government. The hon. Minister tried to make it sound a simple matter. He said that in the past – words to this effect – something had to be arranged on each occasion to deal with the situation. This is once-for-all. That is true. But one wonders if in these undertakings which are big undertakings, one should not consider each one on its own merit. This is what they rightly deserve. Be that as it may, the Bill is before the House and we have to debate it the way it is.

As I said, and as said earlier by the Leader of the House when dealing with the suspension of the Standing Orders, courtesy was extended in the correct way, as it should be. Indeed, with a bit of cooperation on Saturday, I received the Bill in draft form and this gave us ample time to study it. We on this side of the House always wish to facilitate the smooth workings of the House, when there is something as reasonable as this and when adequate time is given and so I was pleased to accede to his request. And as you noticed, I did not object to the suspension of the Standing Orders.

Now, as I said earlier, the hon. Minister did not allude in any way to the takeover of the Jessel Group of Companies in Guyana and for that matter never once mentioned the words

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**National Assembly**

**2:10 – 2:20 p.m.**

“Demerara Company”. He dealt strictly with the bill but it is generally felt that Monday, 26<sup>th</sup> the occasion of the ninth anniversary of our Independence, will be a suitable day and time to be vesting day.

I wish to refer to the Daily Chronicle of 23<sup>rd</sup> February this year, the newspaper which reported the speech of the Hon. Prime Minister to the effect that the continued operations of the Jessel-owned sugar estates would be contrary to and inconsistent with the national interest, and that the Demerara Company would be nationalised this year.

We note that talks have been going on since then. Jessel has sent down their group; they have been meeting Guyana Government representatives under the chairmanship of our very able minister of Agriculture, Hon. Gavin Kennard, and so it is not unreasonable for us to anticipate and suppose that Monday will be vesting day, bearing in mind the patter that the Hon Prime Minister follows.

**2:20 – 2:30 p.m.**

We, sir, agree with the acquisition of what is our own; we agree with Guyanisation; we agree that we should own the commanding heights of our economy.

As I am talking about that I would like to take this opportunity of clarifying a report in yesterday’s Daily Chronicle, Thursday 22<sup>nd</sup> May on the position of the United Force towards this subject of nationalisation just in case it is not clearly understood. I wish to quote from the Daily Chronicle of Thursday 22<sup>nd</sup> may. This is a report on the debate on Wednesday in connection with the Berbice Mining Enterprises. I quote:

“And at yesterday’s sitting of the House, United Force Chairman Mrs. Elinor DaSilva announced that her party was in favour of nationalisation as an object to be attained. In what appeared to be a significant departure from the UF’s usual position on nationalisation, Mrs. DaSilva said the UF supported nationalisation of the commanding heights of the economy but she urged that it should be planned and not be “willy-nilly”.”

My friend Mohamed Hamaludin's name appears on the article. I want to clarify the position. I have said it several times and so has my Leader but once again I have to say it. I think the Daily Chronicle is well aware of our stand on nationalisation. We support the principle of nationalisation, but we have always said one does not go about just nationalizing right, left and centre for the sake of nationalizing. One does not nationalise "willy nilly", as I have described it, without first carefully making plans. This has been our stand. Do not turn it and twist it and try to make it suit the purpose.

I have a little sympathy with the Daily Chronicle for taking the opportunity to make the statement they did because it seems to me that where the United Force is concerned there always has been, because it suits the Government and suits the P.P.P. when it is their turn to say anything, to brand the United Force in a very wide, all-embracing and forceful statement. It suits the Government and members of the P.P.P., when their turn comes, to do this. We, in the U.F. are died-in-the-wool "conservatives" and there is no other way we can go. We will not go left of centre or right of centre or anything like that. We are conservatives.

That is a very dangerous thing to do, but it seems to me to be a habit of the Government to make blanket statements, and this bill, in a way, is a blanket admission allowing certain action to take place, so that when it is misunderstood, one can understand how that happened and appreciate the person's point of view. This Government should be responsible and very careful before making allegations and all-embracing, sweeping statements.

I hope, sir, that that has helped to clarify the position on the United Force's point of view regarding nationalisation. We are in favour of the principle of nationalisation. I repeat that once again, I hope for the last time. We are in favour of the principle of nationalisation. Every case must be taken on its own merit; it must be carefully gone into and planned. I do not think it can be any clearer than that.

