

**THE
PARLIAMENTARY DEBATE**

OFFICIAL REPORT

[VOLUME 7]

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

155th Sitting

2 p.m.

Wednesday, 5th April, 1978

MEMBERS OF THE NATIONAL ASSEMBLY (66)

Speaker

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

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

Prime Minister (1)

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

(Absent – on leave)

Deputy Prime Minister (1)

Cde. P.A. Reid,
Deputy Prime Minister and Minister of
National Development

Senior Ministers (8)

Cde. H.D. Hoyte, S.C.,
Minister of Economic Development and Co-operatives

* Cde. H. Green, **(Absent)**
Minister of Health, Housing and Labour

* Cde. H.O. Jack,
Ministry of Energy and Natural Resources

***Non-elected Ministers**

- * Cde. F.E. Hope,
Minister of Finance
- * Cde. S.S. Naraine, A.A.,
Minister of Works and Transport **(Absent – on leave)**
- * Cde. G.A. King,
Minister of Trade and Consumer Protection
- * Cde. G.B. Kennard, C.C.H.,
Minister of Agriculture **(Absent – on leave)**
- * Cde. M. Shahabuddeen, C.C.H., S.C.,
Attorney General and
Minister of Justice **(Absent)**

Ministers (5)

- Cde. S.M. Field-Ridley,
Minister of Information
- Cde. B. Ramsaroop,
Minister of Parliamentary Affairs
and Leader of the House **(Absent – on leave)**
- * Cde. C.V. Mingo,
Minister of Home Affairs
- * Cde. V.R. Teekah,
Minister of Education, Social
Development and Culture **(Absent – on leave)**
- * Cde. R.E. Jackson,
Minister of Foreign Affairs

Ministers of State (9)

- Cde. O.E. Clarke,
Minister – Regional
(East Berbice/Corentyne) **(Absent – on leave)**
- Cde. P. Duncan, J.P.,
Minister of State, Ministry of
Economic Developments and Co-operatives **(Absent)**

***Non-elected Ministers**

- Cde. C.A. Nascimento,
Minister of State,
Office of the Prime Minister
- Cde. K.B. Bancroft, J.P., **(Absent)**
Minister of State – Regional
(Mazaruni/Potaro)
- Cde. J.P. Chowritmootoo, J.P.,
Minister of State – Regional
(Essequibo Coast/West Demerara)
- Cde. J.R. Thomas, **(Absent)**
Minister of State, Ministry of
Health, Housing and Labour
- Cde. R.H.O. Corbin, **(Absent)**
Minister of State, Ministry of
National Development
- * Cde. A. Salim, **(Absent)**
Minister of State – Regional
(East Demerara/West Coast Berbice)
- * Cde. F.U.A. Carmichael, **(Absent)**
Minister of State for Information,
Ministry of National Development

Parliamentary Secretaries (4)

- Cde. M.M. Ackman, C.C.H.,
Parliamentary Secretary,
Office of the Prime Minister
and Government Chief Whip
- Cde. E.L. Ambrose,
Parliamentary Secretary,
Ministry of Agriculture
- Cde. S. Prashad,
Parliamentary Secretary,
Ministry of Economic Development
and Co-operatives

***Non-elected Ministers**

Cde. M. Corrica,
Parliamentary Secretary,
Ministry of Education, Social Development
and Culture

(Absent – on leave)

Other Members (21)

Cde. E.M. Bynoe
Cde. W.G. Carrington
Cde. L.A. Durant
Cde. E.H.A. Fowler
Cde. J. Gill
Cde. W. Hussain
Cde. S. Jaiserrisingh
Cde. K.M.E. Jonas
Cde. M. Kasim, A.A
Cde. M. Nissar
Cde. L.E. Ramsahoye
Cde. J.G. Ramson
Cde. P.A. Rayman
Cde. E.M. Stoby, J.P.
Cde. S.H. Sukhu, M.S.
Cde. C. Sukul, J.P.
Cde. H.A. Taylor
Cde. R.C. Van Sluytman, J.P.
Cde. L.E. Willems
Cde. C.E. Wrights, J.P.
Cde. M. Zaheeruddeen

(Absent)

(Absent)

Members of the Opposition (16)

(i) People’s Progressive Party (14)

Leader of the Opposition (1)

Cde. C. Jagan,
Leader of the Opposition

(Absent – on leave)

Deputy Speaker (1)

Cde. Ram Karran,
Deputy Speaker

(Absent – on leave)

Other Members (12)

Cde. J. Jagan

Cde. Reepu Daman Persaud, J.P., Opposition Chief Whip
Cde. Narbada Persaud
Cde. C. Collymore
Cde. S.F. Mohamed
Cde. L. Lalbahadur
Cde. I. Basir
Cde. C.C. Belgrave
Cde. R. Ally
Cde. Dalchand, J.P.
Cde. Dindayal
Cde. H. Nokta

(ii) Liberator Party (2)

Mr. M.F. Singh, J.P.
Mr. M.A. Abraham

OFFICERS

Clerk of the National Assembly – F.A. Narain, A.A.

Acting Deputy Clerk of the National Assembly – A. Knight

5.4.78
2.20 p.m.

National Assembly

2.20 – 2.25 p.m.

PRAYERS
ANNOUNCEMENT BY THE SPEAKER
LEAVE TO MEMBERS

The Speaker: Leave has been granted to the Cde. Prime Minister, to Comrades S.S. Naraine, Kennard, Ramsaroop, Teekah, Clarke, Malcolm, Corrica, and Cheddi Jagan, for today's Sitting.

PUBLIC BUSINESS

CONFIRMATION OF CONSUMPTION TAX (AMENDMENT) (No. 2) ORDER
1978 (No. 37)

“Be it resolved that this National Assembly in accordance with section 5 of the Consumption Tax Act, Chapter 80:02, confirm the Consumption Tax (Amendment) (No. 2) Order 1978 (No. 37), which was made on the 16th of March, 1978, and Published in the Gazette on the 18th March 1978.” **[The Minister of Finance]**

The Minister of Finance (Cde. Hope): In moving the Motion to confirm the Consumption Tax (Amendment) (No. 2) Order 1978 (No. 37), I wish briefly to explain that this Order, which was signed, is really intended to make certain corrections to the statistical numbers appearing in a previous Order made on the 16th March, 1978. There were some typographical errors in that Order and the purpose of this Order is really to make those amendments. I therefore formally move the Confirmation of the Consumption Tax (Amendment) (No. 2) Order 1978 (No. 37).

