

**THE
PARLIAMENTARY DEBATES**

OFFICIAL REPORT

[VOLUME 5]

**PROCEEDING AND DEBATES OF THE THIRD SESSION OF THE NATIONAL
ASSEMBLY OF THE SECOND PARLIAMENT OF GUYANA UNDER THE
CONSTITUTION OF GUYANA**

34th Sitting

2 p.m.

Monday, 13th December, 1971

MEMBERS OF THE NATIONAL ASSEMBLY

Speaker

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

Members of the Government – People's National Congress

Elected Ministers

Prime Minister (1)

The Hon. L.F.S. Burnham, S.C.
Prime Minister

Deputy Prime Minister (1)

Dr. the Hon. P. A. Reid,
Deputy Prime Minister and Minister of Agriculture

Senior Ministers (9)

The Hon. M. Kasim, A.A.
Minister of Communications

The Hon. H.D. Hoyte, S.C.
Minister of Finance

The Hon. W.G. Carrington,
Minister of Labour and Social Security

The Hon. Miss. S.M. Field – Ridley, **(Absent -on Leave)**
Minister of Health

The Hon. B. Ramsaroop,
Minister of Housing and Reconstruction (Leader of the House)

The Hon. D.A. Singh
Minister of Trade

The Hon. O. E. Clarke,
Minister of Home Affairs

The Hon. C. V. Mingo
Minister of Local Government

The Hon. W. Haynes **(Absent -on Leave)**
Minister of State for Co- operative and Community Development

Appointed Ministers (5)

The Hon. S.S. Ramphal, S. C. **(Absent)**
Attorney – General and Minister of State

The Hon. H. Green, **(Absent)**
Minister of Works, Hydraulics and Supply

The Hon. H. O. Jack,
Minister of Mines and Forests

The Hon. E. B. Mc David,
Minister of Works, Information and Culture

The Hon. C. L. Baird, **(Absent)**
Minister of Education

Parliamentary Secretaries (5)

Mr. J. C. Joaquin, J. P.,
Parliamentary Secretaries, Ministry of Finance

Mr. F. Duncan, J. P.,
Parliamentary Secretaries, Ministry of Agriculture

Mr. Salim,
Parliamentary Secretaries, Ministry of Agriculture

Mr. J. R. Thomas,
Parliamentary Secretaries, Office of the Prime Minister

Mr. C. E. Wright, J. P.
Parliamentary Secretaries, Ministry of Works, Hydraulic and Supply

Other Members (14)

Mr. J. N. Aaron
Miss M.M. Ackman, Government Whip

Mr. k. Bancroft

Mr. N. J. Bissember

Mr. J. Budhoo, J. P.

Mr. L. I. Chan - A – Sue

Mr. L. I. Correia

Mr. M. Corrica

Mr. E. H. A. Fowler

Mr. J.R. Jordan

Mr. S. M. Saffee

Mr. R. C. Van Sluytman

Mr. M. Zaheeruddeen. J. P.

Mrs. L. E. Willems.

(Absent)

Members of the Opposition

People's Progressive Party (18)

Dr. C. E. Jagan,
Leader of the Opposition

Mr. Ram Karren

Mr. R. Chandisingh

Dr. F. H. W. Ramsahoye, S.C.

Mr. D. C. Jagan, J. P. , Deputy Speaker
Mr. E. M. G. Wilson
Me. A. M. Hamid, J. P., Oppisition Whip
Mr. G. H. Lall, J. P.
Mr. N. Y. Ally
Mr. R. D. Persaud, J. P.
Mr. E. M. Stoby, J. P.
Mr. R. Ally
Mr. L. M. Branco
Mr. Balchand Persaud
Mr. Bhola Persaud
Mr. I. R. Remington, J. P.
Mr. L. A. Durant
Mr. V. Teekah

(Absent – on Leave)

United Force (3)

Mrs. E. DaSilva
Mr. M.P. Singh
Mr. J. A. Sutton

(Absent - on Leave)

Independent (1)

Mr. R. E. Cheeks

OFFICERS

Clerk of the National Assembly – Mr. F. A. Narain
Deputy Clerk of the National Assembly Mr. M. B. Henry

The National Assembly met at 2 p.m.

[Mr. Speaker in the Chair.]

Prayer

ANNOUNCEMENTS BY THE SPEAKER**LEAVE TO MEMBERS**

Mr. Speaker: Leave has been granted to the hon. Minister of Health for the further period of one month to the 31st December, 1971.

PUBLIC BUSINESS**MOTION****APPROVAL OF ESTIMATES OF EXPENDITURE, 1972****BUDGET DEBATES**

Mr. Speaker: The Assembly will resume the debate on the motion for the approval of the estimates of expenditure for 1972. When the Adjournment was taken at the last Sitting, the hon. Minister of Labour and Social Security was replying. The Minister had spoken for 15 minutes and may now continue.

The Minister of Labour and Social Security (Mr. Carrington): When the Adjournment was taken last Friday, I was replying to the hon. Minister Mr. Harry Lall on a number matters he raised, not in keeping with the Budget but, as the hon. Leader of the Opposition said, in keeping with intention of the People's Progressive Party to take advantage of every opportunity to speak in this House regardless of what are the matters we are discussing. We discussed at length the question of unemployment.

I should like to reply to three points that were raised by hon. Member. It is not my intention to discuss the toll, E.T.B. and other matters, lest we have no time for discussion of the Estimates. The three points to which I shall like to refer to are - National Insurance Scheme, the sugar industry and recognition.

N.I.S. has been a talking point for some time now the Government thinks that by now Members of the Opposition and the public in general would understand the objective of N.I.S. It is a most comprehensive social security scheme, the first of its kind in Guyana, providing benefits for workers and at the same time mobilizing saving from which the Government can draw for development programmes.

The scheme is just two years old and when we compare it with schemes in other countries we are satisfied that N.I.S. is most outstanding within the Caribbean. We are paying more benefit than most of the other schemes in the Caribbean and we cover a wider range of benefits.

One would agree that a scheme such as this, which covers the nation's employed workers, must take some time to develop systems and procedures. As we would say in Guyana, there must be a few teething troubles, but we are gradually over coming these by examining the system from time to time and improving on it.

When we hear trade unionists, such as the leader of the C.C.W.U., and now the hon. Member Mr. Harry Lall and the Leader of the Opposition, saying that there should be unemployment dole or relief and the N.I.S. offices are overcrowded - there are too many people employed there – we can do as the previous Government did with the bulk loading plant. We can decide to decide to mechanise National Insurance Scheme.

Mr. Lall: Mr. Speaker, I did not say in my speech that the N.I.S. was overcrowded. I never said so. I do not know if the hon. Minister is referring to me.

Mr. Carrington: I am sure that I am not supposed to confine my discussion to what was said or not said by the hon. Member. I am saying that we can have computers at the N.I.S. and these can speed up the work and give maximum efficiency. We prefer to use labour intensive methods by employing many Guyanese to do the work that could be done by machines. If members of the Opposition would like to see us retrench the workers and replace them by machines they must say so. The fact is that N.I.S. is providing benefits for the workers and I admit that there is room for improvement in any such scheme.

On the question of the sugar industry, I much say how much I appreciate the co-operation that has been received from the workers in the sugar industry and their leaders, including the leader of the Guyana Agricultural Workers Union who have been able to control the workers, to make representation on their behalf and in their interest in order to ensure that Guyana produces the biggest crop over in the history of this country. We have produce so far 354,000 tons and we still have enough time to reach the target of 370,000 tons, which would be an all time record. For the year 1971 we have had the best spring crop ever in Guyana.

We give credit to those who deserve it and I say today that the leaders, including the leader of G.A.W.U., should be complimented for this magnificent contribution. As you know, sir, the sugar industry is the mainstay of our economy and all Guyanese should make their contribution whenever they can to ensure that this industry expands because it is the labour intensive industry in the country today and provides employment for over 20,000 workers.

A burning question which is always arising in this House is the question of the recognition of a union to represent the workers in the sugar industry. This Government is very concerned about the request by the unions in the industry for recognition and the right to represent the workers. The Minister of Labour stands as an impartial body in matters such as these. I think I should let this House know how recognition is granted and who grants recognition. Neither the Government as a whole nor the Ministry, as part of the Government, can

grant recognition. Recognition is a question for the employers. What we do is to set up the necessary machinery and procedures for the recognition. At the present moment, the accepted procedure, as agreed on by most of the trade unions and the T.U.C. with the Government, is the survey. The survey gives the workers, their unions and the employers an opportunity to prove which of the unions have the majority.

The previous Government, now in the Opposition, the Government of the People's progressive Party, believed in the poll as a procedure and system for determining recognition. This Government, in agreement with the T.U.C., does not agree with a poll. It prefer to have the survey, because the T.U.C.'s contention is that political pressures can be used by which the workers would have to comply and show their desire at times for a union which they really do not want.

We decided that this matter should be a question to be discussed between the workers, the unions, the T.U.C. and the Government. I have written to the Leader of the Opposition inviting his party to be part of this exercise for the examination of and determining, of the system that should be uses in the future to determine recognition.

I am still awaiting a reply to say whether the Leader of the Opposition is prepared to accept that the machinery I propose to set up to decide on the procedure for recognition is accepted by his party.

2.20 p.m.

Sir, you will remember that during the discussion the hon. Member Mr. Lall made reference to the selection and election of the scale supervisors. He said he was satisfied that the Ministry of Labour had conducted fair elections. It is interesting to note that one hundred per cent of those supervisors elected are representative of the Union known as the Guyana Agricultural Workers Union. It is clear that the Ministry would do things honestly and fairly.

At the present moment the survey is the procedure for recognition. There are some unions, and I know one of the Unions being the National Union of Public Service Employees, known as NUPSE, were granted recognition by poll determined by the Ministry of Labour. That was done during the Government of the People's Progressive Party. But once this Government, lead by the P.N.C., is in office it will work with the T.U.C. and arrive at a procedure agreeable and acceptable to the T.U.C., and that is, the survey. Until there is full agreement on the change of the procedure we will not be able to accede to the wishes of G.A.W.U. to have the question of recognition be determined by poll. At the same time it is known and it is said that representatives of the G.A.W.U. are allowed to make more representations on behalf of the workers than the recognized union. The President of the G.A.W.U. knows as a fact almost every week, twice times a week, sometimes three times a week he is in contact with my Ministry, in contact with the workers and in contact with the employers. There is a complete change in the sugar industry and this is mainly responsible for the change in the industrial atmosphere I in the sugar industry. It resulted in a record crop of 364,000 in 1969. I must admit that in 1971 there was a political move by that Union at a particular time and, the fact is that during the 16 days strike in 1970 the workers lost 300,000 in wages, as they complain, to improve their standard of living. But today, 1971, some of the workers in Albion would be receiving as much as 16 days, and if possible 17 or 19 days, extra pay as production bonus as a result of stability in the sugar industry. The workers will earn more; the employers will earn more. This is what we want.

The President of that Union knows as a fact that many of his representations are better put to the employers than the representatives of the M.P.C.A. he cannot deny this.

[Interruption by Mr. Lall]

Let me say once again, the question of recognition has been with us for over twenty years. The People's Progressive Party when they were in office could not have settled it in the

interest of the Union which it is backing. If the People's Progressive Party could have settled it we would have not have this situation now. Now they expect this Government to settle a matter which they could not have settled in 1961, 1962, 1963 and 1964 when workers lost their lives because of the same question of recognition. Now we solve it with a single wand.

We have good relation with T.U.C. though they are times when members of the Opposition try to divide us we are working with the T.U.C. to arrive at a system that would give representation to the Union of the choice of the workers.

Mr. Speaker: The hon. Member Mr. Reepu Daman Persaud.