Dealing with this specific Bill, we understand that it will apply to the Jessels Group in Guyana. We support the take-over of the Jessels Group of Companies in Guyana. However, there is a 'but' which will come a little later on. I would like to further build up on what I have been

saying to support what I have been saying, both to show this House and to remind Members, if they need reminding – by quoting again from the Prime Minister’s famous speech on the eve of our Republic Celebrations in February. This will show Hon. Members why we agree with the take-over of the Jessels Group. He said, and I quote:

““Meanwhile, we have had a look at the holdings of the Demerara Company Limited. That expatriate company has been wasting our resources and operating inefficiently.”

I hope I will be excused if I am being discourteous to the Prime Minister by bursting into my own comment in the middle of the quotation. I would like to take the opportunity of putting in our views between each statement. We do agree that as the company wastes our resources and operates inefficiently – it has been examined and proven that this is the case and that the company would be properly handled – we will support the nationalisation of that company.

The Prime Minister goes on to state:

“The sugar factory at Diamond has a spare capacity of over 20,000 tons which has never been utilized and its agricultural practices have been unsatisfactory. Its industrial relations are primitive and the workers’ housing conditions appalling. In the circumstances your P.N.C. Government has decided...”

And we have to pardon him saying the P.N.C. Government because, naturally, he is speaking for and on behalf of the P.N.C. Government.

“...that the continued operations of that company here is contrary to and inconsistent with the national interest. Consequently, this year all Demerara Companies holdings in the cooperative Republic of Guyana will be nationalized. Our formula of such an exercise is well known and discussions will take place shortly.”

We support these sentiments and we agree. Our resources must not be wasted; they must be worked and operated efficiently. We are always being told that every bit of land must be utilised, everything must be productive, and to have 20,000 tons of spare capacity never being

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**National Assembly**

**2:20 – 2:30 p.m.**

utilised and agricultural practices being unsatisfactory just will not do. In this instance we support Government in its statement that it will take over the Jessels Group of Companies. As I said, the Hon. Prime Minister has not mentioned Jessels by name but I think we all know that that is the intention behind this Bill.

There is one matter that concerns us very much. We speak on behalf of the citizens of our country, not only for United Force members, but for loyal supporters of the People's National Congress. They may support your party but they do not always accept 100 percent all that you believe. I think you can say the same thing of the P.P.P. and even of ourselves. That is the way it is and that is the way it ought to be. People ought to have a freedom of mind and a freedom of conscience to support something the way they see it.

People are concerned about the implications hidden in this Bill. This Bill is entitled "The Vesting of Property (Acquisition by Purchase) Bill 1975". It is true that we have to be thankful and appreciative of the fact that this Bill is entitled "Acquisition by Purchase" because people are asking now and we ourselves have often asked, what exactly is the concept, what is the Government's definition of the concept of socialism? It appears to be so much now a question of this Government doing what Cheddi Jagan would have liked to have done had he been given the power and opportunity. People are saying this Government's brand of socialism is about a hair's breadth away from Cheddi Jagan's brand of communism.

**2:30 – 2:40 p.m.**

And in spite of our having asked so many times for this concept of the principle of socialism, nobody has really spelt it out. I see the hon. Minister making notes. I am hopeful that he will give me an answer. People are beginning to say, as I said, that the brand of socialism is but a hair's breadth away from communism. What is happening? They are asking: How much longer? It is Jessels today, who is next tomorrow? And this sort of thing! And it is true enough there is provision for the acquisition by purchase agreement which in the interpretation Clause says:

“‘purchase agreement’ means an agreement which is the subject matter of an order made under section 3.”

And then to quote section 3 of the Bill:

“The Minister may by order, direct that, subject to such modifications, exceptions and qualifications, as may be specified therein, the provisions of this Act shall apply to an agreement under which the Government on behalf of the State purchases such property, or undertaking carried on, in Guyana as is mentioned in the agreement.”

And the Government purchased it. It is not, as the P.P.P. bosses and party members would have us believe, that the Government took it over by expropriation without any compensation. So there is some comfort in that thought for citizens who are concerned for property or for companies which they have interest.

We will know that the Government has over and over declared its policy of getting involved in what was formerly the sphere of the private sector and one wonders now how far government is going to go into the sphere that was formerly the private sector.

Everybody knows that when Government runs a business, somehow or other it can never be run as efficiently as if it were run by private enterprise. I think this is because people say “Oh the Government can pay for it. It does not matter if we crash up the vehicles or if we make a mess of the machinery. Government has the money to pay” and Government, therefore, carries on this business floating more debentures to get more money to put into it and things like that.

