

**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**

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<b>91<sup>st</sup> Sitting</b>	<b>2 p.m.</b>	<b>Thursday, 18<sup>th</sup> March, 1976</b>
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**MEMBERS OF THE NATIONAL ASSEMBLY**

**Speaker**

Cde. Sase Narain, O.R., J.P., Speaker

**Members of the Government – People’s National Congress (49)**

**Prime Minister (1)**

Cde. L.F.S. Burnham, O.E., S.C.,  
Prime Minister **(Absent)**

**Deputy Prime Minister (1)**

Cde. P.A. Reid,  
Deputy Prime Minister and Minister of National Development **(Absent-on leave)**

**Senior Ministers (9)**

Cde. H.D. Hoyte, S.C.,  
Minister of Economic Development

\*Cde. H. Green,  
Minister of Co-operatives and National Mobilisation **(Absent)**

**\*Non-elected Minister**

- \*Cde. H.O. Jack,  
Minister of Energy and Natural Resources
- \*Cde. F.E. Hope,  
Minister of Finance
- \*Cde. S.S. Naraine, A.A.,  
Minister of Works and Housing **(Absent-on leave)**
- \*Cde. G.A. King,  
Minister of Trade and Consumer Protection **(Absent)**
- \*Cde. G.B. Kennard, C.C.H.,  
Minister of Agriculture **(Absent)**
- \*Cde. C.L. Baird,  
Minister of Education and Social Development **(Absent)**
- \*Cde. F.R. Wills, S.C.,  
Minister of Foreign Affairs and Justice **(Absent)**

#### **Ministers (5)**

- Cde. W.G. Carrington,  
Minister of Labour **(Absent)**
- Cde. S.M. Field-Ridley,  
Minister of Information and Culture
- Cde. B. Ramsaroop,  
Minister of Parliamentary Affairs and Leader of the House
- \*Cde. O.M.R. Harper,  
Minister of Health **(Absent)**
- \*Cde. C.V. Mingo,  
Minister of Home Affairs **(Absent)**
- Cde. M. Kasim, A.A.,  
Minister of State for Agriculture
- Cde. O.E. Clarke,  
Minister of State – Regional (East Berbice/Corentyne) **(Absent)**

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

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

Cde. P. Duncan, J.P., Minister of State – Regional (Rupununi)	
Cde. C.A. Nascimento, Minister of State, Office of the Prime Minister	<b>(Absent)</b>
Cde. M. Zaheeruddeen, J.P., Minister of State – Regional (Essequibo Coast/West Demerara)	<b>(Absent)</b>
Cde. K.B. Bancroft, Minister of State – Regional (Mazaruni/Potaro)	<b>(Absent)</b>
*Cde. W. Haynes, Minister of State for Consumer Protection	<b>(Absent)</b>
*Cde. A. Salim, Minister of State – Regional (East Demerara/West Coast Berbice)	<b>(Absent)</b>
*Cde. F.U.A. Carmichael, Minister of State – Regional (North West)	<b>(Absent)</b>

## **Parliamentary Secretaries (8)**

Cde. J.R. Thomas, Parliamentary Secretary, Ministry of National Development	<b>(Absent)</b>
Cde. C.E. Wrights, J.P., Parliamentary Secretary, Ministry of Works and Housing	
Cde, M.M. Ackman, C.C.H. Parliamentary Secretary, Office of the Prime Minister, and Government Chief Whip	
Cde. E.L. Ambrose, Parliamentary Secretary, Ministry of Agriculture	

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

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

Cde. J.P. Chowritmootoo,  
Parliamentary Secretary,  
Ministry of Education and Social Development

Cde. R.H.O. Corbin,  
Parliamentary Secretary,  
Office of the Prime Minister

**(Absent)**

Cde. M. Corrica,  
Parliamentary Secretary,  
Ministry of Works and Housing

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

Cde. R.C. Van Sluytman, Deputy Speaker

### **Other Members (15)**

Cde. L.M. Branco

Cde. E.H.A. Fowler

Cde. J. Gill

Cde. W. Hussain

Cde. S. Jaiserrisingh

Cde. K.M.E. Jonas

Cde. M. Nissar

Cde. L.E. Ramsahoye

Cde. J.G. Ramson

Cde. P.A. Rayman

Cde. E.M. Stoby, J.P.