Mr. Reepu Daman Persaud: Mr. Speaker, I have no intention of entering the field of labour this afternoon in reply to the hon. Minister who just spoke. I merely want, before I turn to my speech proper, to draw his attention to his own making in the sugar industry. In concluding his speech the hon. Minister said the PPP Government had the opportunity to solve the dispute in the sugar industry between the M.P.C.A. and the G.A.W.U. and the P.P.P. did not do it. he praised this afternoon the Guyana Agricultural Workers ' Union and its leadership. Despite the fact that he recognized the responsible role of this Union instead of moving objectively to solve the problem or recognition in the sugar industry the hon. Minister has against him the fact that he has encourages the formation of a new union headed by Mr. Ajodha Singh. Therefore instead of solving the problem in the sugar industry for greater production, for the end to unrest and conflict the Minister is guilty of creating unrest in the sugar industry. Since he is so convinced that the G.A.W.U. is playing an effective now has in his court the opportunity of withdrawing that union which he has encouraged. So much for the Minister of Labour.

Mr. Speaker, the Budget presented by the hon. Minister of Finance reveals the state of the bankruptcy of the Peoples National Congress Government. The Budget Speech also shows that the Government is existing on borrowed monies. According to the Minister's own figures the

Government hopes to raise by of internal loans the sum of \$26.5 million, and by way of external loans the sum of \$45.5 million, making a grand total of \$72 million.

Of course, Mr. Speaker, in contributing to this Budget Speech, one must be guided by history, and the P.N.C. year after year, has been introducing in Parliament supplementary estimates even on the eve of the presentation of the Budget for the subsequent year. Only last month, we had cause to vote the sum of \$9.2 million on a supplementary estimate brought by the Government.

When one examines the Government's direction even for the year 1972, one sees clearly that the Government is moving again to survive on external loans, as I cited, \$45.5 million. Some time ago, the hon. Deputy Prime Minister, when he was in charge of the Ministry of Finance, said that Guyana cannot make progress on money borrow from abroad and we must now move to generate our wealth. It would appear that the Government has forgotten what it said some time ago. It appears that the hon. Deputy Prime Minister Dr. Reid has forgotten that statement. It does appear that the present Minister of Finance is unaware of it, but we on this side of the House remember clearly the Government's statement.

I need not make the point but just to refresh the memories of members sitting on the Government side. The People's Progressive Party has always said the Guyana must move to the stage where it can live on its own potential and its own resources. It took the Government a long time before it came to the conclusion. What is the reality of the Government's financial policies, particularly on the question of taking loans?

Examining the present Budget, one discovers that 32.3 per cent of the total Budget receipts is in the form of loans, a fantastic sum, something which every right – thinking individual in this country must be concerned about, and examining the Budget only on this basis, one sees clearly the necessity for a serious examination of the Government's financial position. I think that the time is ripe for Members on this side of the House to call for the appointment of a committee to examine the Government's financial position, the Government's list of priorities, the extent of

squander mania and fraud, and every loan taken by the Government and the interest rate, and for the committee to recommend measures to take Guyana from the present state of financial and economic morass.

The public debt at 1971 stood at \$228 million. It means that if we estimate Guyana's Population at 750,000 and we were to tax each individual in order to liquidate the public debt, each individual in this country would be mortgages to the extent of \$304 to clear up that public indebtedness. According to the Budget Speech, the projected public debt at the end of 1972 will be the sum of \$295 million, an increase of 29.2 per cent from 1971 to 1972. It means, therefore, using the same yardstick of taxing each Guyanese of population of 750,000, the cost would work out at \$393.

One can see clearly, examining these figures, how serious the financial position of this country is, and, particularly, recognizing for the year 1972, that 32.3 per cent of the total Budget receipts will be borrowed money. A scandalous state: It is for these reasons that we describe the Budget as empty. That is, words. And an increase in pages from time to time, but so far as changes are concerned, the Budget can be describe as barren.

If any person spends some time attempting to analyses the various figure from that very Speech, he would be able to see what would happen in Guyana in another five years of so. I say the present thinking of the Government, as written in the Budget Speech, undoubtedly destroys the hopes and aspirations of the Guyana people, for the Budget undoubtedly lacks imagination and vision. In the Budget Speech itself, the hon. Minister of finance admitted on page 34 that the relief offered in the Budget was not spectacular. How true in the statement: Not only the relief, there is nothing spectacular about the Budget presented by the Government.

The relief offered by the Government in this budget by way of income tax allowance and housing and so on is not even at a drop of water in the ocean. When one takes into account the high cost of living, then rise in cost of living, one sees the necessity for the Government to examine in a mere comprehensive way the present income tax provisions. Why bother to say, “A man with more than three children will get \$100 extra on every other child who is attending school”? Why do the members of the Government not tackle the problem like men?

These are the proposals I would like to make to the Government: First, that personal allowance should go up from the present sum of \$800 to a minimum of \$1,000. This is a modest figure because no man can live a decent life for one year on the paltry allowance in the Income Tax ordinance of \$800. It would have been more reasonable for me to suggest \$1,200, but if the Government is saying “We have made the first step forward”, I would say that increasing the allowance from \$800 to \$1,000 a year would have been a step forward, not the relief offered in the Budget.

The allowance for wives should be increased from \$600 to \$800 a year. Every member of this Parliament knows what a wife requires. The sum of \$600 cannot really upkeep a wife during the course of the year. Every Member of Parliament would concede this point.

I go further and say that with respect to children the allowance should be increase from \$300 to \$500 a year.[**Interruption**]

Mr. Speaker:Order, please:

Mr. Reepu Daman Persaud:Respecting the so – called “relief” of the Government, I say, paradoxical as it may sound, that it is no relief at all.

An over – all examination of the Budget shows that Government has offered nothing now, no incentives, nothing to fire the imagination of the Guyanese people for greater hoped of

greater achievements. As a matter of fact, the Budget depicts the dismal state of the P.N.C. Government. If you were to talk to any Guyanese, that Guyanese, whether a supporter of the P.N.C., the U.F. or the P.P.P., would be compelled to speak of his particular and individual problem, the non – circulation of money and the growing state of unemployment.

With those few observations on the Budget in general, I move to agriculture. I did not go into all the figures, but it is significant to note that the Army will cost this country \$7.6 million next year and agriculture, the main productive sector of this country, has a vote of \$7 million. Which is more important to this country, the Army or the exploitation of the productive sector of the country? Not one member on the Government side can argue against the necessity for exploiting our natural resources so that we can achieve some of the very objectives that the Government talks about from time to time.

Why is a greater provision for agriculture needed? Because the Government wants to change the present situation where we import food to the value of \$92 million, or more, because some of these figures are out of date. The situation is worse and the Government experts have advised from time to time that we can save a minimum of \$35 million per year with proper agriculture policy.

The Government has been fooling the nation when it says we shall feed ourselves, clothe ourselves and house ourselves by the 1976. Everyone laughs at this new line taken by the Government.

Let me deal with the goal of feeding ourselves. The date given by the Government is 1976, five years from now. If we are really to feed ourselves by 1976, one would expect to see the groundwork for this achievement, which is desired. The stark reality is that we have been importing certain commodities in which we should have reached a stage of self – sufficiency.

Let me cite some of the figures. These are very recent figures. Canned corn: we import 714,824 lbs. of corn from Trinidad and the U.S.A. during 1971 at a cost of \$19,807. If corn is imported to this extent, how can we feed ourselves by 1976? Of course, when this point is made, the hon. Deputy Prime Minister and Minister of Agriculture (Br. Reid) will bring a few roots of corn and sorghum in his brief – case to show us. The hon. Deputy Prime Minister and Minister of Agriculture is not Santa Claus. We do not want Christmas display: we want to see agriculture growth in reality.

2.50 p.m.

Mr. Speaker, during this year, between January and June, we imported 61,896 gallons of orange juice at a cost of \$144,875. During the first half of this year, we imported 2,469,676 lbs. of onions at a cost of \$366,187. Could you imagine that Guyana, with such great agricultural potential, is importing onions from Barbados, when the farmers will tell you in this country that well over forty years ago, and perhaps longer, Guyana was growing onions? Even shallot is very expensive in the market.

We can see from the figures the Government has not set the base for the agricultural development. Take for instance ground coffee. The farmers have been complaining year after year. In the Pomeroon area the farmers have not been getting incentives; the prices are ridiculous. These farmers have other problems. The Government has turned a deaf ear to the farmers in the Pomeroon. What is the result? The result is that we are now importing coffee from Jamaica. During this year we imported 17,410 lbs. of coffee from Jamaica at a cost of \$198,735. I can go on and on to present the true reality of the Government so far as agriculture is concerned. I see the hon. Member who is likely to reply to me turning up on old Agricultural Report, he has better go and look for the recent figures for this year. Soya bean that we are supposed to grow at Kibilibiri we imported 23,900 lbs. at a cost of \$33,688. these are all figures for the year.

What the Opposition is seeking to do on this occasion in discussing the Government's policy statement on agriculture is to point out the reality of the situation so that hon. Members on the Government Benches can stop living in the dreamland, so that they can stop living in the state of falsehood that we are going to feed ourselves by the year 1976. This is only fooling the people of Guyana. I wish to say that the Government has a far way to go so far as agricultural development is concerned. The Government has to be more realistic and recognize the problem as they exist in the agricultural areas and among the agricultural communities. The Government's declaration that we will feed ourselves by 1976 is a nightmare and this will remain a dream.

Mr. Speaker, I now come to another fundamental question on agricultural development, and that is drainage and irrigation. We are all aware in this House of the sufferings and hardship experienced by farmers in various areas of Guyana as a result of flooding. I was expecting to hear change in the Budget Speech with respect to this vital question of drainage and irrigation. I was expecting to read in the Budget Speech that the Government will repeal the east Demerara Water Conservancy and the Boerasiri Water Conservancy Ordinances. Why must these Ordinances be repealed? It is because when the provisions of these Ordinances are examined one finds that the planters are in the majority on these Boards. The result is when there is drought on the East Coast, the planters (Bookers) takes the water from the Conservancy to ensure proper production of cane.

We are not opposed to the principle, but what we are opposed to is the Bookers does this at the expense of the farmers in the Cane Grove / Virginia Village, Mahaica/ Mahaicony and right on to the Abary on the West Coast Berbice. **[Interruption by hon. Prime Minister]** I am talking about the Water Conservancy Boards. I am surprised at that answer from the hon. Prime Minister. Because the P.P.P. did not do it, it means that the P.N.C. Government is not going to start. Is this the answer to a vital question like drainage and irrigation?

Further, with respect to the East Demerara Water Conservancy Board when there is flood, again, Bookers pumps the water out of the sugar cane areas into the Conservancy which causes the areas on the East Coast and right on the West Coast Berbice to be flooded severely. This is the hard reality of the situation. If the hon. Prime Minister feels that I am wrong let him go and examine the situation and he will find that I am right. The framers from Cane Grove to Abary on the West Coast Berbice suffered financially. The Government appointed a Committee headed by the hon. Minister of Labour, and no doubt certain food parcels were given out. Whenever I called on the Minister of Labour he was always willing to listen, and if there was any area that needed correction he was always willing to make those corrections.

[**Mr. Carrington:** “What are you complaining about?”] I am complaining about the vital question of financial aid for the rehabilitation of those farmers.

3 p.m.

Probably, this aspect was not part of the terms of reference of that Committee headed by the hon. Minister of Labour and Social Security. The result is only yesterday, I saw farmers in these areas from Cane Grove right on to Mahaicony, and they said they were without seedling, they were without fertilizers, and, in fact the Government has not given them any financial aid to rehabilitate themselves. What is more serious, these farmers owe the Government, probably, through the Rice Development Corporation or the Rice Action Committee and they do not have the money to pay back. At least the Government can consider the waiving of those arrears by farmers who were affected by flood recently. I wish to appeal to the Government to consider waiving all outstanding arrears owing by these farmers for fertilizers, etc., from Cane Grove to the West Coast Berbice. This would be tangible help. I also wish to call upon the Government to go and examine their problems so that they can be offered fertilizers and technical advice to correct the damage done by the flood. So much for the East Coast.