Question proposed, put, and agreed to.

Motion carried.

**MOTION FOR ADJOURNMENT –
DEFINITE MATTER OF URGENT PUBLIC IMPORTANCE
SUPPLY OF ELECTRICITY**

The Speaker: Comrades and hon. Members, in accordance with the agreement made at the last Sitting of the Assembly on Monday, 3rd April, 1978, Cde. Reepu Daman Persaud will now move the Adjournment of the Assembly for the purpose of discussing a definite matter of public importance, that is, the supply of electricity in the country. I am further advised that the speakers will be Cde. Reepu Daman Persaud, the Mover of the Motion, and Cde. Narbada Persaud who will second the Motion, Cde. George King, Cde. Feilden Singh –

The Speaker: [Mr. M.F. Singh: “Not Comrade, sir.”] The hon. Member Mr. Feilden Singh. Cde. Reepu Daman Persaud will reply and I have been informed that Cde. Jack, seeing that the Motion is one of critical support, will elect to wind up the debate. Cde. R.D. Persaud.

Cde. Reepu Daman Persaud: Cde. Speaker, I wish to take the opportunity this afternoon to move the Adjournment of this National Assembly to discuss one of the gravest matters affecting the people of this country. I am sure you will grant that leave so that we can be given an opportunity to be told today in this House, what is the true position with respect to electricity supplies in this country. I so move.

The Speaker: Leave is granted.

Cde. Reepu Daman Persaud: People in this country are suffering from various types of depression but within recent times that depression has been accelerated with the constant blackouts. What is more is that no one is available to advise anybody – John Public, consumers, manufacturers – no one can be found. People want to know what is really the position. Cde. Speaker, from Sunday morning at about twenty minutes to four and it would be true to say up to now, with the exception of a few hours of supply in some areas, people have been without

electricity. This has affected domestic, the social, the economic, the industrial, in fact, every conceivable field of life of the people of this country. There has not been, to my mind, a graver situation than this one as it exists in this country with respect to electricity supplies.

We were expecting that without us initiating a debate in this House to discuss this matter that the Government would have come forth earlier of its own violation and explained to this House, because the Government owes this House an obligation, it owes the nation an obligation, instead of allowing people to speak in the press from the Electricity Corporation, and who undoubtedly in their utterances have been guilty of contradiction themselves. I do not want to refer to all those areas of contradiction but I must draw the attention of the House at least to one or two. In the **Chronicle** of April 2nd, fortunately it is not April 1st; I assume that this is an accurate report, in an interview we have this report by no less a person than the Chairman of the Corporation, Cde. Dillon Thompson:

“In a forty-minute question and answer programme over GBS the Corporation’s Chairman Dillon Thompson concluded that the crux of the problem was financial constraints. He blamed the fuel crisis of 1974 which sent prices of equipment up, maintenance problems and outstanding debts owing to the G.E.C. by consumers as being the main reason for the continuous disruption of power supply.”

Then, Cde. Speaker, the Chairman said if consumers pay up their outstanding bills which are estimated at over \$10 million and cut off at least one light every day between the peak hour of 7 p.m. and 10 p.m., it would help to reduce load-shedding.

2.25 p.m.

Indeed, when we relate this statement to an official statement coming from the Guyana Electricity Corporation, which points to the causes as being technical, one is compelled to ask whether the black-out is due to consumers not paying their bills. Is it not a fact that when a

consumer does not pay after two months that consumer's light is cut off? That is so and everyone knows it. I do not think anyone will doubt. That being so, it looks clear to me that it is not a question of people paying their bills that is responsible for the current black-outs in this country and the non-supply of electricity. Within a few minutes I shall come to what I think are the real causes.

I wish to quote an official release which appeared in the **Guyana Chronicle** of April 4, 1978. It states:

“Last week the corporation had told the public that the three boilers at the “B” Power Station had to be shut down because of defective boiler tubes. Following this, power was being received from the Garden of Eden installation through the transmission line linking Garden of Eden to Sophia. However, a problem has now developed in those transmission lines. G.E.C. technicians were able to restore them this afternoon.”

Further on in the article it is stated:

“It is still impossible, therefore, to give any advance indication as to where and when power supply will be interrupted.”

In an article, the official statement points to great uncertainty in the situation and because of that uncertainty they cannot schedule black-outs and indicate beforehand. That being so, the situation has to be grave.

But what are the pertinent questions? Any person who runs a service which is as essential as electricity supply must keep his fingers constantly on the operation so that he will be able to know in advance what replacement he will need, what new part will be needed, what areas need constant servicing. I think the reason why we suffer from blackouts today in this

country is that the tubes, the boilers etc., were not serviced and were not maintained. I am advised that when the tubes start leaking they are spliced and welded. When they weld one point, another point starts leaking, so they again and they service. When they put one boiler for maintenance, before they can complete servicing that boiler, the other one breaks down and thus half way they have to put that into service. We have got real calamity at the power plant at Kingston. If one follows the history of the Electricity Corporation, it is clear that those concerned must have had knowledge beforehand that they needed these replacements, be they boilers or tubes. I am not going to say what is needed. We want it to come officially from the Government. That is our information and we want to charge all concerned, excluding none, with gross negligence in this matter. It is due to their negligence and bad administration that we have got this disastrous situation in the country today where people are suffering all over.

We know of the inter-connection between Garden of Eden, Sophia, and the power plant at Kingston. We know Linden is linked too and we know that the plan was to extend that inter-connection to Brandwagt Sari, to Canefield, and to No. 53 on the Corentyne. But the point I wish to make this afternoon is that some time last year, it could very well have been mid-last year, the Kingston power output was reduced to some 12 megawatts and my information is that the demand in Georgetown alone is 25 megawatts. It could be more. With the inter-connection between Garden of Eden and Sophia, that line was able to give 15 megawatts to the Kingston plant, so if the demand was 25 megawatts, they were able to increase to about 27 megawatts. That was not really much of an increase because the capacity should be 13 megawatts. That machinery was there since the early 1960s when three units were put up with the capacity of 13 megawatts. The fact is, if that Corporation and those concerned had that kind of indication then why is it we have to wait until 1978 to be told that we have tube problems and boiler problems at the Kingston plant when our information is that the problem has been there for some time. In fact there were problems. I will quote here from the Government's 1966-1972 Development Programme, page 215. The relevant paragraph states:

“The firm capacity of 24, 250 k.w. includes a steam plant of 3,750 k.w. that is no longer fully reliable on account of its age and also 21,000 k.w. diesel sets with a high operating cost. Examination of the increase in this peak demand over the recent years and estimates of future growth in demand show that before 1972 it will be necessary to install additional capacity.”