If it were a private business it just would not be able to go on; it would have to close down. So that is the reason why people are asking: What is Government doing? Is it going to get more and more involved in the private sector? This is something that one has to be reassured about because I feel that this Government thinks it is all superior, all embracing and all everything,

omnipotent, omnipresent, and omni-everything you can think about, and thinks that it is here forever.

There are people who are concerned about the way things are going, about private investment in this country. They wish to be reassured. So this would be an opportunity for the Minister to say how far Government is prepared to go into the private sector.

One has to give Government the benefit of the doubt, if there is any doubt about it and accept that it has gone carefully into the takeover of this Jessel Group and it will go into future companies it has in mind to take over – “movable or immovable property” I think those are the words used in the Bill.

I wonder, sir, if a man of the known business acumen of Oliver Jessel – I have no axe to grind for Oliver Jessel... (**Interruption**) Don't worry about that, he is not bankrupt. Jessel came down here and he hired and fired right and left, he upset everybody at Demerara Company. A man of Oliver Jessel's ability could not make this company pay in spite of the hiring and firing. Actually, I think, and there are many who hold the same view that the Government of Guyana is doing Jessel a good turn because we are buying something that he is very glad to get rid of.

In spite of his ability he has had a recent setback due to the financial situation. The Insurance Company in the Jessel Group had to go into liquidation... (**Interruption**) Because of the financial position the security dropped. That is my information. The liquidators had to find money to pay the policy holders. Naturally, they then had to think about selling some of the assets. This is no secret. It is well known and the fact that Jessel wanted to get rid of his holdings in Guyana is also no secret. So I feel that the Government is doing the man a good turn. Let us hope, however, that we know what we are taking over. Let us hope that we know how we are going to run it. Let us hope that we will be able to turn it more efficiently and make a better job of it. That is our wish for Guyana.

When we voted against the nationalisation of DEMBA and when we voted for the nationalisation of Reynolds, we said that whatever happens, Guyana must get what is best; what

it can make the most of for the good of this nation. If the business fails, if the bauxite company fails, and if the sugar estates tumble, Guyana will go down and we will go down with it. We are willing to work for the good of Guyana.

Therefore, we hope that the Government knows what it is doing and that it will put people who are capable of running it and carrying it efficiently. Apropos of that I suppose that there will be a Board of Directors appointed for this new Company. Let us again remind those concerned that the people on this Board must be people who know what they are about. We know of Boards in Government Corporations which consist of party people – we have no quarrel with that as the Government chooses the Board. They may have the desire and the willingness to serve to the best of their ability but they have not got a clue as to what they are doing; chooses people, party members if you will, but they must know what they are about.

Let us hope that the Government will have learnt from the past. Fair enough, we cannot expect them to put somebody who is not their own although they do give some seats to the other parties, business organisations, as is fitting, but for goodness sake let them put people who know what they are about. Do not put a man or a woman on a board unless he or she is capable of contributing meaningfully to the running of the Company.

**2:40 – 2:50p.m.**

Now sir, I said all that I did in the preceding parts of my talk, not to be difficult or to cause problems but to show how we of the united Force feel and how we see the proposals of the Government because – and again I repeat this - this Bill which appears to be simple is cleverly worded. Thanks, of course, will have to go to our legal draftsmen who, whether we agree with what they say or not, always do a fine job. You can bet your life sir that the wording has been chosen very carefully and therefore serves the purpose admirably. But, as I said, the wording covers up and hides behind a very heavy veil the true intent of the bill.

People feel that this Bill is but an excuse for Government, when it chooses, when it is convenient, to acquire properties for its own ends; albeit, the Government will be acquiring the

properties by agreement by purchase. One knows that Government has ways and means of coercing people to sell if they do not want to sell or, for that matter, to buy if they do not want to buy. Government has its own soft, suave ways of doing things. People remember this and they know about it. There is an opportunity now for Government, through the Hon. Minister to try and allay the fears of citizens of our country, even those who, as I said, are good, loyal and devoted P.N.C. members.

It is stated in the explanatory memorandum of this Bill and the hon. Minister stressed it that:

“In the carrying out of its functions the Government from time to time concludes agreements whereby property, movable and immovable, is purchased on behalf of the State. This Bill seeks to make provisions to expedite the vesting of the acquired property in the State.”

As I said, the average citizen is indeed fearful of the far-reaching implications of this Bill.