I merely wish to say that the position is the same on the West Demerara. When sugar cane cultivation is flooded on the West Coast, the planters pump the water into the Boeraserie Conservancy and flood the farmers' cultivations in No. 1 and No.2 Canals. The farmers at No. 1 and No. 2 are flooded as a result of the planters having control of the water conservancy. I hope that the person who will be in more authoritative position, probably the Minister of Agriculture himself, because the Parliamentary Secretary never speaks, he only heckles, probably he lacks capability to do so, will answer on this question of the water conservancy Ordinances. I hope that during the course of this year we will see legislation before the House to repeal these Ordinances and to provide a new law to set up one central water control board.

On the question of drainage and irrigation, I wish to call for the establishment of a central water control board and doing away with the Ordinances dealing with the East Demerara and Boeraserie water conservancies. We need a Board which will not have planters in the majority. This is vital. We need to have control at a Governmental level so that the farmers will be protected from flooding.

The time has come for the Government to set up machinery for the equitable distribution of land. There are large acreages of land available on the coastal belt of Guyana. Some time ago, we heard of a land distribution committee headed by Mr. Eusi Kwayana. Now that Mr. Eusi Kwayana is not on the scene, I should like to know what has happened with the land distribution committee. The Lord that giveth hath taken back, and so he is no more, and while he is no more, the people are not getting land. We need proper machinery for the equitable distribution of land. There is need also for land reform. These are all vital areas neglected by the Government and in view of these facts the Government cannot claim that it is following a dynamic agricultural policy.

I come to the burning question of agricultural loans. The Government on page 25 of the Budget Speech states:

“Government recognized the need for credit to agriculture on a much larger scale and on a more reliable basis than at present, if we are to feed ourselves and diversify our economy.”

The Government is pleading guilty to the situation here. It is admitting weaknesses in its machinery because the Government is the one who is distributing loans to the farmers. If the Government is in fact distributing to farmers of the country and the loans are not distributed on a reliable basis, I would take this to mean that the persons who are in charge of distributing agricultural loans are doing so in a very unsatisfactory way. But in spite of the truth that the Government sees the need for agricultural credit in the year 1971, in discussing its 1972 policies, the Government is now saying it is going to set up a committee, Scandal: To do what? The Government concedes in the document need for reliable agricultural credit. Agricultural credit is fundamental to agricultural development. In the Report of the Ministry of Agriculture for the year 1969, issued by the former Minister, this is what he said. I quote from the 1969 Report, Page 7.

“There is still no credit organization in Guyana which caters solely or even mainly to the need of the farmers. It was still difficult during the year for farmers to get medium or long term credit without providing collateral security of about 1.3 times the value of the loan sought.”

The security that the farmers are required to give is 1.3 times the value of the loan.

3.10 p.m.

That was in 1969. We are now in 1971 and the Budget Speech is for the year 1972. The Government, at this stage, still needs a committee to decide that the country needs an Agricultural Bank.

In the Budget Speech the Government mentions the Credit Corporation. The Credit Corporation should immediately be converted into an Agricultural loans Bank solely for lending

money to the agricultural farmers. These are delaying tactics, which are preventing agricultural growth in this country.

There is a farmer by the name of --- Mackenzie, Demerara River. Some time ago he was given 20 acres of land to farm. With his sum of money he was able to put 5 of the 20 acres of land under cultivation. In February of this year he applied to the National Co-operative Bank for a loan so that he could expand farming. Up to the present time, this farmer has not been given the loan. He went to the Ministry of Agriculture. He was sent back to the Co-operative Bank and was told that if he wants the loan he has to comply with the provision relating to the giving of security, probably 1.3 times the value of the loan, before he can get a loan.

The hon. Leader of the Opposition wrote a letter to the Minister of Agriculture on behalf of this farmer, giving all the details. This is only one farmer, but there are thousands of farmers in a similar position who are anxious to get loans so that they can have agricultural expansion. There can be no doubt that the deeds of the Government make a mockery of their statements that we will feed ourselves in 1976 and that they are interested in agricultural growth.

I turn now to the rice situation. I shall not debate the rise in prices and all that, but I shall say that the members of the Government have been very callous so far as the rice industry is concerned. They have shown no sympathy and consideration for the rice farmers. Let me say that the Government has the Guyana Rice Marketing Board and the Guyana Rice Corporation as statutory bodies. In spite of this, the Government some time ago appointed Rice Action Committees which are headed by known P.N.C. members. All of the members of these Committees are P.N.C. members. [Dr. Reid: "That is how it should be."] I shall answer you on that.

What has happened? Genuine farmers who are prepared to help in agricultural expansion were deprived of loans and the Government gave loans on a partisan basis. As a matter of fact, I understand that those who were serving on the Rice Action Committee, instead of telling the

farmers that the Government was concerned with agricultural development, were more interested in having the farmers become members of the People's National Congress than good farmers.

Why has the Government kicked out the hon. Member Mr. Saffee? Why has the Government kicked out the hon. Member Mr. Budhoo from the Rice Action Committees? Two Members of Parliament who were serving on these Committees in senior positions have been kicked out by the Government. Why? Because they were able to recognise the problem of people at Black Bush Polder, on the West Coast of Berbice and in other areas of the country and because they were moving to help the farmers. Instead, the farmers were told by the Government, "We do not want you. We want P.N.C. members and unless you are a P.N.C. members there will be no loan."

The hon. Member Mr. Saffee and the hon. Member Mr. Budhoo are sitting on the Government benches and this is evidence that they are P.N.C. members, but it would appear that the Government does not trust them.

This kind of action on the part of the Government presents tangible proof and provides evidence for the people of this country to be fearful and have great reservations about the present administration, particularly in the field of agriculture.

The Government must now recognise – and I have been saying this – that the People's Progressive Party not the People's National Congress, speaks for the agricultural community of this country. The members of the Government have no mandate from the farmers. They never had it and they will never have it because they are not sympathetic to the farmers of this country. They are agricultural expansion differently from the way it should be seen.

The Government must look upon agricultural with different eyes, not with narrow partisan P.N.C. eyes. Probably the Government sees the helping of these farmers who need help

as helping supporters of the People's Progressive Party. This is what is interfering with the Government so far as agriculture is concerned.

Mr. Speaker: Hon. Member, Mr. Persaud, you have been speaking for over 50 minutes. I wish to remind you that you will be allotted one hour. Please try to make your other points.

Mr. Reepu Daman Persaud: Agriculture is so vital that it is necessary for us to bring home very forcibly to Government the need for the Government to recognise these problem in the agriculture field.

The members of the Government have to do away with many of the super – structures they have established in the agriculture area. There is the Cane Farmers Corporation and the National Cane Farmers Committee. These are Government institutions. In the case of water control, there is one central body for drainage and irrigation. Similarly one central authority is needed to deal with agricultural development in the country and to do away with all these corporations because the existence of many organizations leaves room for weaknesses and fraud in the administration.

Therefore, the Government should scrap the Cane Farmers Corporation. Why should there be a Cane Farmers Corporation? The duty of the Cane Farmers Corporation is to lend money to farmers and nothing more.

3.20 p.m.

Mr. Speaker, I wish to call upon the Government on this occasion to view very carefully the problems in the agricultural sector of the country. I wish to call upon the Government not to pursue capitalist agricultural development. I want to close on this point so that I can conclude.

The Government says that certain incentives would be given to persons who wish to develop designated crops in any part of the country. What in fact the Government has done here is to open the agricultural sector, probably, to expatriate capitalist's crops, like the Jessel concerns, and once again the peasant farmers in this country are going to be subservient to expatriates. The Government in pursuing this particular policy which it has stated in this Budget Speech with respect to designated crops must be warned by us that we are totally opposed to the Government making our lands available to expatriates to become masters and lords over the genuine and true farmers of this country who have been subservient to them for over 150 years.

There are enough genuine and loyal Guyanese who have the aptitudes and who are enthusiastic and who would like to assist in agricultural expansion in this country. They are ones who must be given opportunity. The hon. Minister of Home Affairs asked who is stopping them. The Government is not making lands or credit available to these people. I would wish to appeal to the Government to make greater use of its own people in its agricultural expansion programme. I wish to appeal to the Government to view agricultural development more objectively. The Government's policy statement is wanting in many aspects so far as agriculture is concerned.

I may refer to the decline in the coconut industry. Lookout is obviously not the answer. I have the figures in my hand to point to the decline in agricultural production and to show that we have imported \$83,842 in copra when we can produce enough in this country. Last year I called for an increase in the copra price. The Government has done nothing about it. I seize this opportunity to call upon the Government to recognise the immediate need to offer greater incentives to the coconut industry and to farmers generally so that there can be greater production and greater development. If agriculture is developed the Government would be able to lessen the growing discontent in our Guyanese Community in the field of unemployment because agriculture can provide greater opportunities for employment and greater opportunities the people of Guyana.

Mrs. DaSilva: Mr. Speaker, the Budget as presented by the hon. Minister of finance has come as a disappointment to practically everyone in the community. What they expected has not been given. All the fuss and all the big cry! It is the same old story all over again, talk and more talk, and to say there is no taxation is not strictly true. To risk being told that I am repeating what I said last year I do it again because as it is, there is really “no big ting” in the Budget Speech. The relief that the citizens are hoping to get just is not there.

We talk about giving the small man a relief. But as I go on, Sir, you will see that there is really no help for him. The cost of living goes up daily. Even on Friday while we were debating this Budget Speech I saw in the Evening Post that the price of lactogen had gone up, an essential for mothers with small babies. We have the stamp duties going up too, and all the time everything goes up. We hear that the price of cheese has been reduced, it is time it went down, it went up high enough when it was up.

This Budget talks about closer co – operation with our Caribbean neighbours. We hear about the Grenada Declaration. I wonder if in this matter of the Grenada Declaration our Government our Prime Minister our Ministers of this P.N.C. Government - will learn from the other countries in the Caribbean who are years and years ahead of Guyana, economically. This is so because their principle of having people from abroad investing in their country pays off. They too own the land that is theirs. It is their land just as much as Guyana is our land, but that does not prevent them from trying to keep foreign investment and so allow for the people of the country to be employed. They encourage foreign investment.

Why do we not do this in Guyana? All we hear about is self – help and co-operatives. Self – help and co- operatives can never help to solve the high rate of unemployment in Guyana. You must have outside capital coming into this country in order to be able to develop the country to expand, to go into the Interior to open new Industries. When we talk of getting closer together with our Caribbean neighbours we should also learn from them, see what they have done and see

how they have expanded. All this talk about our land being ours is a lot of hysterical nonsense. We are not going to give away what is ours, but we can surely, in allowing them to come here and so into business, put conditions on them so that they do not take out all of Guyana and we do get what is rightly ours.

We talk about self – help and co –operatives. We hear about the Mahdia road project, how wonderful it is. We read in the newspapers from time to time about all the high dignitaries, the migrants, the remigrants, the emigrants and all the other “grants” coming down here going on the road. We hear how the road is progressing. Nobody is telling us how much this road is costing. I heard the hon. Leader of the Opposition when he was speaking say that it was two weeks free labour and two months paid labour. If the paid labour cuts down on the unemployment situation, fair enough, but we do not know enough about this Mahdia road project, we want to know how much it is costing the nation. Let us know about it.

3.30 p.m.