Cde. C. Sukhu, M.S., J.P.

Cde. C. Sukul, J.P.

Cde. H.A. Taylor

Cde. L.E. Willems

**(Absent)**

**(Absent)**

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

Mr. M.F. Singh, Leader of the Opposition

Mrs. E. DaSilva

## **OFFICERS**

Clerk of the National Assembly – F.A Narain

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

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

**The Speaker:** Leave has been granted for today's Sitting to the Cde. Deputy Prime Minister and Cde. Minister Naraine. Also, to the Hon. Member Mrs. DaSilva from the 18<sup>th</sup> to the 22<sup>nd</sup> March, 1976.

**Letter from the President**

I also wish to state that I have received from His Excellency, the President, a letter expressing thanks to the Members of the National Assembly for their congratulations and good wishes extended, and recording satisfaction at the arrangements made for his inauguration. The Cde. President has also requested that his thanks be conveyed to the Clerk of the National Assembly and the entire staff of the Parliament Office for the part they played on the occasion.

**PRESENTATION OF PETITIONS****Private Bill****TAHRIK-I-JADID AHMADIYYA MUSLIM MISSION**

**The Speaker:** Cde. Gill.

**Cde. Gill:** Cde. Speaker, I beg to present a Petition on behalf of Cde. Mohamed Sherrief Baksh of 24 Pike Street, Kitty, Georgetown, and Cde. Ibrahim Khan of 14 Pitt Street, New Amsterdam, General Secretary and President, respectively, of the Tahrik-I-Jadid Ahmadiyya Muslim Mission in Guyana, seeking to have introduced in the Assembly a Private Bill to incorporate the Tahrik-I-Jadid Ahmadiyya Muslim Mission in Guyana.

**The Speaker:** The Clerk will now read the Petition.

*The Clerk read the Petition as follows:*

“GUYANA

PETITION

To: The Honourable Members of the National Assembly

The humble petition of Mohamed Sherrief Baksh of 24, Pike Street, Kitty, and Moulvie Ibrahim Khan of 14, Pitt Street, New Amsterdam, respectively sheweth as follows:-

1. That your Petitioners are General Secretary and President respectively, of the Tahrik-I-Jadid Ahmadiyya Muslim Mission in Guyana;
2. That your Petitioners are the promoters of the Tahrik-I-Jadid Ahmadiyya Muslim Mission of Guyana (Incorporation) Bill.
3. That the said Bill seeks to incorporate in Guyana the Tahrik-I-Jadid Ahmadiyya Muslim Mission as a Corporate Body, and to vest in the Mission all property in Guyana held by or vested in the Tahrik-I-Jadid Ahmadiyya Muslim Mission or in any other person for the use or benefit of the Mission.
4. That the Bill contains provisions whereby the Mission may acquire and dispose of property.
5. That the objects of the Mission are:-
  - a) To propagate the truth of Islam as interpreted in Ahmadiyyat.
  - b) To provide instructions for children and adults with a view to their religious, moral, intellectual, social and physical advancement.
  - c) To found and maintain libraries for the use of members of the Mission and the general public.
  - d) To arrange lectures and discussing on religious subjects.
  - e) To do all other fair and lawful things conducive to the attainment of the objects of the Mission.
6. That your Petitioners are desirous of having the said Bill introduced in the National Assembly and enacted by the Parliament of Guyana;

Wherefore your Petitioners humbly pray that the Honourable Members of the National Assembly may be pleased to allow them to proceed.

And your Petitioners as in duty bound will ever pray.

Signed this 25<sup>th</sup> day of January, 1976.

1)

M.S Baksh

.....

24, Pike Street, Kitty, Georgetown.

2)

Ibrahim Khan

.....

14, Pitt Street, New Amsterdam, Berbice.