We come now to clause 5(1) which deals with the rights of the workers. Government is claiming that it intends to safeguard the rights of workers and that this take-over is in the interest of the workers and the nation. Sir, as we said, it appears that, in this instance, the take-over is in the interest of the nation. We were willing, up to 11 o'clock this morning to give our total support to this Bill because we saw that it was fit, right and proper, and in spite of all the veiled innuendoes and insinuations that lurked in this magnificent bit of legal draftsmanship, we felt that it was the correct thing to support this Bill. Whilst we support the taking over of the Jessel Group of companies, we do not, we cannot, and we will not support the amendment that has been recently and very hurriedly placed before us. As I said, I was told about 11 o'clock this morning about the amendment in this Bill.

With your permission sir, I should like to read the whole of section 5(1) of the Bill as it now stands:

“Where a person is employed by a vendor exclusively in connection with the operations of an undertaking, the property of which is acquired by the State under a purchase agreement, that person shall after the coming into operation of the vesting order, continue to be employed in relation to that undertaking on such terms and conditions as may be agreed on between him and such body corporate as is referred to in section (4), or where nobody corporate is so specified the Guyana State corporation, being terms and conditions which taken as a whole are not less favourable than those applicable to him immediately before the coming into operation of the orders.”

Naturally, sir, “to him” also means “to her.” Because of the amendment which will be debated shortly, we cannot support this Bill. One cannot vote for something *in toto* if one is not in agreement with part of it.

This amendment that has just been laid before us here is absolutely wrong; it is against Guyana; it is against Guyanese. I will deal with it now and again when we come to that clause in committee stage. If the Bill is left as it stands now, we will accept it but we cannot accept it with the amendment. The first amendment is on the fourth line which states:

“...that person shall, after the coming into operation of the vesting order, continue to be employed...”

The Government is now going to delete the word “shall and insert the word “may”. “Shall” implies that one must be employed. It connotes an obligation on the part of the person taking over the company to employ the employees. “May” connotes no such obligation. The employer may take them or he may not take them. He may have his own reasons for not wanting them; he is not compelled to keep them in his employment. How can the Government say that it is doing this in the best interest of the nation while it is deleting a part that is most important for giving security of employment to Guyanese? Is the Government using this as a means of getting rid of people that it does not particularly want to have?

Then it goes further. It is going to delete the last three lines namely:

“...being terms and conditions which taken as a whole are not less favourable to him than those applicable to him immediately before such commencement.”

The words “such commencement” are used in that bill but in this Vesting Bill, the words “for the coming into operation of the order” are used. Why, at the last moment, is there this amendment? We fail to understand the reason behind it. Is it that the Government is going to use this as an opportunity to get rid of people that it does not want to employ and also not to give them what is justifiably due to them? I am wondering who the Unions are going to take this. What is the Trade Union Congress going to say about this because this strikes us as being very, very unfair and very, very harsh on the same Guyanese people that the Government is saying it wants to protect by the passing of this legislation.

For these reasons, sir, we are going to have to abstain from voting for this Bill because whilst we are in favour of part of it we cannot vote for something if we are not totally in agreement with it; nor can we vote against it if we are not totally in agreement with it. For that reason, we are forced to abstain. It is very simple and very clear that one cannot vote for a Bill *in toto* if one is totally in agreement. I say we are not totally in agreement with this Bill nor are we totally in agreement with this Bill. I think I have made that crystal clear. I said we support the taking over of the Jessel Group of Companies; we support that; we care in favour of it. But, unless the amendment is withdrawn, we cannot vote for this bill, so we will be forced to abstain.

I agree with the Hon. Minister that abstention is not a very satisfactory state of affairs; one should be either for or against but in circumstances such as these were it is clearly set out and so interwoven together, one cannot do anything else but abstain from voting for this Bill.

2:50 – 3:00 p.m.

There is one other section I wish to deal with and I would ask the hon. Minister for an explanation. It concerns section 4 on page 3 of the Bill. I should like to read it.

“(4) A vesting order may provide that for the purposes of the transfer and vesting of assets and liabilities under the purchase agreement to which it relates, or of the continuance of proceedings referred to in subsection (3), references to the State in the foregoing subsections shall be construed and have effect as references to such body corporate as may be specified in the order.”

If I might be permitted through you, sir, to ask the Minister something; the way we understand it, the Jessel Group has the majority shareholding in the Demerara Company's many undertakings. These include sugar estates, manufacture of liquor, shipping, and some agencies. Will the Hon. Minister tell us how the shareholders will fare in a state-owned enterprise? Under this section 4 of the Bill, there is provision for a body corporate, as we understand it, a company, to be formed to handle any aspect of the group. Will it be the intention of the Government to have a company which will handle and control one aspect? And if so, which aspect of the Demerara Company will that be? And will the state own one part outright? Will the Hon. Minister explain a little more to us about how it is envisaged that this body corporate will function?