Similarly, when it comes to the co –operative, we hear how many new co – operatives have been started. At page 18 of the Budget Speech, we read:

“At the end of 1970, there were 992 co –operatives societies with a total membership of over 80,000 and share capital, saving and deposit of over \$7 million. At 30th November, 1971, 115 societies had been registered for the year, bringing the total number to 1,107, with a membership of approximately 90,000 and share capital, savings and deposits of approximately \$8 million.”

They are telling us about registering new co-operatives, how many people, how much money, but they are not telling us about the co- operatives that are failing. We should be told both sides of the story, because there are co-operatives that are failing. The co-operatives in the Matthews’ Ridge area, the cooperative in the Mountains - - *[Interruption]*

Mr. Speaker: Hon. Member, we wish to have recordings of these debates but the note takers would not be in a position to do so if this type of behaviour continues.

Mrs. DaSilva: Thank you, sir. I was hearing about the Victoria National Can Farmers Co-operative, the registration number is 1106. The people are concerned about it. The cane was crushed five months ago at Enmore. Since then, there has been no report. I am sorry the hon. Member Mr. Harry Lall is not here. It would be interesting for him to see how the people have to take the cane on their heads for long distances to the trailers which transport this cane to the factory at \$36 a trailer load. The hon. Minister of Labour and Social Security can go there and find out. The Chairman of this co-operative has turned his activities to clay brick making. The people in the co-operative do not know what is happening and they get no satisfaction. It is not that we want to see them failing but we have the full story. Also, when we have these failures, it would be the experience and the same mistake is not made a second time. For example, in the Marudi mountains, they planted tomatoes and cabbages but they did not have a proper road to transport them out and so the produce was rotten before they could take it down to town.

The Government, in the Budget Speech, talks about justice for all the people, but I am thinking about the cinema owners and their tickets. These people print their tickets in bundles of thousands. It is fair to them that these tickets must be discarded and they must now buy the Government's printed tickets? Surely, some means could be devised whereby these people would not be forced to lose money on tickets they have printed and through no fault of their own have to put them to one side to buy government tickets with the government entertainment tax included.

We come to the matter of allowance of which we have heard a great deal of talk and one would think that the Government is really doing something, although the hon. Minister of Finance did have the grace to say there was nothing spectacular. First, there is the allowance to a taxpayer earning up to \$400 a month and then \$400 to \$600 a month. The taxpayer in the first category would receive \$150 a year, and the taxpayer in the second category, \$100 a year for

hospitalization expenses, for consultant's fees, for dentist 's fees in respect of the taxpayers and his family, against proper receipts, provided they do not belong to a medical scheme. All very well and good, but \$100 or \$150 a year is not much money for say, a man, his wife, and four children for a year. It is impossible and ridiculous. The Government must set about and make a serious effort to see what can be done about the conditions at the Georgetown Hospital.

I have a Motion before this House calling for a flying doctor and radio doctor service for the interior, to help the people who live there. Incidentally, when it comes to money allocated to health under Current Expenditure, there is an increase of only \$473,921 over last year. When we have the numerous supplementary estimates that come before the House during the course of the year, in the majority of them, very little, if any, is asked for health, but this \$473,921 cannot do much when one thinks that the amount covers all the hospitals, the dispensaries, all the different aspects of the medical department throughout the length and breadth of this country, yet we can find money to go on safaris, to give to the freedom fighters, to establish embassies. I know I will hear they are very necessary but with a little forethought and a little doubling up where the embassies are concerned, we could save money and put it towards health. The health of a nation is one of the most important aspects. If the people are not healthy, it is no use having a Parliament, having a Budget, having anything.

We come to the second set of allowances, \$100 annually for each child between the ages of 6 and 18 years, when the taxpayer is in receipts of income up to \$400 a month and has more than three children attending school.

3.40 p.m.

What help is \$100 a year when you think of the price of school books, when you think of the cost of outfitting these children with shoes and school uniforms, and when you think, too, that the majority of parents have to pay extra for children to take private lessons in order that

they may be able to qualify for the Common Entrance Examination, win a scholarship and help the situation?

Instead of giving this miserable sum of \$100 a year, why does the Government not do something more positive about getting more schools and school places? This will prevent overcrowding in schools. It will make it unnecessary for the children to have to attend private lessons, which are very bad. Sending of children to private lessons is an iniquitous habit but a very necessary one because parents know that unless their children receive extra knowledge they cannot cope with the Common Entrance examination, they cannot qualify.

Parents spend money on this very bad practice, which leads to bad practices in the schools. The teacher who gives lessons in overcrowded classes will naturally look after her private pupils first, probably to the detriment of children who cannot afford to pay for private lessons. If there were enough school places this would be necessary. Therefore, the Government should do something positive in this respect and see to that instead of giving a miserable sum of \$100 a year.

The third so – called “allowance”, the rent allowance works out at a minimum of \$20 to a maximum of \$10. It hardly seems worth the bother when you think of the poor man having to trudge up and down the steps of the Income Tax Department to get the matter sorted out, the wear and tear, not only on his temper and his patience, but also on his shoe leather, which he can hardly afford. Is going to be worth \$10, or \$2, as the case may be? This, therefore, will have no great effect or give any benefit to any of the citizens.

What people want is positive help, positive relief, and positive action to bring down the high cost of living. Help them to find houses and to get their children in school places. You will be doing something by that, rather than by this small allowance that is being granted.

The Government talk about getting school places by self – help. Self – help is very good, but self – help on its own can get nowhere, for it is going to take a long time and we will be further back than ever. While other nations in the Caribbean are progression we are going backwards.

These are ideas for the Government to consider – not to be shouting continually the same hysterical platform nonsense that is shouted at election time. Perhaps this is something of an election gimmick. We think that next may be election year. it would be a very good gimmick for members of the Government to able to say, “Look at the tax relief we gave you last year for medical expenses, for school books, for rent.”

When you really go into these things, they are not worthwhile. It would be worthwhile to help to find employment for the people and this could be done by allowing foreign investors to come into Guyana to open up the country, to put down new industries and factories, to open up the roadways, or to go into agriculture and thus be able to employ people, to give jobs to the thousands of children who leave school every year and have no hope of finding work. These young people walk the street; they help to keep our crime wave up; they join the bands of those who “choke and rob”.

This would be something positive. It would be helpful to get more work for our people, which is what they need. If they had work they would have no time for committing crimes.

Instead of doing this, the Government of keeps on telling us about the number of co-operatives, that the number is increasing year after year. The Government must see that this is not the answer. Co – operative will help; self – help will help, but this policy is not the answer. It is not positive enough; it is not enough to carry Guyana forward. If you go to Timehri, you will see more and more people leaving Guyana because there is no hope for the future.

The Minister of Finance, in the close of his Budget Speech, said:

“Our young people are impatient for a better life. We cannot afford to defer their dreams. Whatever our differences, let us find common ground in the need to advance Guyana.”

We of the united Force suggest to you that in the interest of advancing Guyana you really go into the possibility of allowing foreign investment to come in, and that you do not do it in such a way that you seem to want to hog everything for yourselves so that nobody will come into Guyana. Naturally people do not invest money for nothing. They invest in business ventures and they hope to make money from them.

It must, therefore, be a two – way traffic. We must benefit and they must benefit. Do not get hysterical and talk about “this land is ours”.

If the hon. Minister means what he says about sinking our differences and working together to advance Guyana, he would accept this suggestion and give it a thought. He would see the prospects in it and this way we would, all of us together, be helping to advance Guyana.

Mr. Speaker: The hon. Member Mr. Van Sluytman.

Mr. Van Sluytman: Mr. Speaker, 1971, apart from being the Year of Consolidation and unity, has been one of agricultural action. The agricultural programme of the People’s National Congress Government is all embracing, very much unlike that of the People’s Progressive Party.

When the members of the People’s Progressive Party speak about agriculture, they speak about rice. Our agricultural programme is diversified. We cater for sugar – cane, rice, coconuts, livestock, fishes, vegetables and fruits.

Over the past years, under the leadership of the People's National Congress, we have seen great transformation in agriculture. Areas like Kaituma, Matthews Ridge, Arakaka, which were traditionally know for gold and timber extraction, have been transformed into a great agriculture complex. Quite recently in these areas people extracted manganese ores. The very miners and others now engaged in agriculture of all types.

3.50 p.m.

Some year ago the residence in and around the Amerindian settlements were accustomed to subsistence farming and depended by large on imported groceries to feed their families. Now, Mr. Speaker, those very people are supplying themselves with their own food and the surpluses are being sent to Georgetown.

Mr. Speaker, a French philosopher once said this and I quote:

“The destiny of nation depends upon the manner in which they are fed. Unless a nation, a people, a tribe ensure for itself sufficient food supply it is in great danger.”

The groups responsible for food production in any society must be taken care of. The People's National Congress Government has organized and rationalized our production, marketing and processing particularly through this co-operative so as to ensure that the producer obtains maximum benefits from his labour, his land and his capital invested.

It is the Government proposals that we feed ourselves by 1976. The Government and the people are bent and determined to make this a reality. The stage is set and die has already been cast. There has been much criticism from the people's progressive party about this Government's agricultural programme. Albeit unjustified, they have accused this Government of stopping the giving of bonuses to farmers and particularly farmers in the coconut industry. It is a fact that it was a bonus. I say that the P.P.P. stands indicted for having used public money to give to its

supporters for free. Where are the coconut estates and farms? I challenge any of the P.P.P. members to show us an acre of coconut planted in 1962.

Coconut is not an indigenous industry to Guyana. As I see it, the coconut has not taken kindly to the soil. This Government has used all its agricultural technologists to see if they can diagnose the cause of this rampant disease in the coconut industry. The Government has gone afield and has sent coconut trunks to Hawaii to see if they can assist us, but to no avail. Hawaii is known to be on top so far as coconut is concerned – its growth, its production and its diseases, but even they could not have assisted us.

Our approach to the coconut industry is two – fold. We go on estate plantations and we assist farmers with their drainage and we give them fertilizers. We also bring under cultivation new lands, well drained, and we assist the farmers to plant seedlings. It is interesting that by the end of 1971 we shall have planted one million coconut seedlings for the year on one thousand acres of new land.

Mr. Speaker, I propose to quote some figures from the Agricultural Report for 1960. But before I do so I wish to remind this House of the attitude of the People's Progressive Party Ministers when they were in the Government. One P.P.P. member when he was minister of Home Affairs sent some men to join the Police Force. The normal channel was applied. You take your physical examination and your educational test. These young fellows were hopeless and they were returned. The man in charge of recruitment was immediately contacted by the Minister since these chaps were not taken into the Force. The Minister then informed the Recruiting Officer that he did not send them to take any examination, he sent them to join the Force. This very relevant to what I am going to quote, sir.

As I said before the People's Progressive Party stands indicted for having given public money to farmers. Money was spent on the P.P.P. supporters under the pretext that it was a bonus and the Report also stated so. But what must be borne in mind, sir, is that the Agricultural

Officers and the Agricultural Field assistants took orders from Freedom House on who to be paid bonuses for coconut planting. I am from an area of coconut and I have lived there all my life and I know persons who got bonuses for coconut planting never planted one coconut. The figures in this Report will show that if, in fact, the numbers of acres were planted, that we should have not imported one ounce of coconut oil. Annual Report of Director of Agriculture for the year 1962.

Mr. Speaker: Hon. Member are you going to another point now? It is now 4 o'clock perhaps this is a convenient time to suspend.

Sitting suspended at 4 p.m.

4.30 p.m.

On resumption - -

Mr. Speakers: When the suspension was taken, the hon. Member Mr. Van Sluytman was speaking. He may now continue.