Looking at all the factors as a layman, those who have advised the Government technically point to these inadequacies, point to what could happen. In the Development Programme it is stated that new installations were required. In fact, if one reads the 1972-1976 Development Programme, which I have read only today, on the whole question of power, one would see that Government acknowledged that there will be need, as anyone will come to the conclusion, for increased power. In one of the schedules those increases are shown. I do not want to burden the House with these increases. The demand would have increased from the early '60s when the capacity stood at 13 megawatts. But the position today, as I understand it, Cde. Speaker, is that the output at Kingston is not 12 megawatts anymore but it has been reduced to something like 3 and 5, and it could very well be 2, and if the whole place is not closed down already, probably it will be true to say that they are on the verge of closing down. The electricity supply, at the moment, comes from the inter-connection with Linden, Garden of Eden through Sophia. That is the position.

2.35 p.m.

How, we have got problems with those lines and what is happening that the insulators between Garden of Eden and Sophia are cracking up. Does the Electricity Corporation have the necessary equipment to test those insulators before they are installed? I understand that only two days ago they were installing some insulators and after they had installed about 9 or 10, they found they were not good so they had to take them out. Because of this people suffered.

What the Electricity Corporation needed long before now was proper technical advice. The whole situation should have been assessed but the Government was so sure that hydro power would come into being, that it completely neglected operations at Kingston. That is the crux of the matter and not what Mr. Thompson said in the newspaper.

In the **Sunday Graphic** of 1st April, 1973, 5 years ago, there was a headline “Guyana will have hydro power by 1979.” That would have meant not only power but cheap power. Current is not here now. Where is the hydro power? It is not only stated in the **Graphic** but it is in the Development Programme which I looked at only today. They are like bad administrators, not keeping their fingers on what is going on. The Government is waiting and hoping, as it has always done, that some miracle will take place and suddenly the people of this country will be provided with cheap power. Instead of being provided with cheap power, the people have found themselves without electricity and their whole life-style had been affected.

There have been increases. I do not want to refer to all of them but people have been speaking about them. Some people are paying as much as five times on their electricity bills. One individual told me that his concern’s bills are five times what they used to be a few years ago.

The Electricity Corporation is anxious to issue a balance sheet at year end to show that there is surplus, but the pertinent point must be made that while the Corporation is talking about surpluses, it is not providing for maintenance, for servicing and for replacement. This is a notorious management. How can it talk about surpluses when it is not taking into account that it has to maintain, service and replace its equipment. The reports that have come out from time to time from the Guyana Electricity Corporation do not truly and honestly represent the financial position of that Corporation. In fact, if all the factors were taken into account, I am sure it would have been different. Again, I charge those involved in this essential service with misleading the public, the nation and conveying a wrong impression to the country.

Cde. Speaker, what are the effects of all this? There is virtually no water in many taps at this moment, and what is there is salty and bitter. One must question whether all the necessary care is taken to purify the water. People are already talking of diarrhoea and we are going to find greater health problems as a result of the mismanagement and misdeeds on the part of the administration. What is the position? Manufacturers are sending employees home. I understand that Lysons has sent home some 1,200. My information is that Kissoon's is likely to send home some 500 today or very shortly. My information now is that Kissoon's has already sent home 500 this morning. Sawmills will have to send home all their employees because, as I understand it, for two weeks they have not worked. These are just a few that I have mentioned. At least one aerated factory does not have a stand-by plant. It follows logically, that the factory will have to send home employees because there is no income.

What will be the position? In the final analysis it is the small man that is caught, he will suffer because he will have to go without his income. How will he be able to maintain his family? What are the answers to these questions? We will wait for them this afternoon? Is it the Corporation or the Government that must finally take the blame? Have they thought of meeting the people in those areas; saw millers, manufacturers, poultry dealers and butchers and such other establishments in this country, to explain fully the position and try to work out a schedule with them where they can be supplied with electricity during certain hours and certain days. I would expect any sensible administrator to think along that line. The situation is in such disarray that their thinking capacity has gone dead. If that was done then those employees would have been paid. Work it out with them; let them know what is the true position, so the employers would be able to say to their employees: Come during these hours so that we can have at least the machinery rolling to keep people going. But Cde. Speaker, that was not done and there is no indication up to now that it will be done. I hope that this suggestion emanating from the Opposition will be taken in good faith and that immediately the machinery will be set up for early meetings with all those concerned to work out some system whereby, with the limited availability of power, people can live and people can carry on.

5.4.78
2.45 p.m.

National Assembly

2.45 – 2.55 p.m.

There is an indication and believe me, when people think of it, “nine months” it sounds like “nine years” but it is a significant figure, nine. That is the day when there is a birth. Has the authority secured a certified nurse or gynaecologist to ensure that there is no miscarriage? I talk about miscarriage in view of all these promises, development programmes, expansion to start in September; all those concern electricity; G.E.C. profit. See plan 2. More plants going up. Request to Japan for hydro aid. We had to put up with all these headlines coming out from the Government news media. The **Chronicle** is the greatest producer of rice and it looks like it has now qualified as the greatest producer of electricity, of power, but the people do not have, the country does not have and we suffer.

One strong objection I take on behalf of the people of this country is the abuse, the insult, by those who have the power to use their pen so freely. When there is mismanagement, when there is negligence, when people suffer and people cannot bear it any more, before they offer them consolation, those in authority abuse them and curse them. Let me quote from the editorial of the Chronicle of today’s date, 5th April. The second half of the article, the third paragraph in that half: “We are a nation of water wasters...” You do not have water; how are you going to waste it?

“We are a nation of water wasters and imprudent consumers of electricity.”

You do not have electricity now, how can you think of being prudent? You have to resort to primitive practices of using bottle lamps and jug lamps and what have you.

That is the situation and while everyone suffers, the consumer, who can hardly bear the suffering because of pure manifested financial constraints, is abused and insulted by a paper which the people of this country own. They use the people’s own mouthpiece to curse them because it is only in name that this is supposed to be the people’s mouthpiece, but in fact, it is

not, it is the number one enemy of the people. This Editor must apologise to this nation, to the consumers for abusing them at this time of crisis faced by the people, a crisis created by the administration.