**The Speaker:** In accordance with Standing Order No. 57(4), I will now put the Question.

*Question-*

“That the Promoters be allowed to proceed with the Bill”

*Put, and agreed to.*

**The Speaker:** The Promoters may proceed accordingly.

**PRESENTATION OF PAPERS AND REPORTS**

The following Papers were laid:

1. Annual Report and Accounts of the Guyana Agricultural Co-operative Development Bank for 1974.
2. Amendment Number 1 dated 14<sup>th</sup> February, 1976, to Agreement dated 12<sup>th</sup> June, 1975, between the Government in connection with a development loan for the purchase of water well drilling equipment. [**The Minister of Finance**]

**PUBLIC BUSINESS**

**MOTION**



**INCREASE IN LIABILITY OF GOVERNMENT IN RESPECT  
OF GUARANTEES**

“Whereas in accordance with section 3(1) of the Guarantee of Loans (Public Corporation and Companies) Act, Cap. 77:01, the Government may in such manner and on such terms and subject and to such conditions as may be agreed between it and a lending agency-

- a) Guarantee the discharge by a Corporation of its obligations under any agreement which may be entered into by the Corporation with a lending agency in respect of any borrowing by that Corporation that is authorized by the Government;
- b) Assume such other obligations as may be agreed between the Government and a lending agency in relation to or pursuant to any such agreement;
- c) Undertake the repayment to a leading agency of such sums as the lending agency may have advanced to or for the benefit of the Government:

And whereas it is provided under section 4(1) of the aforesaid Act, that the aggregate amount of the liability of the Government in respect of guarantees given under section 3 of the Act shall not at any time exceed the sum of fifty million dollars or such greater sum as may from time to time be specified by the Resolution of the National Assembly;

And whereas it has become necessary to specify in accordance with the said section 4(1) a greater sum for the purpose of enabling the aggregate amount of liability of the Government in respect of guarantees to be increased due to the extended activities of the Government and those incorporated bodies to which the Act applies, which activities entail the acquisition of funds for capital outlay:

Be it resolved that this national Assembly approve that the aggregate amount of the liability of the Government under section 4(1) of the Guarantee of Loans (Public Corporations and Companies) Act, in respect of guarantees given under section 3 of the Act, shall not at any time exceed the sum of two hundred million dollars.” [**The Minister of Finance**]

**The Minister of Finance** (Cde. Hope): Cde. Speaker, I wish to move the Motion standing in my name with respect to an increase in liability of Government in respect of guarantees. This House has already accepted in the past the principle that the Ministry should have at its disposal a means of guaranteeing loans and credits for the various public corporations, enterprises and companies in which the Government has the majority ownership and to do so expeditiously. On that basis we already have the situation where the Minister may, for these purposes, guarantee loans to a maximum or an aggregate sum of \$50 million, as made available by financial institutions to these public corporations, Government enterprises and companies in which the Government has the majority participation.

Events since the fixing of that limit of \$50 million have moved rather rapidly in terms of the number of these enterprises whose working capital and credits the Government would need to guarantee. Not only have they increased in number, but the scope and level of their activity have also expanded quite rapidly. The experience we have gained over the last twelve months or so is that the amount of \$50 million is inadequate. In fact, it has been pointed out that the public corporations alone have expenditure projected for 1976, according to the advertised statements some months ago, equivalent to some \$364 million both in terms of the current expenditure and the capital expenditures. This alone would seem to justify the higher level of working capital and, therefore, a greater amount to be guaranteed.

### **2.10 p.m.**

In addition to that we have, since the fixing of the limit for \$50 million, assumed ownership and responsibility for Bermine, for the Demerara Sugar Company and for the Guyana National Engineering Corporation, a new Corporation which has only been established in January this year. In addition to that come May 26 we expect the holdings of Bookers in Guyana will also become owned by the Government in which case the Government becomes responsible for providing the working capital and other loan requirements by these businesses which the Government would want to acquire.

In the circumstances, Cde. Speaker, it is clear that the Government would need to have the ability to guarantee, very quickly, credit advances, loans and so on to a much higher level

than \$50 million, that is, to \$200 million. Of course, one can argue that it is a very substantial change from the present limit but I do not think, and members will agree, that with what were the plans for expansion of the Government enterprises including Guybau, one should have a facility which is a little bit more durable than a year and we have sought to fix \$200 million as a sum which is sufficient to avoid requesting Parliament to increase that limit further within the very near future.

I note, Cde. Speaker, that it has been a usual criticism that the Government is seeking in these areas to borrow from the commercial banking enterprises within the country but I think one needs to remark two things. First of all, our borrowings for the working capital and other requirements of the corporations have not been, and will not be, confined to the commercial banks. The insurance companies have been playing a part in this regard.