Mr. Van Sluytman: When the Adjournment was taken, I was trying to show this House the callous attitude of the members of the People's Progressive Party, when they were in office. I referred to some young men who were sent to join the Police Force and the actual operation of bonus incentives for agriculture crops. The XXV of the Annual Report of the Director of Agriculture for the year 1962, page 60, gives the incentive bonus payments, crops, and acres, together with the districts. In respect of coconuts, bonuses were paid as follows:

Berbice – 11,000 acres
East Demerara – 26.2 acres
West Demerara – 2.5 acres
Essequibo and Interior – 95 acres
North West District – 115 acres

making a total of 11,239 acres of coconuts plants in one year. This was in the year 1962. The industrial type of coconut bears within 5 and 7 years. Even allowing 10 per cent for death rate, calculating very nominally, production per acre per year, 4,000 per year at age 7 – coconuts gives of their best production between 7 and 10 years – by the year 1969, the coconuts which were planted in 1962 would yield 44,956,000 coconuts.

If we were to look at the Report for 1969, page 23, we would see that in 1963, one year after the planting of this extraordinarily large acreage in coconut, the yield was 45,910,000. If we did not plant another coconut, a part from these coconuts for which bonuses were paid, if we did not plant in 1963 and 1964, our production should have been 90 million. If we had planted coconuts in 1964, we would still have reaped in 1969.

This brings me to the point. As I said of the attitude of the People's Progressive Party, they did everything at Freedom House. They instructed officers who must be employed and to whom they should pay bonuses, and on what crops to pay bonuses. Notwithstanding that nobody planted coconuts, we paid bonuses for 11,239 acres.

The hon. Member Mr. Reepu Daman Persau criticized the low yield of coffee. He said that it is because of the inefficiency of this Government that the coffee production has fallen for 1962, at page 17, under the heading, Coffee, reads as follows:

“Again as in 1961 coffee producers had a bad year. The price prevailing during most of the year was 18 cent per pound and by year end the price had risen to 22 cent per pound. The bulk of the crop harvested was done by family labour, it being too expensive to hire pickers at the present low price of coffee.”

I am from a coffee area and I know that one acre of coffee is supposed to yield 800 pounds at 18 cent a pound. That would be \$144. At the price prevailing in 1962, it cost \$2 a barrel for picking. To fill 40 barrels, it is necessary to have 800 pounds of dried coffee. Picking 40 barrels of coffee would therefore cost \$80. It costs \$60 to weed one acre of coffee in a year and there are the ancillaries which must be done on a coffee estate, things like drain cleaning,

picking of bird vines to keep the estate on order, but the expenses I have mentioned amount to \$166 and the then Government bought the coffee for \$144. Most of the farmers abandoned the coffee estates, some in part and some completely.

4.40 p.m.

After the People's National Congress came into office we moved the prices of coffee from 24 cents to 45 cents. As from last year it was 60 cents for any coffee produced and a co-operative society it was 60 cents plus a bonus of 4 cents. The people went back to their farms. Some was successful in resuscitating them but others found that the coffee was so depleted that it was abandoned. The P.P.P. therefore stands indicted for having destroyed the coffee industry.

There is another thing which has been a sore point with the People's progressive Party. I was looking forward to hear the hon. Member, Mr. Reepu Daman Persaud, speak on it, that is, the Guyana Marketing Corporation. The members of the People's progressive Party have been labelling this institution as less efficient than in their times. I have told this House on two occasions that the Guyana Marketing Corporation is running more efficiently now than it ever ran under the People's progressive Party and I have quoted figures to prove it.

I have here the Report of People's progressive Party for the period 1st January, 1964, to the 31st December, 1964, that is, the last year the P.P.P.'S misrule. Before I give the figures, let me read this as hon. Members may not wish to believe that this is an auditor's report:

“We have examined the Accounts of the Guyana Marketing Corporation, which are in agreement with the books of the Corporation, and report that we have obtained all the information and explanations we have required.

We further report that, in our opinion, the annexed Balance Sheet dates 31st December, 1964, and the General profit and Loss account for the year ended on that date, are properly drawn up so as to give respectively a true and correct view of the state of the Corporation's affairs at the 31st December, 1964, and of the deficit for the year then ended, in accordance with generally accepted accounting principles.”

It was signed by Pannell Fitzpatrick Graham and Crewdson, Auditors Chartered Accountants.

From the General Profit and loss Account for the year ending 31st December, 1964, we see that Georgetown produced a loss of \$92,638.35 and New Amsterdam \$13,171.54. All the heads under the Guyana Marketing Corporation for the year lost save and except the ham and bacon factory, which made a profit of \$5,416.16. The sum total of the loss was \$743,899.47.

With a subsidy of \$631,610.00 in that year, there was a net loss of \$112,289.47. The amount of subsidy in relation to the total purchases would mean that total purchases were subsidized to the tune of 17 per cent, but since there was an additional loss of \$112,289.47, it shows that the subsidy amounted to 20 per cent of the total purchases.

In the year 1966, under the regime of the People's National Congress, total purchase were \$4,727,197.00 and the subsidy was similar but not exactly at \$4 million, instead of \$3million, as in 1964, the Guyana Marketing Corporation showed a surplus at the end of the year of \$30,966. In other words, the total purchases were subsidized to the tune of 12 per cent.

In 1967, total purchase amounted to \$5,602,576.74, with a subsidy of \$600,000. At the end of 1967 the surplus was \$66,195.33, which means that the total purchases were subsidized to the tune of only 9 per cent.

It goes on and on. In 1964, the Corporation bought \$3 million worth of products. In 1970, it bought \$6 million. In 1964 there were just 13 items; in 1969, there were 41 items and in 1970, 60 items.

The work of the Guyana Marketing Corporation ought to be commended. We have given the farmers a guaranteed price and we have contracted that the Guyana Marketing Corporation will buy all that they produce on a land at a fixed guarantee prices. Not only have we increased our purchases in quantity, but we have been able to employ more people at the Guyana

Marketing Corporation. We have been able to find jobs for people and we have been able to take off the produce of the farmers.

As I have said, 1971, apart from being the Year of Consolidation and Unity has been the year of agricultural action. *[Applause]*

Mr. Speaker: The hon. Member Dr. Ramsahoye.

Dr. Ramsahoye: Your Honour, one of the tragedies of the current system of public finance is that the Budget in this country is produced three months or so before the current Bank of Guyana Report. As a result, members on this side of the House are at a tremendous disadvantage in really analyzing the country's financial position. The Minister of Finance reads a speech, which probably lasts for two hours, but it is not, and indeed it could not really be intended to be, an exhaustive review of the financial position at that time.

4.50 p.m.

However, from what is available to us, I think it is time that this House really assess the economic position of this country without emotion and as dispassionately as ever. The Government cannot complain that the people of this country in contributing to the revenue have at any time fallen below what was expected of them except in the year 1971.

This Government came into office at the end of 1964 and the figures show that from 1965 the people of this country had every year contributed more to the revenue than the Government expected of them. The figures show that between 1965 and 1970 the Government in its annual budget speeches made by the several Finance Ministers expected the revenue to yield a total of \$863 million. In fact, in the period from 1965 to 1970 the revenue yield was \$591 million which is about \$28 million more than the Government expected. On the other hand as Mr. Peter D'Aguiar was complaining and as seems to be true right on today the Government has not been

able to hold control of the expenditure as it or we would wish. As a result, the expenditure projected for the same period was \$568 million, in fact, \$594 million is recorded as having been spent. Nevertheless, when one adds it all up on the current revenue and the current expenditure up to the end of 1970 the figures were not in deficit. The Government had actually collected even if it is only about \$3 million more than was actually spent.

The year 1971 showed a great difference to which I will later refer. the Capital estimates which have been intimately bound up with this country's external Ministers have projected a total capital expenditure of \$307 million. That is from 1965 to 1970. In fact, this Government has spent \$222 million which means that the Capital Expenditure has fallen far below what we have been told by successive Ministers every year would have been the case. Indeed, the capital revenues have also fallen far below what was expected. the several projected for the many years – 1965 to 1970 – add up to \$270 million. In fact, the Government received in capital revenues, that is, in the form of grants and loans internally and externally, a total of \$193 million which means that the Government's capital revenues which it was expecting to get in from grants and loans internally and externally fell by about \$77 million. As a result the entire Development Programme as it has been projected for Guyana from 1965, and indeed from 1966 the period when Sir Arthur Lewis presented his report, has become twisted and warped, and whatever has been achieved since then, has not been achieved on the basis of the Plan which had been put forward in 1966 when Sir Arthur Lewis made his recommendations. The reason for this, I think, and we have been telling the Government all the years, is that there was a lot of political chicanery changed with big promises that Western Government will come to the aid of a new Government with massive aid and the truth has come out. They have not given the aid; they have fooled the Ministers of the Government and they have been fooling then since 1965 right on to 1970. As a result the Development Programme of this country became warped and in the end we know it had to be jettisoned. The hon. Minister Mr. Hoyte says that a new plan is being drafted for 1972 and we will have it by the end of the year. I hope that if the hon. Minister is going to tell us again that he is expecting to get credit from those very sources to finance any new Development Plan he need not bother to come, because they will continue fooling him in the

future as they have been doing in the past. If we are going to have a Development Programme now we will have to try and raise the money on our resources or turn to friends who are likely in the confused context of the economic and world affairs to offer us more substantial help than we have received so far.

Why was 1971 a change? In 1971 the Government projected revenue of \$145 million, but collected only \$128 million. There is a drop of \$17 million, when the drop is analysed it becomes clear that it has arisen because of deflation in the private sector. The Peoples Progressive Party time and again during the last Government had enunciated three areas of economic activity. there was to be the private sector, private cum public, and the public sector. The People's Progressive Party never advocated a shutting down of the private sector or a depression of the private sector. I hope that there could be by- partisan policy in this House on that issue. But, whether this Government has intended it or not the truth is the private sector has been deflated and that is why the revenue has dropped by \$17 million. The source of the drop is the revenue proposals put forward by the hon. Deputy Prime Minister in 1970. Those proposals have now come home to roost. They were too harsh; they were no ill – considered, they were not properly thought out and as a result, for the first time in so many years this country's revenue has dropped so far below what the Government itself thought it would have had.

The hon. Minister says that of this \$17 million that has dropped \$8 million is money which would have come from the bauxite but which he expects should recover in the year. If we accept him at his word we assume that we will recover that 48 million we are still down for the year 1971 by \$9 million. That is too much for a country like Guyana having regard to the extent of its current budget to lose or to fall by.

What should have been done? I should have thought the hon. Minister would have tried to reflate the private sector in those areas where it has become depressed.

But not a word is said in the Budget about it. Instead, he comes forward and he says in 1972. he expects to raise current revenue of \$148 million.

How will he raise this \$148 million? If the Government sets up a textile mill, it is not going to bring revenue that early, it is not going to bring those results that early so he is not expecting that to bring this extra \$20 million in the year 1972. I should like to know and I wish the hon. Prime Minister were here to hear me and in the end he would try to explain to this House how he figures that the revenue for 1972 will increase from \$128 million, that is what he estimates them to be in 1971 to \$148 million in 1972. What does he think will happen in the economy in order to get it.

We criticized the harsh Budget measures of 1970. The Deputy Prime Minister, I have no doubt, felt that by his Budget proposals he was creating a more egalitarian society, but it has worked that way. If it has not worked that way, the time has come to correct it. It is a question of using your commonsense. Once the revenue had dropped so substantially in 1971, the Government ought to have realized that the red light was in and this trend ought not to continue. My predication is, unless the Government comes up with some proposals, particularly by march when the Bank of Guyana Report is out, we are going to be in for another sad year in 1972. I would suggest to the hon. Member that when that Bank of Guyana Report is out in March, 1972, we ought to have in this House a full debate on the state of the economy because it will allow us to analyze what has been happening to the economy months by month over 1971.