Cde. Speaker, appliances and machinery are affected. We are told by those who are technically qualified that when the power goes off suddenly and the power comes back again, many appliances are affected and some are virtually damaged, among them refrigeration units and what have you. I would like to believe that the Electricity Corporation is under contract to repair the appliances damaged by the negligence of the Electricity Corporation and I hope that consumers will start calling upon the Corporation to repair those appliances that have been damaged within recent times as a result of these blackouts and no supply of electricity.

I also want to ask, Cde. Speaker, if that figure of \$10 million is true. If it is true, how much of that amount is owed by the Corporations and Government Ministries? An enquiry into that revealed that if at all such sums or any lesser or higher sums are owed, it will be the Government Corporation and Ministries that owe the greater part of that amount and the consumers who may be guilty, would have had their electricity disconnected long ago. The Electricity Corporation cannot point to any instance where it disconnected the electricity from Government and Government Corporations.

Talking about finances, we read a lot about the Merriman Commission of Enquiry. Where is Merriman? There is blackout on the report. That was an indication that blackout is coming because the report is blacked out, we will have the reality of power blackout soon. What we need in the Electricity Corporation, dealing specifically with the Electricity Corporation, is not a party commission. We need a commission that can truly reflect the will of the Guyanese public and such a commission can be drawn principally from this Parliament representing both sides. I think the time is most opportune for a Commission of Enquiry to be set up now to investigate the whole Electricity Corporation with respect to finance, blackout, the causes, what is the extent of, not pregnancy, but what really is responsible for the blackouts in the country at

the moment. If that is done, only then the Guyanese public will be told the truth but if that is done, nobody would be able to know.

I want to reiterate: why is it that the Electricity Corporation until today has not put to the service of the people of this country someone who can take in telephone calls and answer stating the position. It has a Public Relations Officer but you need even more than one officer at this moment. Nobody is available. You cannot find anybody. You have to talk to some secretary or some person who does not know anything. I myself was trying this morning. You dial the manager's office, the girl replies -- [Cde. Ram Karran: "He is out of the country."] I hear he is coming in tonight. Is he bringing the boilers? Is he bringing the tubes?

They had discussions with experts from overseas. Have those experts reported? Where are those reports? Cde. Speaker, we must recall this afternoon in this House that long ago British consultants had made certain recommendations with respect to power in this country. They had recommended then that 215 megawatt steam generators should be constructed for hydro power at the Malali Falls in the Demerara River based on that recommendation, when the People's Progressive Party was in Government; it negotiated a loan with the Cuban Government for the establishment of that project, but as you know, Cde. Speaker, very shortly after that, the P.P.P. was ousted and that was the end of the project. Had the Government taken that advice from the consultants who came –

Preece, Cardew and Rider also advised on the profitability of the Corporation and those advisers are on record as saying that the company in the first ten years will earn a profit of \$20 million and in the second ten years \$40 million making a total of \$60 million with the implementation of rural electrification etc., though that would have been costly and not bringing in so much revenue.

5.4.78

National Assembly

2.55 – 3.05 p.m.

2.55 p.m.

One thing the P.P.P. knows, that it did not allow a crisis to continue in this country. It took the Electricity Corporation and made it a paying concern. The three units which make up the 13 megawatt output were put up there by the People's Progressive Party and I think that is a credit to the party and the people in this country must know. A certain period was given for the cost to be paid off and the People's Progressive Party Government, operating the Electricity Corporation efficiently then paid off for those units one year before the time. I think the period given was up to 1965 and they were able to pay in 1964. That was the viable position in which the P.P.P. left the Electricity Corporation.

The situation is grave. The Government has this to its discredit, and it must admit this, that since it came into office all those Boards that has representatives, or a single representative, of the P.P.P. were removed particularly so –

The Speaker: Cde. Reepu Daman Persaud, I am not stopping you. I just wish to remind you that as mover you have 45 minutes – 7½ minutes more to go.

Cde. Reepu Daman Persaud: That will be all right. As I said, they removed the Opposition from Boards and particularly from the Electricity Corporation. They were denying the Government, denying the nation the opportunity of having one or more persons to be the watchdog for the people of this country. They have denied themselves that opportunity and they have denied the nation.

After the Government took over, there were a lot of changes in staff. I don't want to go into names. I have those names. Some with experience were promoted, some without experience were promoted, some were given certain responsibilities for which they were not qualified and best suited. At least one man I know was sent home and there could be more subsequently. They denied themselves of a lot of experience and even at this moment I want ask the question whether the expertise is still available at the Electricity Corporation to give the right

advice. That point must be strongly taken into consideration. I say no and for this reason there is need for an enquiry to go into personnel both in administration and in the technical operation. I am not unaware too that the Corporation needs more men in the technical field if we are to have efficiency in the operation and in the supply of electricity to the nation. We are all suffering. Commerce, business as a whole, manufacturers, people in every field, housewives, children, and I think people have reached their peak. They cannot bear any more. The pressure is too great for them.

The Government this afternoon must give a satisfactory account itself for these power failures over the weeks, sometimes running into several hours when one such failure occurs. People are exposed already because of the high rate of crime. With blackouts, those who are inclined that way have got a ready market. We want this afternoon not to pull any punches but I think the situation is so serious that somebody has to resign and that can be the only satisfaction which the nation must get. I do not know who the Minister is really. We have two Ministers speaking and it looks like both of them are connected somewhere or the other with power. One is the Minister of Energy. Well he has to express a lot of energy here this afternoon, and the other is the Minister of Trade and Consumer Protection but Vice President of Guystac so in that way he is linked with the Corporation. Whoever is the Minister that was concerned throughout with the Corporation; he must leave his resignation in the House this afternoon. **[Interruption]** In fact, the view of the people is that the situation is so grave; it is terrible that the whole Government should take the first step to redeploy itself out of the Government.

Finally, I do not think I have the adequacy of language. I must of necessity this afternoon concede my incapacity to use the terms that ought to be used in the situation as it exists in this country. It cannot be worse and I think the dictionary lacks the vocabulary power to talk about the situation – much less little me. One member of the Government apparently feels like me on this issue because he was talking about power and energy and electricity. He says “You should cuss up.” He is right and I must congratulate him on this occasion for agreeing with the

Opposition. That Member is Cde. Nascimento. Probably the Government should allow a free vote and allow him to record his protest with us as I voiced it.