Secondly, I would wish to point out that the commercial banks as they are structured at the moment, do, in fact, have within their control the savings of the Guyanese people and irrespective of who controls the disposition at this point in time, the fact remains that when and if the public corporations call upon the resources of the commercial banks within Guyana, they are, in fact, calling legitimately on the savings of Guyanese nationals in this country.

The point, therefore, is that an argument which states that we are using the foreign commercial banks despite any other opinion that we have expressed with regard to their presence in Guyana, is not valid because we are, in fact, using the savings of the Guyanese nation when we call upon the resources that they control.

I would therefore, Cde. Speaker, wish formally to move the Motion which seeks to increase the limit that the Minister of Finance can guarantee from \$50 million in aggregate to \$200 million in aggregate. **[Applause]**

*Motion proposed.*

**The Speaker:** Hon. Leader of the Opposition.

**The Leader of the Opposition (Mr. Singh):** Mr. Speaker, since the Government recently seems to have been taking over more and more the role previously played by the private sector, it is obvious that it would need to guarantee more money as working capital. This is understandable. In this case it is not just perhaps a doubling of the present \$50 million to make it \$100,000,000. It is an increase of 300 per cent from the present level of \$50 million to \$200 million and, were it not for the Hon. Minister's explanation, I would have asked in what areas there was going to be specific big activities because certainly an increase of 300 per cent does demand some specific explanation. In what areas were they planning to increase our activities to such alarming proportions?

However, the Hon. Minister has supplied one of the main answers and that is that they have included the taking over of Bookers – as it is envisaged by the 26<sup>th</sup> May this year – and as I understand it they will not be coming back to Parliament for an increase in the level of borrowing and guaranteeing after taking over Bookers. With the magnitude of what we are taking over, it is perhaps not unreasonable that we should raise the present level of \$50 million to \$200 million. After all it is a gigantic enterprise that we are taking over.

The Hon. Minister has also said that there would be increases in other areas and he did mention Bermine, Demerara Sugar Company, Guyana National Engineering Corporation as some of the areas in which there would be increased activity.

But perhaps I could go on to raise something which he touched on lightly, the banks and the insurance companies. He has said that criticism has been leveled in the past that we are using monies from the banks and he pointed out that it is not only the commercial banks but it is also the insurance companies that have been providing money. He also pointed out that in so far as the banks are concerned the monies are, in fact, monies deposited with the bank by the Guyanese people and therefore, quite rightly, should be made available to the Guyanese nation, to the Government and its agencies.

Be that as it may, sir, perhaps we should look at the matter from a very broad point of view and let us start by recognizing that either deliberately or otherwise, the Government seems to be carrying out Dr. Jagan's professed policy of owning and controlling, in his words, "the

commanding heights of the economy”. I have read often that Dr. Jagan has spoken about owning and controlling the commanding heights of the economy. It may be that he has copied these words. Up to now we are reading where he has been saying this. And it seems to me that the only areas left for Dr. Jagan’s professed philosophy to be completely achieved are in respect of the foreign banks and the insurance companies. The Hon. Minister, Desmond Hoyte, has said they are soon to go. That is precisely what I am asking about. These are the two areas left. Is it that we propose, as has always been urged by Dr. Jagan, the ownership and control of these last two institutions, the commercial banks and the insurance companies?

**2.20 p.m.**

Both of these institutions have been providing capital, as has been recognised by the Hon. Minister. Both of them have been providing capital for use by the Government.

**The Speaker:** Hon. Leader of the Opposition, the Cde. Minister did not merely say that they provided capital. He went on to say further that it is the money provided by Guyanese nationals which they are using that the Government is borrowing.

**Mr. Singh:** if you were listening you would remember that I said so too. I do not know whether you were listening or not but I said that after the Minister. The reporters can verify that. I said so.

**The Speaker:** But you were making a statement without continuing the repetition of it, leaving the statement in isolation.

**Mr. Singh:** do I need to repeat it? I have already said so; it is on the record. Do I repeat *ad nauseum* what the Minister said?

**The Speaker:** I am not going to argue with you but is it necessary to repeat *ad nauseum* the same statements you are making time and again?

**Mr. Singh:** Thank you very much. I wish you would not argue with me, let the Minister answer. I am glad of your assurance not to argue with me. The Hon. Minister said and agreed that these institutions have been providing working capital and monies for the Government

agencies and, as I said earlier, he did point out that they did collect Guyanese monies and that it is Guyanese monies they were providing. But I think it is only fair that these institutions should be told very specifically and very positively what the Government's intentions are in respect of these institutions.