The Government has policies which I do not doubt are old. I hold no brief even for ourselves when we were in the Government. We might not have done the correct thing in many areas but we never had this terrible misfortune which this Government now faces with a drop in revenue with such a considerable percentage. We were always able to hold the scales and in the end we were able to leave the Government in the black. What has been happening in relation to general economic policy?

The wheels of the economy turn in direct proportion to the way in which the wheels of the banking system turn. This country has varying policies about the amount of credit which banks can give in relation to total reserves. According to page 65 of the 1970 Report of the Bank of Guyana, they have minimum reserve requirements and they have a liquid assets ratio, that is, from December, 1966, they must have 20 per cent demand liabilities and 15 per cent of timed liabilities.

They must have minimum reserve requirements, 6 per cent of demand liabilities and 4 per cent of timed liabilities. There is need to review these figures so that if necessary some small change may be made in order to allow some more money to go into the private sector.

In this country, we will have to have more and more public ownership as the years go by, but we do not need to break our necks to do it, if people are going to starve on the streets. We must have a studied and progressive policy towards public ownership. The public organizations are really not going to make money. We know that in this country more than anything else, the public sector tends to lose money, and it has been a consistent thing over the last few years. Whatever the reason for it, whether it is a growing bureaucracy, whether it is the employment of redundant people, the truth is that the public sector has had to be subsidized in substantial measure by the private sector and when the private sector is depressed, we all will suffer. So there is need to review the position of the banking system to see if people who are willing to work and who are willing to help themselves can get more credit out of the banks.

The Government says people must help themselves; the Government is not in an position to find jobs for everybody. The only way people can really help themselves in this state is to get some minimum of credit in order to do something and help to produce some more. This straight – laced attitude which appears to be endemic in the banking system and which the bankers are saying is the result of a government policy which restricts the amount of money they can lend, must be reviewed. The banking policy is under control by the Government. There is a ceiling upon what the banks can land. It is on page 65 of the Bank of Guyana Report for 19670. On

these figures it has been operating since 1966, and there has to be a ceiling. A bank cannot be allowed to lend out everything because if somebody wants a demand deposit withdrawn, he would not be able to get his money.

[Interruption]

Mr. Speaker, it is surprising that hon. Ministers in this Government do not know the Bank of Guyana exercises control over the commercial banks in relation to their lending. It is the saddest thing in this century. It is a policy which has to be. Government has to exercise that sort of control. The question is, what the ceiling limit is. In every civilized country where there is a central bank, a Government has to do that. The question is, where are you going to put the limit. Can the limit be manoeuvre? Is it in the public interest to manoeuvre it in order to suit the needs of the economy from time to time? There is no blame in effecting the control, but the present controls are set by the Government and it is those controls which needs a sort of review.

When one looks at what happens to the country's money, one gets some revealing figures coming from the same Report and this time it is in the table relating to hire purchase credit which is on page 87 of the Bank of Guyana Report for the year 1970. There again one gets what I would think is a rather lop – sided distribution of the hire purchase credit.

We live in a country which is undeveloped. We really need to have more lands taken in. We really need to prepare ourselves to produce more. It follows therefore that we ought, if we going to make capital goods for development rather than spend whatever we have on consumer durables. According to this page, it seems as if the amount being spent for consumer durables reached 42 per cent of the total hire purchase credit in 1970.

Industry has had only 33 per cent and 67 per cent have gone these other things. Therefore is there any way in which the Government could try to bring about a reversal or some sort of control of that situation? is there any way in which we can let the people of this country know that in the end if we keep spending all our money on consumer durables before we try to get capital goods for development we are going to suffer? Surely we may be able to reverse this trend which is a bad trend and which is one of the things responsible for the low growth of the national domestic product.

The national domestic product rose last year by seven per cent. 3.5 per cent of that was attributable to rising prices so the growth was in real terms only about 3.5 per cent but if we were spending less on consumer durables and more on industrial and agricultural equipment we would have been able to boast a far higher growth. What is happening is this: There is a figure here for motor cars. Motor cars, hire purchase credit, *[Interruption]* 24.7 per cent at the end of December of the total hire purchase credit in this country went to purchase new motor cars. Here are a people who obviously cannot afford these luxuries and their valuable resources they are taking up. But here is one other thing about this. If you go to the bank you and you say you want money to borrow to buy a car they will quicker lend you than if you tell them you want to invest it in agriculture of something useful.

What we must try to do in relation to these matters is to steer the economy in such a way that we will be able to reverse this position. Instead of 35 per cent being spent on capital expenditure and 67 per cent on other we will spend 67 per cent on capital and 35 per cent on others. It is time we take positive steps to reverse or vary this trend, but nothing is being done. We will still have one other year of **laissez faire** in which everybody who wants to buy what he wants will go and buy and people will keep buying more cars and the debt rate will go up more.

The hon. Minister of Finance said that he spent \$10 million on the rice rehabilitation programme but I believe that a lot of this money has gone into the erection of silos. The hon.

Prime Minister is aware of a scheme called, I think, the Mahaica/Mahaicony/Abary project which was formulated a long time ago by Hutchinson and which was designed to bring some land in that area under proper drainage and irrigation. That scheme has not been pushed ahead and I would have thought that all this money that is being spent on the rice ought to have been spent first on doing that scheme, even if one had to wait some time afterwards to have the silos established, because if you are going to produce the Minister, or somebody in the Agriculture Department, says, that this country is now competing well on the world market for rice. If you are competing well on the world market for rice this is the thing to do: try to get more land under drainage, increase your production and increase your goes domestic product.

The hon. Minister of Finance reports to us that the rice production fell by 19,000 tons. That is not good enough for us. We have to do better than that. If we cannot do better than that well it is no use we try to live at all. When we consider that the 1970 figure was less than the 1969, we can see that the thing is compounded and it is just not good enough.

I think that one of the grave problems in the rice industry is the problem of drainage and irrigation. A Government must necessarily have its priorities. You cannot go and throw everything on infrastructure but there are certain things which are vital and which are essential and I would have thought that if we were to spend some money in doing that scheme, whether in the way it was first conceived of a varied scheme, it would be money very well spent indeed.

If we are going to spend \$79 million on capital works this year, well then we would have been doing double what we did in many of the years between 1965 and now and we will be going a very great distance forward. But one wonders, having regard to the fall in estimated capital receipts over the last six or seven years, whether we will be able to get the money this year to make up this projected expenditure of \$79 million. I hope we get it.

The hon. Minister of Finance said there will be trade with China but I did not hear him say that Chinese are giving us a loan. [**The Prime Minister** “Yes”.] If that is the case, I do not see in the

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National Assembly

5.10 – 5.20 p.m.

Budget Speech how much the loan is going to be. I hope that the \$79 million is not going to be sought from the same sources that have fooled us over the last five or six years.

One last major thing about the economy in that I have observed that up to 1970 the public debt has gone to something like \$311 million and the financing charge for that must be very heavy indeed. It therefore becomes incumbent upon us to produce so that we could meet those charges. If one goes back to the Lewis Report, Lewis had been expressing a constant fear in his report that if we had borrow too much the capacity of this country would not be able to afford the high charges. Since we have that debt, it is vital that we should be able to do the things which will enable us to earn more revenue and so service those debts.

We used to be told that we could raise a certain percentage of the annual revenue every year for servicing but it is not servicing charges alone we have to meet, we have also to meet capital moneys which we borrow, because when we cannot make the repayment we know what happens. Those who have lent us money exert very subtle pressures on our economic policy and on all our policies and they rule us in that sort of way. We cannot become too dependent and too obligated. It becomes a national tragedy when ever that happens.

5.20 p.m.

Your Honour, once again the hon. Minister of Finance has concluded his Budget Speech and he has not made any reference to the administration of justice in this country. Once more I must say that we still trying to run a system of justice which was charted for us since Victorian times and which has had very little modification since then. The time has come when we need to have a whole review of the court system to make the thing more efficient and to make the administration of justice more expeditious.

There is not even enough accommodation about the courts. We might have read in the newspapers that a delegation from the Bar Association went to the Chief Justice last weekend

complaining that the bail court was being held in a crowded little court much to the inconvenience of the practitioners and the litigants. I wonder whether the hon. Prime Minister knows that at least thirty per cent of the chairs in the High Court have no seats and that the barristers and solicitors sit just hanging on in a sort of way. [**The Prime Minister:** “What about some self help? I will give you the materials.”]

I think we must not forget this fact, that if we are going to live in an orderly society then we must realize the importance of the law. All our rights, all our duties, all our obligations, are all determined by the law. Our right to sit here, our right to speak, our right to do everything. In our society, the law is very fundamental and the administration of justice ought not to be neglected in the way it has been. There are inadequate courts, inadequate staffing and generally there is a terrible pressure. The Judges are being asked to work which master in Chambers could be appointed to do. And the lists are clogged with work which could very well be taken off the backs of the Judges.

I think that the time come when we can try to put aside some money and use it for a reform of the system. We do not have to find a Dr. Beeching. We do not have to go into extraordinary procedures in order to reform the system. It is a small country: it has three – quarter million people, and there is not going to be much effort in order to make an effective revision of the system, but that there must be. The time has come when certain efforts should be made on the part of the Government to see that better is done for the administration of justice and to those who have swat away practicing the professions of the law.

The work is as hard as it could be. We practice a system which is very sophisticated, a system which from the country we have barrowed it people are trained from childhood throughout to public school system where they produce politicians who play the game. In England you get politicians who play the game all the time, one is willing to go out and allow another to come in. You have a system of justice which is reputed to be fair and you do not have religious troubles. That is because the politicians, the lawyers and the clergy come through a

particular system and they have been doing this since normal times. If we are going to find any value in those institutions we have to treat them with the same sort of importance. [**The Prime Minister:** “And respect.”]

Your Honour, it is to the credit of the people of this country that they have been doing their bit. No Government could really say that its expectations have been allowed to fall before this year 1971, and it is as a result of the industry of people. People are anxious to make progress.

They only want the scheme and the structure to be set up in which they could really expand and extend themselves.

There are so many restrictions. The Government has to operate through several Government departments and we know how restrictive is the proverbial departmentalism, the red tape and the pushing around from man to man and desk to desk which we have perennially found in the Public Service. Surely the time has come when we can do something to change the method and even if we cannot change it completely in year we should be able to see every year a certain amount of progress towards that end. All sorts of complaints one gets during the course of the year about dilatoriness in Government Departments. Unless you get an efficient and honourable Public Administration people are not going to be able to produce in the way the country expects them to; they are always going to be restricted and they are going to be inhibited by the petty frustration which arise when a man confidently expects something to be done and returns from his mission finding himself despised. I have had no doubt whatever looking at the figures for this country from the year 1965 that although this is a very difficult country to govern there are many areas where there is a tremendous goodwill, tremendous ability, and tremendous initiative on the part of the people so much that despite all the hardship which they face they have been going from step to step progressively in the face of what has been harsh and sometimes unreasoning restrictions on the part of those in authority.

Your Honour, this country has one major disadvantage, it being six miles inland below sea level. If we think about it there are few countries in the world, if any, which have problems so tremendous as the problems caused by that sinking below the level of the sea. It means that perennial problems of drainage and irrigation face us. I have had some figures extracted from the year 1900 to 1960 showing how much this country has spent of its resources in just keeping out the ravages of the sea. I expect early, maybe in the next debate we have on this country's economic system to provide this House with the figures to show how much our people have had to waste because of those natural disadvantages. Well, there are compensations. The land is very fertile in this area which has been submerged. But we are not having the opportunity to exploit the lands as we should because we have not done enough by way of drainage and irrigation to make it so. We should not delay. The time has come when we must make some deliberate effort and we all know that in providing drainage and irrigation for this country the Government is served by Engineers of distinction who could on their own do the work without having to get help from overseas.