The Speaker: Cde. Persaud, you know there is no vote on this.

Cde. Reepu Daman Persaud: I know and I concede that. There is no vote and thus I think the comrade has done what he can do by saying he agrees. I warn, therefore, produce electricity to the people or perish. Resign and get out of Government and allow people to run it efficiently and to the satisfaction of all the people of this country. **[Applause]**

The Speaker: Cde. Narbada Persaud, you will not have as long as Cde. Reepu Daman Persaud.

Cde. N. Persaud: How long will I have?

The Speaker: Thirty minutes.

Cde. N. Persaud: Cde. Speaker, this afternoon the House is meeting to discuss a crisis. Perhaps it is the trend or the time has now become pregnant for us to be in one crisis after another crisis. Only a few weeks ago we ended the debate on the Budget and we spoke not of a crisis but of crises. The economic situation of the country was fully dealt with. Today, we meet to discuss this matter which affects the lives of all of us in this House including you, Cde. Speaker.

3.05 p.m.

I am sure, some of us in this House, like the residents in the South Ruimveldt area, have not had a bath since Sunday because of no electricity to give them water. It was only recently that the Cde. Prime Minister in an address at the National Park, made the statement to “produce

or perish.” What are we doing today? Are we producing? We agreed with the Government in the Budget Speech that increased production and increased productivity and unity of all the people of this country, democracy, are the things that will take this country out of the financial and economic crisis in which we are. The Prime Minister in emphasising that call for increased production and increased productivity said at the National Park “produce or perish:” We are perishing. We are not able to produce because of the crisis of power in the House.

When my colleague was speaking, I heard the fire-brigade going along the road. I would not be shocked if I read in the newspaper tomorrow that lives are involved because of the shortage of water, because of the shortage of electricity. I am sorry if that is the case. But as we discuss this matter today, I want to remind the Cde. Minister who is in charge of energy that there is a thing that we call “cause and effect:” He knows about this and this has been the effect of what has been the cause of something which we ought now to examine. My colleague went into details of some of the matters but I would like to do some quoting. After a series of blackouts and load-shedding, a statement which appeared on Friday, March 17, 1978 in the **Chronicle** front page stated:

“No immediate threat of new black-outs.”

The article continued:

“Georgetown enjoyed its regular supply of electricity throughout yesterday and according to officials the Guyana Electricity Corporation there was no immediate threat of load shedding.”

My colleagues also pointed out the inconsistency of the reports coming from officials of the Electricity Corporation and I want to emphasise that fact also bearing in mind the Report on the 17th March which stated “No immediate threat of new black-outs.” On 2nd April, 1978 the report stated, “black-outs, load-shedding for another nine months.” This is inconsistency. Where

is the planning? Where is the competence? Where is the efficiency? Where are these people who are supposed to guide the nation in a crisis like this? Here we are, a week or so after, faced with a contradictory statement. I am sure there are capable officers who have pointed to the real problem. How is it that we are going to be told that there is no immediate threat of blackouts and two weeks after we are told that there will be blackouts and load-shedding for another nine months.

In this statement, the Executive Chairman referred to the question of financial constraints. He also spoke about the \$10 million. But I want also to speak on the question of the \$10 million. Is it really the truth? I am not saying it is a lie but I am enquiring whether it is the truth. He has called on the consumers of this country. What does he mean? Does he mean the Corporations who now have to pay electricity charges? We have seen the Estimates year after year. Is it the small man who owes \$10 million or is it the Government and the Corporations some of which are running at a loss. Is it not the Corporations which really owe the money? I want the Cde. Minister to tell us this afternoon or sometime later how much the small man owes the Electricity Corporation out of that \$10 million. We would also like to know how much the Ministries of the Government owe the Electricity Corporation.

Before I proceed, I must make the point that because of the crisis we have initiated this debate in this House. We must admit that we are disadvantaged in the sense that we are not equipped with the information; we have to feel our way out. The last Report from the Guyana Electricity Corporation is dated 1975. We do not have any Reports for 1976 and 1977. Why only 1975? The Cde. Minister of Finance in his Budget Speech on page 43 referred to Corporations. He spoke about inputs, working capital and the profits. The Guyana Electricity Corporation was mentioned in this group dealing with utilities. We have no more details like all the others which have been mentioned. What is the present financial position of the Corporation? The Chairman speaks about financial constraints. Is the nation not worthy of knowing what is the true position? Why we cannot hear. In the 1974 Report on page 29 it states:

“Revenue received from sales under all tariffs aggregated \$19,804 million for the year (1973 – \$13.378 million) an increase of 48.03% due entirely to the introduction of the fuel oil surcharge introduced to offset the incremental increase in the cost of fuel oil.”

So the Executive Chairman in his Report also stated that the oil crisis has caught up with the Electricity Corporation. Here they have increased \$6,426 million because of the fuel oil surcharge which was passed on to the consumers of this country. In the very report we have seen, as compared with 1973, there has been a drop in the total sales in kilowatt hours. I wonder if the Minister will be in a position to tell us why there was this drop. We have further seen a drop again in the installed plant capacity. Perhaps the Minister will be in a position to tell us about this drop. We have seen the fuel cost here jumping from \$3.5 million to \$10.3 million but as pointed out, there was a \$6.7 million increase in fuel in this year and there was \$6.4 million in surcharge that the consumers had to pay. How is it we are being told today that because the consumers owe \$10 million and because of the increase in the price of oil we are in this financial crisis, when it was passed on to the people? When it was not passed on to the people, the Government was subsidising it. Where is this deficit?

I wish further to go into this 1974 Report, General Review, Fuel Crisis. It states:

“The Corporation caught in the throes of the World Fuel Crisis was forced to re-introduce a Fuel Cost Surcharge of 26.2% of the energy charge with effect from January, 1974 and 96% from August, 1974, to meet the additional cost of fuel to the Corporation. The cost of fuel increased by \$6.7M from \$3.5M in 1973 to \$10.2M in 1974.”

This is the increase the consumers had to pay. That comes under “General Review,” Chapter II. Cde. Speaker, it is contradictory when in this Report it is clearly stated that the additional cost of

fuel for the year 1974 has been passed on to the consumers, yet we read in the newspaper that because of this increase in the fuel price, the Corporation is in crisis.

3.15 p.m.