I do not wish to embarrass the hon. Minister. I do not know if the hon. Prime Minister is waiting until Monday to make the big announcement with his great sense of drama and timing and his spectacular and momentous announcements on important days, but I feel if he could give us some information on it, it would be a very good thing. There are share holders now and they want to know exactly what will happen to them when Demerara Company becomes state-owned. It would be a very good opportunity for the hon. Minister to tell us.

Incidentally, I notice that nowhere have we heard of the terms of the agreement of this takeover. Not even in rumours or whispers. Maybe we do not have our ears close to the right people or in the right places where we could get all the rumours, though the House can be assured we do get all the information.

Again, will the Minister be able to announce it here to us or do we have to hear it on Monday evening or Sunday night? I am not sure when the hon. Prime Minister will make his

momentous announcement. I do not know if the hon. Minister can tell us about the terms and conditions of the agreement. In any case, whether or not is he in a position to tell us how we will be told Monday night, I do not think the hon. Minister can take to Cabinet the request on behalf of the Opposition that the terms of the agreement be laid in Parliament.

One hon. Member says something about writing a letter. There is no need for me to write a letter when I stand up here and speak in Parliament because this is what counts. This is what carries, and he well knows that what is said here has much greater value than a mere letter. Maybe the hon. Minister can tell us, even if he cannot tell us all now, some of the terms of the agreement. Maybe he does not want to steal the hon. Prime Minister's thunder. The hon. Prime Minister might like to make this big announcement, but, at least, he can give us the assurance that he will take to Cabinet our request that the terms of the agreement be laid before Parliament.

I think I have more or less covered all the points and the questions which we have decided to debate and to talk about this afternoon. We wish Guyana the very best in this new undertaking for, as we said before on each occasion when we are taking over the commanding heights of our economy or otherwise, or any undertaking for the upliftment of Guyana, we must be within all reason to support it, because if it fails we will all suffer together.

We wish to support the taking over of the Jessel Group of companies but it is with regret that I say that unless that Amendment is withdrawn, we cannot support this Bill and I shall have to abstain from voting.

**Mr. Hoyte:** (replying) Mr. Speaker, may I reply briefly to the charming and wide-ranging intervention by the Hon. Member Mrs. DaSilva. I wish to assure her that the Bill before this honourable House contains nothing which can honestly or reasonably be construed or interpreted as being evidence of evil machinations on the part of the Government or as having any insidious implications.

This, as I said, is a very simple Bill dealing with the vesting of property which the Government may acquire on behalf of the people of this country. It seeks to eliminate the delays

arising from technical formalities which usually attend the transfer of properties of all kinds from vendor to purchaser. It also seeks to set out a simple procedure to enable the property this acquired to vest quickly and imply in the Government.

The hon. Member made frequent references to the Demerara Company Ltd. And the intention announced by the hon. Prime Minister on the evening of the 22<sup>nd</sup> February, 1975, that the state would nationalise the Jessel Holdings in Guyana. While I concede that within the framework of the legislation before this House such acquisition by the State can be facilitated. I decline to be drawn into a debate on a matter which is not properly before this honourable House.

The hon. Member made statement which indicates the fundamental differences between the position of the party which she represents, and the party of which I have the privilege to be a member. She considers it an act of discourtesy for the Prime Minister of this country to make announcements about matters of great importance to the nation, to the people of the country, rather than to this Parliament. I do not agree with her. I am certain that the hon. Members on this side of the house do not agree with her.

While this forum is important, while it is the highest court of the land, we nevertheless acknowledge that the people themselves are the source of all political power and authority. It is their interests we serve. We consider that there is no agency which takes precedence over the people, and that it is their interest which comes first. Because we consider that, because that is part of the whole philosophy of the people's National congress, we feel that there is nothing wrong, indeed, we feel it is eminently right, that the important and significant announcements affecting the national interest should be made to the people at large.

In the course of her speech, Mr. Speaker, the Hon. Member referred to the need to treat each acquisition of property on its own merit. I do not think that I would wish to dissent from that opinion expressed by the hon. Member I would wish merely to point out that this Bill in no way

prevents such a course of action from being followed. Indeed, this is a framework which enables and facilitates the acquisition, but this Bill has nothing to do with terms and conditions as such. The terms and conditions which may be agreed on with respect to every transaction would, of course, vary. That is why in clause 3, provision is made for the Minister to make his order subject to such modifications, exceptions, qualifications, as the case may be.