5.30 p.m.

There are men who could formulate the scheme and there are men who can carry them out. Certainly in that area are men who can carry them out. Certainly in that area of activity we do not have to depend on outside technical help.

Your Honour, we must not forget that much of what we have achieved throughout our economic history, we have achieved as a result of the individual initiatives of various men, and the Government ought I think, under the supervision of the Prime Minister, who should take the ultimate responsibility, to place responsibility for work on individual men and see that nothing stands in their way. They must be called to the table and asked if they think they can do it, and then under his ultimate supervision and responsibility, they must be put to do it. It is no use putting your technical men to plan schemes if they are not given a free hand. Let responsibility lie

somewhere and that is the only way one can pin – point success and be able to see why there is failure.

What happens in a Government? It has been so since I was working in the Government. When something is put up, all sorts of people from all sorts of places have to make comments even though they know nothing about it. That system is going on today. This has to be cut out. It has survived too long and the time has come when men of capacity and ability must be called and asked if they can take the responsibility and if they say yes, then the responsibility should be allowed them, and they should not be put in strait – jackets or hindered.

We ought to have gone much further in many of our technical schemes if we had such a policy. The principle is of general application. If a man knows that in the final analysis he is the one to share the responsibility, he is going to do much better. He is going to exercise much more care. The fact that he knows the eyes of everyone are on him will make him exercise a greater degree of responsibility. Method in the public service is vital and if we are going to expand public control and ownership and public activity, we can never forget that in the same way as in the development of the private sector, the initiative of the particular men has counted. It must be the same when the activities are being done in the interest of the public and the nation. Departmentalism must go and responsibility must be allowed to rest on the shoulders of those who can carry it without being frustrated by the numerous humbugs who are being paid out of the public funds.

As I said before, this House may try to debate the financial proposal, but the debate cannot really be effective until we can see the Bank of Guyana Report for the year 1971 and then I think that we will do well to have a debate on the state of the economy. Meanwhile, the Government ought I think, to consider introducing measures which will enable the administration to collect the revenue which is projected. So far, and on the basis of what we have in this Budget statement, the Government is not going to realise \$148 million in revenue. Steps have to be taken to generate activity in those areas of the economy which were shown to be under pressure during the year 1971.

The hon. Minister of Finance could not have written his Budget Speech without addressing himself to the Bank's statement or to the materials which will be used in relation to this coming Report. If he wrote his Budget Speech without addressing himself to the facts and figures so far available, he would have fallen short of his duty to the nation. I would assume that he did read what materials are presently available and I would exhort the Government to review those materials again and consider the introduction of measures which would change this economy from being a lop – sided economy to one which will have its priorities put right. In particular, there must be more money given for capital goods and capital equipment. More money must be given by the banks and more money must come for that area than what is coming at the moment for consumer durables.

The years 1969 and 1970 were difficult years for the sugar industry. Indeed, in 1969, sugar production dropped and caused the commercial banks to have to give considerable support running into millions of dollars in order to sustain the sugar industry. As a result, they had that much less available for lending to other people who needed money. From the hon. Finance Minister's speech and from the glowing accounts of the trade union responsibility given by the hon. Minister of Labour and Social Security, it appears clear that for the year 1971, the sugar industry would have had to rely far less on the banks to sustain its economy and one would have expected that efforts would have been made to have those resources made available to other sector of the economy. The fall in the revenue suggests that they were not and it is vital that the hon. Minister of Finance should make a thorough and complete examination of that financial position so that we could know on the next occasion he speaks, what really happened in relation to credit for this year.

The sugar industry has been increasing its production. The Government says that it now has a market for sugar in China. If the Government has a market in China for the sugar, and if the Government can sustain the United States quota as well as the United Kingdom supply, then now is the time for the Government to enter into deliberate and careful negotiation with the sugar

industry to see how production could be increased to make sure that the economy gets as much as possible out of the sugar while the going is good.

5.40 p.m.

I myself have the greatest fears for the sugar industry. The way the Common Market negotiations went, the way Mr. Rippon was prepared to make concessions to the other marketers in order to make his entry into the European Economic Community leave me with a feeling that if, as we say, “push come to shove” the United Kingdom would have no hesitation whatever in forgetting the subsidies and the support which have been given to sugar in this area of the world.

We are then faced with the problem of finding either alternative markets or of diversifying the economy. How much the economy can be diversified, only heaven knows. We are producing sugar, but we have been producing it for 200 years. We are producing rice but we have been producing it since the middle of the 17th century when the bush Negroes first got away and planted. So we have had centuries of experience in cultivating these two products. When we go into new areas we need to take time. The hon. Minister says we will grow cotton. I wish him well. if he can grow cotton I glad, we are all happy. But is it going to be as easy as that? We have not brown cotton here for so many years. It means now that we have to study the techniques; we have to make sacrifices; we will have to make errors; we will have to reach pitfalls and so it is not going to be easy as we think.

Therefore, it behoves this Government to make sure that we produce as much sugar as we can possibly produce out of this land and it behoves this Government to ensure immediately that the rice industry is thoroughly and completely and genuinely rehabilitated because we know that our people have had a tradition of planting that crop and that with improvements they will go from strength to strength. The Government should not allow anything to happen which will continue the depression in the rice industry. The government ought to change all the policies, revise them, vary them, to make sure that we can really have the rice produced.

Now the bauxite industry has been nationalized. It has been nationalized at a time when the world market, as the Minister said, for aluminium is not good at all. Indeed, I read in the Times newspaper the other day that there has been a considerable cutting back in aluminium production by French companies and in the United States itself and there would appear to be a very unwelcome glut on the aluminium market. Because of that we have to redouble our efforts to make sure that we hold our position in the bauxite industry.

Bauxite is one of the Keystones of the economy of this country and the people of Guyana cannot allow the bauxite industry to go down. It is an industry which has to be sustained and it is an industry which, like sugar and like rice, must be sustained in order that we could live in this country. The responsibility on the Government in relation to that industry is therefore very great.

But one expects problems. We are not going to go through a path to economic success unless we meet problems, but we have to take them as they come and we have to surmount them. We have also to plan long ahead. It is no use making *ad hoc* arrangements for anything. In this area of public activity one has to plan and know what one is doing for several years ahead at a time. It is no different in the bauxite industry and one has to take into account world changes, world events and the numerous flow of emergencies which come from day to day as we try to make our way through all this economic confusion.

But it seems as if we have not in our day to day business of Government correctly assessed the feelings of the people outside. Politics is still the art of the possible, whether it is here or whether it is anywhere else. This country's economic misfortunes, in my feeling, flow directly from those budget measures of 1970 and the time has come when they ought to be re-examined to see if we cannot do better. I am sure that we can do better and it is wrong to adopt a **laisser faire** attitude in respect to those proposals when the results for 1971 have so clearly shown that the economy has in a great area been depressed and the national expectations have fallen far below what they ought to have been. [*Applause*]

Mr. Speaker: The hon. Member, Mr. Yacoob Ally.

Mr. N.Y. Ally: Mr. Speaker, we are discussing the Budget 1972, Advancing Guyana. The Government can claim a record for a deficit that recurs year after year. Despite a consumption tax and other unnecessary and discriminatory taxes, we still find a drop in the revenue. The P.N.C. Government is displaying a puerile show and a bombastic attitude in the management of this country's affairs. Actually it is hanging its hat, in the form of budgetary proposals, beyond the reach of the nation and this results every year in a shortfall in revenue.

What do we find? In 1970, there was a deficit of \$4.6 million. This year the anticipated deficit is \$17.3 million. From the "guesstimates" of \$146 million it was reduced to \$128.3 million. Experience authorities say, "Deficit financing always leads to inflation." The crux of this matter is that it is just an unnecessary burden in the form of taxation on the nation.

There is discriminatory taxation by means of pressure on businessmen, on farmers, on workers, on housewives, while not one cent in tax was received from the 66,000 overseas voters, the voters who, we allege, kept these people in Government office with bogus and proxy votes.

Never in the history of Guyana has so much aid and such large amounts received by way of grants or loans, been squandered. As a result, the nation of Guyana is still pauperized and bankrupt.

5.50 p.m.

Never in the history of Guyana has a Government shown by Auditors Report so much fraud, corruption and demagogue as this P.N.C. Government. On the other hand what do we find? Spitefulness and discriminatory pressures on professionals. No wonder the brain drain is still going on; thousands of people are leaving our country year after year never to return. Now we have this situation where people have to pay homage in form of road tolls. It is said that the

P.N.C. Government has treated the people living in Berbice as conquered race. All Berbicians are entitled to property rights. This was an inheritance by even the Dutch to the people of this country. I advise before the introduction of the toll that the Government compensate the people for the loss of their rights. If this Constitution has any meaning, or if Parliament school mean something to the people we must represent their cause. The P.N.C. Government has taken us back to medieval times when man had to pay to live in peace and mankind was owned by the state.

The Prime Minister said that a road such as quality of the Corentyne road a toll should be paid. What about other roads of that quality? Roads such as the ones in the housing scheme, the Kelly Dam, the Sea Wall Road, the Haslington road even the one leading to his residence, people should also pay a toll. What do we find? Discrimination! The P.N.C. Government is not ruling this country for the people's benefit but only for its friends and Cabinet Ministers. This is a poor country, but has rich Cabinet Ministers with big cars and palaces. I think the Government should rethink its position on this whole question of a road toll.

Sir, we hear a lot of big talk about labour intensification. With your permission, I should like to quote from page 25 of the Budget Speech, paragraph 3:

“The Government in 1972 proposes to expand the scope of the External Trade Bureau, through its participation in a bilateral trading arrangement with the People's Republic of China”.

This is telling us that there will be an exchange of trade with China. Why did the hon. Minister not try to secure a glass factory at the same time? We have kaolin in our country. We have rich sand in our country. This is raw material we do not have to buy. Why not a condensed milk factory? A condensed milk factory would have taken a quarter of the money spent on the wasteful Chronicle project. I should like to quote from the *Guyana Graphic* of September, 10.

“Trinidad gets a new Milk Plant. The cost of this \$1 million milk processing plant which is expected to drastically cut Trinidad and Tobago milk import Bill has been opened here by the Prime Minister Dr. Eric Williams.”

These are some of the investments which would beneficially help our country. But what do we find? A textile factory is to be erected in Guyana. In the absence of raw material being obtained in Guyana the whole project would be a farce economically.

Clothing ourselves: We are amused at the Prime Minister saying we would have to clothe ourselves by 1976. What this Government does not understand is that clothing ourselves would be more costly. Instead of as we are having now three yards of cloth for one dollar we might have to pay three dollars for one yard. The raw material would not be produced in Guyana. This is just a matter of showing off, fooling people that we have employment. This is a costly way of fooling around with socialism. The Minister of Finance says in his *Budget Speech* on page 6, and I quote:

“No informed Government today expects miracles from foreign aid.”

Since when the P.N.C. Government has realized this. Since when it is so well informed of the tricks of trade with foreign aid. For the benefit of hon. Members I should like to refer to a discussion or talk by Dr. Eric Williams who is the so – called “Mr. Know – all”. In 1957 he was explaining at a meeting that if the American people can only pay one cent more for the cup of coffee that they drink – as usual the American like a lot of coffee – it would mean in terms of the economy that Brazil would collect \$400 million more per annum. Columbia will get \$170 million more per annum and Puerto Rico would get \$30 million more per annum. What he said was that whilst we can get \$600 million extra by just paying one cent more on the cup of coffee, what do we find? This great democratic nation donating free and gratis \$100 million to the Organization of American States. This is the organization that Guyana is anxious to join.