I move on to the other Report, Cde. Speaker. It is stated here in the very beginning of the

Director's Report that –

“In pursuit of this policy, and conscious of the fact that most areas require electricity as one of the infrastructural facilities necessary as a pre-requisite to development, it is heartening to find our Government's preparedness to meet the costs associated with a utility that is so highly capital intensive. It is also gratifying to know that in order to keep electricity within the reach of every Guyanese, our Government was prepared to pay a subsidy on behalf of the Consumer to the Corporation.”

Where is that subsidy today? We boast about the Government's preparedness to pay the subsidy yet we find today that that subsidy has been withdrawn. Rates have been increased and consumers have to pay. Today we can boast that we have extended our facilities to provide another 5,000 of our people with electricity.

On page 2 of the 1975 Report we find:

“...and ultimately, we would be building a grid system, Linking the mining town of Linden with Crabwood Creek.”, by 1975. This is 1978, where is the grid system? Where is the link up with Linden and Crabwood Creek? The position is very grave.

I wish to go back to the feasibility and the profitability of the Electricity Corporation. In 1973, the Corporation boasted of a profit before taxation of \$745,000. In fact, some of the

Corporation's taxes have not been paid. In 1974, there was a loss of \$1.197 million and despite there being no income the Corporation's taxes were paid. This is the state of the Electricity Corporation.

The House has been told that when the P.P.P. was in power a tailor was the head of the Electricity Corporation, but despite that it made a profit.

The House was told that we were able to pay off the amount of money before the time given.

I too, like my colleague, wish to refer to the Report by Preece, Cardew and Rider. This is an extract from that report:

“We recommend that:-

- (1) The authority already given for the purchase of 1 – 2500 KW diesel set for Georgetown be extended immediately to cover a second such set and the associated equipment and buildings at a total revised estimated cost of £438,000.
- (2) Immediate authority be given to proceed with the installation of 2 – 10,000 KW Steam Turbo Alternator Sets with Boilers, ancillary equipment and buildings at Georgetown at an estimated cost of £1,364,000.
- (3) Authority should be given for the fullest investigation of the possibility of economics of developing a limited amount of hydroelectric power at Tiger Hill to operate in conjunction with the thermal plant at Georgetown and to be suitable for later extension as and when required up to the full potentiality of the river in conjunction with water diverted from the Essequibo River.”

This report was made in 1957. The first two recommendations were fulfilled by the P.P.P. Government. Cde. Reepu Daman Persaud told you that we were forced out of office. The one in relation to the Malali Falls at Tiger Hill in the Demerara River materialised. The Government was very ambitious when it said it was going to feed, clothe and house the nation by 1976. It said it was going to build 65,000 units of houses. The Minister of Housing also admitted that the plan was too ambitious. The Government has now embarked upon a \$1 billion hydroelectric project. Where is that project which was supposed to be finished in 1975? It is now estimated to cost \$3 billion.

It is a fact that all emphasis is now being placed on the hydroelectric project so the work at the Kingston plant was being de-emphasised. I am told that the “A” station has one boiler which is the one in operation now. If my information is correct it is about 16 years old. The “B” station has three boilers – and I presume these are the ones referred to by the Executive Chairman in his Report – which are approximately 14 years old and of which none is in operation right now.

The Executive Chairman, in his Report in the **Sunday Chronicle** of 2nd April, 1978, said that the life capacity of a boiler is 15 to 20 years and those at the G.E.C. are about 15 to 16 years old. What were these goodly gentlemen doing for the past five years when they knew, for a fact, that the life capacity of the boilers was coming to an end? Take a man, for instance, his life capacity is estimated to be 55; he may die at 58; he may die at 65; he may die at 50; he may die at 20. The Executive Chairman alluded to the life capacity of the boilers yet nothing was done until a Motion was tabled in this House, Cabinet decided at a meeting last night to order the three boilers. Let the Minister tell me whether that information is not correct. The lives of the Guyanese people are affected. They have leaks in the Cabinet and they must look into it.

Cde. Speaker, as I said, limited information has prevented me from making a better contribution this afternoon. Only a few weeks ago, perhaps a maximum of two weeks, the Cde. Minister of Finance presented a statement to this House whereby we were asked to guarantee a

loan of up to \$500,000,000 for the Corporation. In that statement it showed an amount of \$3,000,000, as overdraft, from the Royal Bank of Canada to provide working capital for the quarter ending 31st December, 1977.

3.25 p.m.

I would like to know what is the true financial position of the Guyana Electricity Corporation.- and not only I. I think the nation would like to know since a call is being made for the Guyanese people to pay up. Since it is being said that it is financial constraint, we, the Guyanese people are entitled to know what is the true financial position. Do not bring the 1975 report but bring the 1976, if not the 1977 report and let us see what is going on. The last time I spoke in this House, I called for watch-dog committees at every single corporation. The Guyana Electricity Corporation should not be excluded. There is high-handed corruption and bribery there too but I do not want to deal with that aspect this afternoon.

This crisis we are in is not doing the country any good; this is a developing country. The necessity of power, the necessity of electricity for the manufacturing and industrial sectors, I think, is well known to all of us. Obviously, it gives an indication now that that call for increased production, that call for increased productivity will not be achieved and the over-all economy of the country will be in a worse position when we shall have come to the end of this year. The Guyana Footwear Industry, Lysons Knitwear, these are manufacturing industries which export their commodities, which earn hard foreign currency, that we need for this country to buy things like soap or things with which you make the soap that we do not have. These people are now asked to send home their people or they are forced to send home their people. Thousands of workers are sent home! My colleagues spoke about that. It is now going to be a case for the trade unionists. We are going to have labour problems soon in this country. It is going to affect the whole economy again. It goes right back.

It is not only the commercial sector. Take the banks right over here. The banks cannot use their computers. They cannot do their postings. The Bank of Guyana is affected. The

position of the country cannot be known because of this. What happens at the Post Office when there is a blackout? Is the Minister aware that no mail is accepted? What happens with people trying to book their fares and their passages out of this country to go on business and other trips? Is the Minister aware that the Telex is not working, that they cannot get a feedback, that they cannot get a confirmation of their flights? Is the Minister aware of all these problems that this thing is causing this nation? I think that he is and if he is, then obviously he is not too much involved, he should do something. If not, resign as Minister because I think it is really bad.