We cannot agree with the fears expressed by Hon. Member that enterprises acquired by the State on behalf of the people are, in fact, more inefficient or less efficient than enterprises which are run under the so-called “free enterprise system”. Our experience has been the reverse of that and I think it is a gross slander on our workers to express the view that they are inherently or congenitally unable to perform efficiently where the enterprise is owned by the people themselves.

Our experience at GUYBAU, at BERMINE and at Guyana Timbers Ltd., has been the reverse of these fears which the hon. Member has been articulating. In all of those enterprises, since the workers themselves have owned the enterprises through the State, production and productivity have gone up significantly and efficiency has improved to a marked degree. This has been borne out by the Annual Reports and various financial Statements made and also by the remarks and comments of people who have dealt with these enterprises in the past, who are still dealing with nationalised industry and who are in a position to make intelligent comparisons.

Indeed, we will recall that Guyana Timbers Ltd., was supposed to be an unprofitable venture and that is why the former owners were closing it down. This Government, in order to protect the workers, acquired that enterprise and has turned it into a profitable and viable undertaking. I do not believe that when one examines the evidence about what has happened in this country, in the industries which are nationalized, such a pessimistic view is really tolerable.

In passing, too, I would refer to the fears expressed by the hon. Member and private investment in this country. This Government has made it abundantly clear what its position is with regard to investment in this country. Indeed, in the Declaration of Sophia the hon. Prime Minister and Leader of the people’s National Congress adverted to this point and announced the

setting up of a committee to report to the Government on the ground rules, so to speak, which would govern foreign private investment in this country.

That committee has been drawn from a wide cross-section of very distinguished Guyanese technicians, people from the university, people from the public sector and people from private life. That committee has, in fact, been working and although it was hoped that it would have made its report by the end of March, this time span has proved to be too short. The committee has therefore requested an extension of time until the end of June. But, we have made our position clear and we have made our position clear within the context of our political ideology, which is socialism.

The hon. Member seems to be of the view that there are brands of socialism. I think even in today's newspaper there was a report of a speech made by the hon. Prime Minister at Linden on Wednesday evening in which he pointed out that this was, indeed, a great fallacy. The ideals of socialism are the same all over the world. There are no brands of socialism. (**Mrs. DaSilva:** Degrees of socialism.) There are no degrees of socialism either. But there may be different paths of socialism, there may be different roads to socialism, there may be different techniques used in achieving the objectives of socialism. But within our socialist philosophy we will be intervening, that is, the State will be intervening and must intervene in the economy, to take control of the critical sectors so that we can change the old, socio-economic system in which profits were more important than people, so that we can establish a system in which the produce of people's efforts is used for the benefit of the people and not for private and individual gain.

I regret that the hon. Member allowed herself to fall, I believe unwittingly, into an illogical position. The hon. Member referred to the proposed amendment of clause 5 of the Bill which has been circulated and, without waiting for an explanation, has decided that unless the amendment is withdrawn she cannot vote for the Bill. Now, surely, one of the greatest principles of democracy is that we should hear the other side. I regret that the hon. Member should have spoilt what I consider to have been a very important and valuable contribution in this debate by really taking up a position which is essentially an illogical one.

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**National Assembly**

**3:00 – 3:10 p.m.**

With those few remarks I would like to assure the hon. Member that this Bill is one which is indeed necessary. It is one which will enable us to get on with the task of developing this country and bringing under the control of the people important sectors of economic life, a control which is really necessary if we are going to achieve the development objectives which we have set ourselves.

*Question put, and agree to.*

*Bill read a Second time.*

*Assembly in Committee*

*Clauses 1 to 4 agreed to and ordered to stand part of the Bill*

**3:10 – 3:20 p.m.**

*Clause 5*

**The Chairman:** Hon. Minister of Economic Development.

**Mr. Hoyte:** Mr. Chairman, I wish to propose the following amendment to paragraph 1 of clause 5: That the word “may” be substituted for the word “shall” in the fourth line.

In the ninth line substitute a full-stop for the comma after the words “Guyana State Corporation” and delete all the words following thereafter.