We have had varying statements made from time to time; we have had statements about miniaturizing the foreign banks. We have had statements about the insurance companies. I think it would be a good opportunity for the Government, at this time, to give some positive statement about the future of these two agencies. Let us realize and recognise that even though all the banks, other than the Government bank, are foreign owned banks, there are insurance companies, by and large, which are owned by the Guyanese people. So that we are talking about two sets of financial institutions, the foreign banks and the insurance companies. Since both provide monies, both need to be told that what the Government's intentions are.

We know, for example, that the Government has set up a committee to look into the foreign banks operating in this country. But even without the report of that committee I think the broad policy can be enunciated as to the Government's intentions. It has said that it will miniaturize the banks, since the banks and the insurance companies, with this increase of borrowing power to \$200 million, will be called upon to provide, according to the Minister, Guyanese monies to fund Government's programmes. Nevertheless, I think it is only fair that the Government should tell them what the future holds for them.

I am not advocating that the Government should not touch them: I am not advocating that the Government should touch them. What I am saying is that it is only fair that the Government, as a government, tell them what the future holds for them. They should know what the position is. If this has been said before, I think it is not inopportune for a restatement of the Government's policy because there is a lot of confusion, a lot of mixed thoughts, in this area and I think this is a good opportunity for the Government to state very clearly, very concisely, very succinctly, its policy towards the banks and the insurance companies. It is unfair for the Government to keep them in the dark as to the future. So I hope that the Hon. Minister would take this opportunity to enlighten all of us in this area.

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

**Cde. Hope** (replying): Cde. Speaker, let me, first of all remind the Hon. Leader of the Opposition that the policy which the Government is pursuing in terms of owning and controlling the natural resources of Guyana is not a policy which, as he said, is a copy of a policy issued by Dr. Jagan. We know, and the Hon. Leader of the Opposition knows, that Dr. Jagan himself is on record as saying that he had no intentions of nationalizing the bauxite industry. He said this, it will be recalled, when he was in power and had the opportunity, if he so wished, to nationalize the industry. So it is completely irrelevant and misleading to say in the Parliament that the Cde. Leader of the People's National Congress in Government is in fact pursuing a policy adumbrated by Dr. Jagan when he was in power.

Let me also refer to and answer the question on the policy in relation to banks and insurance companies. I regret that I shall have to disappoint the Hon. Leader of the Opposition. I do not agree with him that this is the opportune forum for explaining or again reiterating the policy of this Government with regard to the banks and insurance companies. That policy has been adumbrated, it has been explained, it has been stated in several speeches by the Cde. Leader of the People's National Congress. I would suggest that the Hon. Leader of the Opposition reads these speeches and in particular the Cde. Leader's statement contained in the Declaration of Sophia.

Let me reassure the Hon. Leader of the Opposition that the banks themselves and the insurance companies are not in the doubt with regard to the Government's policy as, the Hon. Leader of the Opposition seeks to point out to this House. The banks have from time to time sought clarification of policy statements and just as often they have got such clarification. The banks understand what the Government's policy is. They understand what is likely to be their future role in Guyana. The insurance companies are similarly under no misconception as to where they stand and I think it is, in fact, a lack of knowledge of the true position by the Hon. Leader of the Opposition that perhaps propelled him to speak in the manner in which he spoke earlier giving the impression that these institutions knew not their future.

18.3.76

National Assembly

2.30 – 2.40 p.m.

2.30 p.m.

These explanations and clarifications have been provided as recently as three or four weeks ago to people in the banking sector and people in the insurance sector. I do not think that this is really a forum for getting into the details. The details have been discussed with the people who are most closely concerned and they know the position.

I should like, therefore, finally to assure the Hon. Leader of the Opposition that the banks are not themselves sleeping on this issue. They are well aware of the position and they are under no misconceptions as to how matters are likely to develop.

*Question put, and agreed to.*

*Motion carried.*

#### ADJOURNMENT

**Resolved,** “That this Assembly do now adjourn to a date to be fixed. [The Minister for Parliamentary Affairs and Leader of the House]

**Adjourned accordingly at 2.30 p.m.**

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