Social life. We, the working people in this country, find among the very few comforts and relaxations, the cinemas. Now the cinemas are all closed. Where do we turn for relaxation? One goes to the cinema at the risk of being choked or being robbed. What about the security situation? Are the Minister and the Government anticipating or is it a deliberate attempt to provoke looting and robbing and choking in the city of Georgetown? Is it deliberate or is the Minister of Home Affairs thinking about this situation? It has been clearly announced in the newspaper that we must expect this for another nine months. The criminals are also planning. Perhaps they are even planning more than the people of the Electricity Corporation because if the people at the Electricity Corporation were planning, obviously this crisis that we are in today would not have taken place.

Cde. Speaker, what about the children who have to go to school? I have three little children. How often can I sit with them with the candle-light night after night? My home has not been with electricity since yesterday morning at a quarter to six until I left home this morning. Children, not my children alone, have to go to school. How will they learn their lessons? How will they do their homework? And let me move to another point relating to the statement made by the Executive Chairman. I studied that statement very well.

The Speaker: You have only five minutes.

Cde. N. Persaud: The question of discrimination was dealt with by the Executive Chairman. The **Chronicle newspaper**, the **Mirror newspaper**, and the **Citizen Newspaper** are there, three newspapers, two owned by the Government or by the people – so the Government says – one owned by the Opposition party. Last week Thursday we were not able to put out our paper; the Chronicle was able to put out its paper and its **Citizen**. Sunday morning the current went off at the New Guyana Company and never came back until Tuesday morning at 10.30 to go off again, yesterday morning. All attempts to get on to the P.R.O., to the Executive Chairman, to the Engineers, to Sophia, to the test room, to the control room, to the Minister, failed even up to this morning. And then when we speak to the secretaries, the crude answers that we get from them are: “The Minister is not there and that is all.” “The Executive Chairman is not there and I can do nothing.” Cde. Speaker, it is a shame. I think that a course should be held. If we are talking about socialism then we must talk to these people who have to deal with people and we must be able to tell these people that they owe the nation and the people who are enquiring some kind of courtesy.

We were not able to put out our newspaper yesterday; we have not been able to put out our paper today; we will not be able to put out our paper tomorrow. I do not know if we will be able to put out our newspaper for the balance of the week. Is it not discrimination? We have been reliably informed that the available current can be distributed whenever and wherever it is directed. Why is it that the **Chronicle** can receive current every day and every night and we at the **Mirror** cannot receive? Is it not a clear case of discrimination? Is it not? Let the Minister answer that the Guyana Printers Limited was purposely put on another line, the line coming from Garden of Eden so that when we have blackout, that Company will have light. Its work can go on; ours cannot go on. The National Service Publishing Centre has its work going on and we cannot have our work going on. Is it not discrimination?

I tried to get the Executive Chairman to ask him in response to his statement to have it corrected yesterday but he was at Cabinet meeting. I am not saying that he gave the leak but I was told that he was at Cabinet meeting. The General Manager is out of the country. Everybody

you try to contact, you cannot contact and when you contact somebody to say something, you are told, “Contact the P.R.O.” Only the P.R.O. can give you an answer and the P.R.O.’s telephone is apparently off the hook; it is busy for hours.

Cde. Speaker, we suffer and not only us, the consumers of this country suffer and I think that we should try to make this situation a better one. What about the health situation? Am I going to be told this afternoon that something is going to be done? Drink this water and you will taste it. The last time we met here on Monday, there was no water in this House! I saw later in the day the messenger brought you some water.

The Speaker: Cde. Narbada, I understand you are not very well and the time has passed.

Cde. N. Persaud: Cde. Speaker, what about the food situation? A refrigerator is no longer considered to be a luxury in this country. With the current going on and off, on and off, the electricians will tell you what will happen to the motor. That action will destroy it and we know the price of a refrigerator – ten per cent was added only a month ago. Cde. Hope knows that. What about the beef, the chicken, the meat? What about the eggs? Thousands of eggs! The people cannot obtain eggs and even the relatively few that they obtain are now going to be spoiled.

3.35 p.m.

I think the whole situation needs a careful analysis. The water problem is terrible and it is clearly stated in the statement that part is due to the low level of the canal and part is due to low shedding. I only hope that some serious efforts will be made this afternoon to rectify things. This matter is of primary importance to the health of the people of Georgetown and its environs. Not only here and I trust that the Minister will use his good offices to see that something tangible is done.

The Government should learn from its mistakes. I learned in my study days that every country, every Government, every organisation, every man will make mistakes. Those of us who are big enough in our minds to accept our mistakes and endeavour not to repeat those mistakes and those of us who will go to the top, but those of us who, because of our pride, because of our arrogance, refuse to accept our mistakes, are doomed. This Government seems to be going in that direction. Crisis after crisis. I call upon this Government this afternoon in the interest of all the people of this country, in the interest of all the people who are manufacturing, in the interest of all the people who are consuming, to reconsider the situation, realise that that it has lost confidence altogether of the great majority of people. But that is something which it never enjoyed. They are totally incapable of solving the crisis in this country and they should offer their resignation forthwith. **[Applause]**

The Speaker: Cde. Minister of Trade and Consumer Protection.

The Minister of Trade and Consumer Protection (Cde. King): Let me start by saying that this National Assembly has met to consider a situation of grave importance and I believe that we should do so completely devoid of emotion and face the realities rather than speculate in areas that so far cannot be clearly identified. I want to say immediately that we on this side of the House share the deep concern of the Opposition members who have so far spoken with regard to the hardships and the inconveniences which have been caused by the failure of our electricity services. We are conscious that every citizen in varying degrees has suffered both at a personal level and in the pursuit of his business whether that business be commercial or of a manufacturing nature. We are also equally conscious and aware of frustration and in some cases the serious annoyances which are all due to the difficult situation which this country now faces. We are not unmindful of the fact that much has been the loss in man hours and, indeed, the national economy will inevitably suffer because of the production so far lost.

In order to give a clear and concise report on the present situation, it is imperative that I review the situation from the year 1976 and more particularly the expansion programme which

was planned for the years 1972 and 1976 but before doing so may I be permitted to dispose of two very small points which were raised by the members of the Opposition which will not be raised in what I have to say in my review.

The first accusation is that power is given to the State-owned newspaper namely, the **Chronicle**, and not to another newspaper. Let me say that it is the good fortune of the **Chronicle** to be on the same line, that is the water works north feeder line, which feeds the water works and fortuitously the Chronicle is in a position to have current so long as it is necessary and available for the water works.