*Amendment proposed.*

**Mrs. DaSilva:** Sir, I rise rather surprised because I was waiting on the hon. Minister, who said that I made the decision to oppose the Bill in an undemocratic manner without having heard what the Amendment was all about. I was bowing my head very humbly and waiting to hear what he had to say and he said nothing. I do not know if he would care to take the opportunity to let us have his views.

**Mr. Hoyte:** Well, I was giving the hon. Member an opportunity to raise the point. I did not reply in detail, in the general part of the debate, because I did not feel that that was the proper place to deal with this.

Mr. Chairman, in the course of my speech earlier today when I alerted hon. Members to the fact that I was going to propose an amendment to clause 5, I said that we had to make sure that we did not fall into the trap of entrenching manifest absurdity.

It is true, as the hon. Member Mrs. DaSilva has said, that this formula appeared in the bauxite Nationalisation Bill which was eventually passed into an Act. In the application of this formula we have discovered real practical difficulties.

I start off by saying that as far as the workers are concerned this clause need not at all be in the legislation, because the state's whole purpose in acquiring property is to safeguard and improve the interest of workers. So there is no question of the Government taking over the enterprise to deprive workers of their jobs or to change the conditions of workers to their detriment. In fact, the evidence supports this position and this contention I am making.

At GUYBAU, all of the people who remained are in fact in much better positions than they were under DEMBA and there have been significant improvements in their condition of service, by which I mean not only emoluments, of every single GUYBAU worker. And, the same has held true for the workers at BERMINE and the workers at Guyana Timbers Ltd.

I will give you an example of the kind of absurdity we will be entrenching if we allow this formula to remain, the kind of absurdity which will cause the workers to take industrial action and rightly so. For example, Mr. Chairman, we know that in large enterprises of the kind we have been taking over, the conditions of service have been geared not to the needs of Guyana but to the needs of expatriates in relation to some metropolitan centre from which they have come. For example, if the former General Manager of DEMBA, Mr. Norman Fraser, had elected

to remain with the new entity, as he was entitled to do under our law, we would have had to supply his House with a variety of exotic liqueurs as part of his conditions of service and the law would have compelled us to do so.

We have found also in another enterprise which we have nationalised, that certain expatriate employees were given a number of allowances including car allowances, when they did not have cars and were not required by the terms of their employment to own motor cars. But this was one way of topping-up their salaries and of enabling them to avoid paying the appropriate level of income tax.

We also found in another enterprise which we acquired on behalf of the people that there were certain selected people who had, as a condition of service, a right to be picked up by a motor care and to be taken to and from work every day, a wholly discriminatory practice which, under this formula here, we would have been bound to continue, because the law says so. Therefore, we seek to get ourselves out of a situation where our law compels us to continue certain practices which are discriminatory and which have no relevance in the circumstances of Guyana. Therefore, we say that in the general legislation that formula will be amended.

We say further, Mr. Chairman, that no individual who is willing to continue with an enterprise which the Government has taken over, need fear for his job, his conditions of service or his continued employment with the entity. Indeed, everybody knows that a number of non-Guyanese, employees of DEMBA, continued with the new enterprise and they are still there.

And, on the other hand, some Guyanese left. But the evidence, and evidence without any exception, is that persons have been secure in their jobs and have been given an opportunity to play a continuing role in the development of the particular enterprise to which I refer. And it is really for these reasons that it was considered proper that we should have a formula which is realistic. It does not matter what you put in the law, if the people do not have confidence they will not stay. What we seek to do is to inspire in every worker in these enterprises a sense of confidence in the Government and in the good intentions of the government as far as their

welfare is concerned. I believe that our performance has in itself given that confidence to people throughout this country. (**Applause**)

**Mrs. DaSilva:** Mr. Chairman, sir, because of the way I understand the concept of democracy I respect the right of another person to give me his views. I respect his right to say what he has to say but I reserve the right to accept what he has to say as being what I must agree with. I appreciated the hon. Minister's explanation of why it was found necessary by the Government to put in this amendment, but I still cannot agree with it.

Incidentally, during the course of this debate, the hon. Minister went to great pains to tell this House that it is the people who matter most and it is the people who have got the members of the Government where they are.

**3:20 – 3:30 p.m.**

We are going to leave out the actual details of how the people got the Government where it is; we are not going to worry with that at the moment. But people are important - people vote for the P.N.C.; people vote for the united Force; people vote for the P.P.P and so on. People are what matter. I agree with him very much. I did not altogether agree with what he said, but I do say that people are first and foremost and paramount and of utter importance. But, to say that a business must not make profit, I cannot understand because people would not be able to benefit from the business if it does not make a profit. What would be the point of having it? But to deal with the statement that when the Prime Minister goes out to the people it is not a discourtesy to this House. We are in this House. All of us...