Dr. Eric Williams was making the point that whilst we receive this \$100 million free and gratis to help education, to help sanitation, to help living standards. The donors are sucking our blood to the tune of \$600 million.

My colleague has referred to the destruction of the rice industry in Guyana. Let us try to relieve ourselves of the stranglehold of United States imperialism. It is no use telling the Weekend post and Sunday Argosy of 6th June, 1971 states:

“U.S. trade with the Eastern Blood

The possibility of increase U.S. trade with Communist countries is becoming a matter of heightened interest among American officials and private citizens . . .

One point that has been stressed repeatedly is that the total volume of free trade with Eastern Europe amounted in 1969 to \$16,600 million, (U.S.) of which the U.S. share was only \$440 million.”

They are the people who are telling us not to trade with other people. There is another reference in the Guyana Graphic of Saturday, 11th December, 1971, page 5.

“Hopes for U.S. Soviet Trade

Commerce Secretary Maurice Sands said that U.S. trade with the Soviet Union could reach thousands of millions of dollars in natural gas, vehicles, machine tools, minerals and grains.

The climate for new trade initiatives delegations from Moscow will visit the United States early next year, Mr. Sands just back from an 11 – day visit to Russia, told a press conference.

But he warned that there was no hard deal made and that improved U.S. – Soviet trade relations depended in a large part on the continued improvement of political relations between the two countries.”

While we are doing this, we are being dictated to by Uncle Sam not to trade with CARIFTA countries, and I should like to quote from the Weekend Post and Sunday Argosy of 3rd October, 1971:

“UNITED STATES BLOCKING GUYANA PORK SALES”

There are the same people on whom we are depending. I now ask this P.N.C. Government why it is not allowing the rice farmers to receive a better price for their rice. If they receive a better price for their rice, the rice industry will move forward by leaps and bounds. All along, the Guyana Government is destructive to framers it would not trade with Cuba despite the fact that there is a potential market for rice, more sleepers, timber etc. Today, Cuba is buying rice from Brazil at a lucrative price to the farmers of Brazil, \$15 U.S. approximately. That would be about \$30 Guyana per bag. Whilst Cuba is buying this rice from Brazil, it has to be shipped to Moscow and then return back to Cuba. We should now try to negotiate trade deals with Cuba.

A mission from Trinidad went to investigate the live – stock industry in Cuba, The head of the Mission reported that Trinidad has not done so well in 50 years. What advances Cuba has made³ in ten years. Despite the criticisms that have been levelled against Cuba, Dr. Castro has been acclaimed the greatest liberator in the Western Hemisphere. Castro has grappled with the needs of economic socialism to suit the Cuban nation. They have done it, not masquerading as socialists. The first thing he did was to unite the working class people who comprised the backbone of Cuba. He has thrown aside discrimination, which is an enemy of socialism, in the name of nationalism. He has pledged to serve honestly and has demanded the same of his comrade in his efforts to eradicate unemployment and under – employment, and other basic needs. In return, the workers ensure full production for the integrity and honour of their country, without fear or favours.

This Government fools itself with the name of Co-operative Republic while it schemingly taxes the poor, whilst easing the rich. We find co –operative societies being granted special favours in the awards of Government contracts. This is what is happening in this so – called socialist country. We find these co –operatives are exempted from the payment of income tax regardless of the fact that might earn millions of dollars. No wonder the Budget cannot balance. Let the Government deny this.

Let us go now to the E.T.B. In the debate on the Bill relating to corporations, I was trying to make the point about the role which Guyana Gajraj should play, when I was prevented from humiliating the Government. I have the privilege of doing so now. The whole scheme of the E.T.B. has to be reoriented to fit in without economy so that it can be a success. Parliament's formal approval should be sought before Government bans the private importation of goods. There should not be this high – handed action which is being practiced now. With all the E.T.B. controls, what is the position? Where is the supply of Lactogen?

6.10 p.m.

Where are the supplies of the fresh butter? Where are the supplies of garlic? Where are the supplies of black eye peas and the 101 items that this Government fools the people it is controlling? None are available in the shop today.

All we hear are threats of destroying Guyanese. Let me refer to an article in the *New Nation*. The *New Nation* is saying that the Government should carry out the threat to jail people for black marketing. It recommending that people who black goods will be jailed. This is the kind of double standards we get.

I should like to quote from *Evening Post*. It states that the Guyana Marketing Corporation sells cabbages at 48 cents per pound while the control price is 36 cents per pound. Is this not a case of

black marketing? These are double standards that the P.N.C. Government is using to run this country.

If the P.N.C. Government is really serious about moving forward and advancing Guyana for its inhabitants then the People's progressive Party is with it. I advise that the volume of Nancy tales and fancy promises should be out down because sweet talk cannot fill bellies and control the high cost of living.

Government should seriously consider either disbanding the External Trade Bureau which is a millstone around the nation's neck, or becoming the sole importer and undertaking to see that full and adequate supplies of foodstuffs are made available not to one section of the people, but throughout the country at reasonable prices. *[Interruption]*

Mr. Speaker: Order, please.

Mr. M.Y. Ally: When this is done by the Government and adequate supplies are available, the next should be to spread out and re- distribute these goods throughout the length and breadth of Guyana.

A good opportunity offered itself at Wineperu where workers at the Guyana Timbers Company limited were complaining of hardship in obtaining food at reasonable prices. I understand that the proprietors of Guyana Timbers Company Limited are willing to give their shop over to the Government so that it can put into real practice what the New Nation calls for so glibly.

It is no use this Government trying to fool people that it is controlling prices. This is an opportunity to move into Wineperu. Let the Government establish and reactivate the shop there to help the poor man. Let the poor man become a real man. People are clamouring for help and

assistance. This is a case where the Government can go in and help, but this is not the Government's motive.

I urge the Government to re – think its policy. If we call ourselves a socialist republic, let us follow the example of other true socialist countries and re – dedicate ourselves. I mentioned Cuba, where Dr. Castro set an example and his Minister have to toe the line. You will not find them living in luxury. When we are prepared to accept the challenge of a socialist economy in our country, then and then will we be able to move forward to real progress and prosperity.
[Applause]

Mr. Speaker: The hon. Minister of Trade.

The Minister of Trade (Mr. D. Singh): Mr. Speaker, I am not given to making long speeches. All that I will do is deal with some of the allegations that have been made against the Government and ask us to consider certain proposal. Before doing that, however, I should like to deal with certain inaccuracies that have been made by speakers on the Opposition Benches.

The first inaccuracy was made by the hon. Leader of the Opposition. I think it was an inaccuracy deliberately made for the benefit of his foreign friends who was sitting there writing for a foreign newspaper. It demonstrates an inferiority complex on the part of the Leader of the Opposition for anything foreign. He proceeded quite glibly, but deliberately, to say that the surcharge imposed by external trade Bureau on Sino – Soviet goods was imposed after Nixon's surcharge on goods entering the United States.

The Leader of the Opposition (Dr. Jagan): Sir, I did not say that.

Mr. D. Singh: I wrote it down. It is in the notes. The hon. Attorney General heard it and commented on it. If it is not in the notes I will withdraw the remark, but as I stand here, he said that the Nixon surcharge came first and then the E.T.B. surcharge.

Dr. Jagan: I could not have said that because it is historically incorrect. *[Interruption]*

Mr. Speaker: Will the hon. Member permit the Leader of the Opposition to reply?

Dr. Jagan: It is clear and obvious that the 10 per cent surcharge was introduced long ago here and long before the 10 per cent surcharge introduced by American Government. The surcharge by the American Government was introduced only recently. I am not that stupid to make that statement.

What I said was that, following the dictates of U.S. imperialism and other shortfalls in trade, this Government followed orders from Washington and put on a 10 per cent surcharge on Sino – Soviet goods.

Mr. D. Singh: If brains were gunpowder you would not have enough to assassinate an ant. Mr. Speaker, the notes are there; they can be checked. The tape is there; it can be checked and if I was am proved to be wrong. I will withdraw the statement.

The fact of the matter is that the Leader of the Opposition was talking for a foreign Press and he put it this way: “It was the Nixon surcharge that caused the E.T.B. to impose a surcharge.” Two things are wrong with that: (1) the E.T.B. charge was in existence long before the Nixon surcharge and (2) the E.T.B. does not make a surcharge; it is a service charge, if you can understand the difference.

Dr. Jagan: If it is a service charge why do they not put the service charge of 10 per cent on all countries?

Mr. D. Singh: I was not getting into a discussion as to whether the surcharge should be there or not. It is a decision of this Government and it is there.

There was another error, an error that was made by Mr. Reepu Daman Persaud this afternoon when he said that Government imported \$95 million worth of food.

6.20 p.m.

Mr. Reepu Daman Persaud: To a point of order. I never said that.

Mr. David Singh: Once again the shorthand writers are there, the tapes are there. When people make wild statements they must be corrected. It is not true that we import \$95 million worth of food. *[Interruption]*

Mr. Speaker: If the behaviour continues like this I will suspend the sitting of the House.

Mr. David Singh: In fact, the total import of food to Guyana in 1970 was \$37.3 million. I just wanted to make those little corrections.

Now, sir, with your permission, I will proceed to deal with some other points. This afternoon the only contribution that was made on the Budget was made by the hon. Member Dr. Ramsahoye. Because of this, what I propose to say I should like to exempt the hon. Member Dr. Ramsahoye from these remarks. *[Interruption by the hon. Member Mr. Reepu Daman Persaud]*

Mr. Speaker: Hon. Member Mr. Persaud please refrain from interrupting the hon. Minister.

Mr. David Singh: I think the time has come for the Government to stop listening to the Opposition. The time has come for the Opposition to be comprehensively ignored because hon. Member opposite make no useful suggestions. You wonder, I wonder whether consultative democracy has any meaning when all the Opposition does on being consulted is to get material to plant treachery in this country.

Let us look at the criticisms of the Opposition against this Government. The External Trade Bureau has been set up in this country. It is one of the things in principle that I believe the Opposition advocates. It is a State – trading organization. But what does the Opposition do? From the time the E.T.B. has been established the Opposition jointed hands with certain Water Street businessmen, and took plot to deal adversely with the E.T.B. Let us move on and when I am finished I will be judged whether my statement that the Opposition should be comprehensively ignored is a wrong one. Hon. Member opposite stood up in this House and they voted solemnly for the nationalization of the Demerara Bauxite Company and within a few weeks they were in action trying to make this Guyanese industry fail. That is the Opposition with which we have to deal. This is the Opposition which wants representation on the GUYBAU Board. N.P. What has the P.P.P. done at the time of its regime as Government? Let us look at what the People National Congress has done. The hon. Member opposite have never talked about it at all. The road to Linden, the establishment of the National Co-operative bank, the Corentyne road, the nationalization of DEMBA. They do not say anything about that, instead, they look for the niggling things to talk about like shortage of garlic, like the price of lactogen. Does it do any good by listening to them on that? Does it really mean anything? We hear things like the Government has banned apples and grapes. That is the type of thing one gets from this Opposition which is suppose to co-operate and help this Government.

Mr. Speaker, speaking for myself, I am on this side of the House and I sit on the Front Bench. [Dr. Jagan: “What you told me in your own house before you joined?”] [Interruption] This is the type of nonsense we get all the time. [Interruption]

Mr. Speaker: Order, please!

Mr. David. Singh: This is all hon. Members opposite can talk about. [Interruption]

Mr. Speaker: This House is adjourned. Will the hon. Leader of the House move the Motion of Adjournment?

13.12.71

National Assembly

6.20 – 6.33 p.m.

ADJOURNMENT

Resolved. “That this Assembly do now adjourn until Tuesday, 14th December, 1971, at 2 p.m.

[Mr. Ramsaroop]

Adjourned accordingly at 6.33 p.m.