**Mr. Chairman:** Hon. Member Mrs. DaSilva, will you please confine yourself to the amendment?

**Mrs. DaSilva:** Yes, sir. This ties in with it because the amendment does concern people – the rights of the workers – and the workers are people, so I am getting around to that; I may be taking a little long but I am getting here.

We are here in this House by the rights of the people and through us statements are made to the people. That is the way I see it and, as I say, it is my right to see it my way and the hon. Minister's right to see it his way.

I will now deal specifically with the amendment and why I cannot support this amendment. The Minister went on to explain, as he said, why "shall" must be changed to "may" and why those particular sentences must be deleted; why they could not be enshrined, so to speak, in the Bill. He gave instances of the past, of manager, for example, who were entitled to have liquor as part of their perks, and people entitled to have a motor car pick them up to go to work and so on. Incidentally, what about the sugar estates? I am not against this, I am quite for it; but are the sugar workers not entitled, as part of their agreement, to have a truck pick them up and take them to work rather than to go back on their two feet? (*Interruption*) Well, you can say they are selected sir; they may be a different sphere in the economy of things but nevertheless, a group of people, sugar workers, are entitled to transport.

I do not see that that comparison is reasonable. I do not see that there was any need to have changed this Bill as it was worded under the flimsy pretext that it was giving certain privileges to certain people.

The Minister said and keeps on stressing that this Bill is going to ensure protection of workers, that the State is going to protect the workers, that the nation has concern for the workers and that the workers are working better for Government, but all of this cannot convince me. If one person feels in a thing like this that he is being discriminated against or that it could be an opportunity to discriminate against him either because he is not wanted for one particular reason or the other and therefore, as this Bill will be when it is amended, his services can be dispensed with, I cannot see how we can say it is in the best interest of the workers. The Bill should be left as it was printed. As it appears to be the intention of the Government that the Bill must go through with the amendment, I shall maintain that we cannot support the Bill in so far as we do not agree with this particular aspect of the Bill. Therefore, we will have to abstain from voting.

**Mr. Hoyte:** I regret the intransigence, Mr. Chairman, of the hon. Member. Nowhere in the course of my statement in this House today did I say that business must not make profits. I said that under the so-called “free enterprise” system profits tend to be more important than people, an entirely different statement altogether.

I wish to repeat that no workers will lose his job. No worker has lost his job at DEMBA which has become GUYBAU or at Reynolds which has become BERMINE or at Guyana Timbers Limited or at any of the other enterprises which this Government has acquired on behalf of the people and, I think, with that statement, the matter should rest.

This Government is not going to allow conditions which are irrelevant to Guyana to persist and become entrenched by virtue of legislation we pass in this House. We know that there are many senior officials in enterprises which are owned and controlled by expatriate interests who have outlandish conditions, who have conditions which are tied to metropolitan countries, who have, as part of their terms and conditions of service, the right to a passage to London. London is not the “Mecca” of Guyanese. We must reserve the right to change those conditions so that the conditions of service have relevance to Guyana and to the needs of Guyana. Therefore, that flexibility must be there in the law. If it is a choice between having that flexibility and allowing this formula to remain, we choose to have the flexibility, well knowing that no Guyanese worker will lose his job.

Anybody who has fears about the proposed amendment could only be a very senior person and it is in that bracket that there are certain conditions which people enjoy which are objectionable in the Guyanese context today. We make no apologies for streamlining this section to enable us to re-negotiate those terms with those very senior people. The average workers in the field has not got to bother; his terms and conditions are negotiated by his Union. These workers are not people on confidential pay-rolls; these are not people whose very salaries nobody knows anything about. Everybody knows what the average worker gets. It is the small group of very senior people – mostly expatriate people – who have conditions which are

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3:20 – 3:30 p.m.

outlandish that if the workers know about them they will destroy the enterprises in which they work.

*Amendment put, and agreed to.*

*Clause 5, as amended, agreed to and ordered to stand part of the Bill.*

*Clause 6, agreed to and ordered to stand part of the Bill.*

*Assembly resumed*

*Bill reported with amendments, as amended, considered, read the Third time and passed.*

## **ADJOURNMENT**

**Resolved,**

That this National Assembly do now adjourn to a date to be fixed.”(The Minister of Parliamentary Affairs and Leader of the House)

**Adjourned accordingly at 3:30p.m.**

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