The second accusation which I would like to make unemotionally, and there is no need for emotion, is that we should understand very clearly that there is no wish to discriminate against any one. When power is available, it is distributed through the mechanism of breaker switches in the system on the priority, first of all, of hospitals. There we have a serious problem with the Seventh Day Adventist Hospital which is at the end of the line, which often makes it difficult to even service that hospital but all of the other hospitals are taken into consideration. We then have to give priority to the water works in order to maintain whatever we can for water supply. We have not, as the Opposition member said, invited certain people in for discussions but we have identified the geographical locations of the hatcheries and made certain that whatever electricity is available they have priority, and also the large feeding plants within the country. It is therefore very possible that one can look in certain areas and see certain residences completely illuminated but it is merely their good fortune that they are in that circuit which requires some type of priority, or has at the end of the feed a priority as set out by the company and the Government.

The other point that my friend raised was that of the financial reports. I would like the hon. Member to be assured that the report for 1976 has been duly audited and if he wishes he may inspect it here but it will be laid in the National Assembly within the normal time. Also, if

he wishes, the unaudited statement for the year 1977 is also there and he may inspect it as he so desires.

During the 1966 the Guyana Electricity Corporation planned its first independent five-year schedule for the improvement and expansion of its system. Primarily, this was aimed at increasing the installed capacity of the fast-growing Georgetown area and extending electricity to the rural areas. At that time Guyana was seriously considering a hydro-electricity development project and since any plans by the G.E.C. must of necessity have fitted in with the macro development project of the country, the Corporation awaited the decision before proceeding further with its plan. It was in 1968 that it was fully accepted and agreed that the hydro could not be built in time to meet the growing demand of this fast and rapidly developing nation. The G.E.C. as a result, out of its own finances, ordered eleven diesel generating sets to establish rural stations to supply the entire coastland, West Coast of Berbice, West Bank of Essequibo and the Essequibo Coast.

3.45 p.m.

Cde. Speaker, we may well have elected not to do rural electrification. We may well have elected to spend all of the money within the Greater Georgetown area. But since this Government is a Government for all the people and works for the greater benefit, for the greatest number, we decided that the expansion of electricity to the rural areas was an imperative and, consequently, we expanded to Versailles in 1972, to Anna Regina in 1972, to Rose Hall in 1973 and finally to Onverwagt in 1973. Bartica was improved, in 1974 Garden of Eden, Canefield is in process, and Wakenaam was finally done in 1977. **[Interruption]** No one interrupted the hon. Member and I wish he will keep quiet. I said I am speaking without emotion and he will not learn unless he listens.

The Speaker: Comrades on the Opposition side, when the mover of the Motion spoke and the seconder spoke, nobody interrupted. I will not countenance any heckling. Seeing that

the members on the other side did not heckle, give them a chance. It is a very important matter, all are concerned.

Cde. King: I am grateful to you, Cde. Speaker, because very often in this House we do not appreciate the gravity of certain situations. The Guyana Government, having been made aware that the I.B.R.D. had earmarked a loan to this country for the development of its electoral system, decided to utilise the source of funds for financing its electricity programme. In 1969, therefore, the G.E.C. prepared a feasibility report on the need to provide economic, efficient, additional generation and transmission facilities in a format which was acceptable to the I.B.R.D., and officially applied for the finance. The I.B.R.D. accepted that feasibility of the project in 1970 and recommended that consultants be engaged to prepare a development plan for the bank's appraisal. The Shawinigan Engineering International Company was retained by the Corporation and their Report was accepted by the bank in 1971 as the G.E.C. power systems extension stage one.

This programme which was planned for completion in the year 1976 – and I repeat, was planned for completion in the year 1976 – was intended to meet electricity demand to 1977. It was not, however, until mid-1972 that financing arrangements were completed during which time further appraisals became necessary and the release of the funds was affected on the 8th May, 1973. At that time, the cost of the project was estimated at US\$23.8 million and the financing had been arranged on a multinational loan basis.

Very quickly, without describing the various tasks, I would like to say that the I.B.R.D. had contributed US\$6 million, the Canadian International Development Agency US\$4 million, the Overseas Development Ministry of the United Kingdom US\$7.5 million, and the Guyana Government had to find US\$6.3 million. The programme involved the following:

First, the building of two new generation stations, one at Garden of Eden of 24 megawatts capacity and one at Canefield of 12 megawatts capacity.

Secondly, it further provided for the construction of a 69 KV Transmission line from Linden to No. 53 on the Corentyne.

Thirdly, the erection of a frequency convertor station at Sophia of 30 megawatts capacity to convert 50 hertz generation at Kingston Station to 60 hertz.

Fourthly, the installation of sub-stations to interconnect all generation stations between Linden, Corentyne, Guymine, Garden of Eden, Versailles, Kingston, Onverwagt, Canefield, New Amsterdam and Everton, thereby completing the total grid.

Fifthly, the conversion of all G.E.C. and customers 50 hertz equipment to 60 hertz which has been established as the country's standard frequency.

Sixthly, the construction of the necessary 13.8 KV distribution line to support the redirected and additional capacity.

Throughout all phases of the programme and the plan, very careful consideration had been given to the dominant controlling factors, factors that could influence the difference between success and disaster, factors which involve the practical critical analysis, the scheduling of manpower, equipment and also cash flow and budgetary control. Similarly to all extended programme executed onward from 1972, stage one expansion programme suffered from the world crisis which broke in 1973, a year which shall go down in the history as having unprecedented "escalation" due to the phenomena in the oil prices. Prices then for materials and equipment "escalated" beyond all projections for the normal rate of price increases and contingencies. In addition to that, deliveries of manufacturers' goods were not only extended but became erratic and unreliable in delivery, and engineering and labour costs rose significantly beyond the original estimates. Because of these circumstances, unpredictable in 1971, the funds earmarked for the project were found to be insufficient and after a prolonged reappraisal another

agreement was reached in April, 1975, on new financial arrangements, indeed a new financial package, based on the 1974 projection.

Guyana, as a result of these new negotiations, had to meet further cost increase beyond those estimates. In September, 1974, the financial package was made up then and considered but the I.B.R.D. refused to increase the amount of their loan participation and only agreed to a redistribution. However, we are grateful to the Canadians, C.I.D.A., and the United Kingdom Government, O.D.M., for having agreed to increase their loans and to cover the “escalation” of those items that the I.B.R.D. loan could not cover. As a result, the renegotiated and the reappraised project increased to a total of Guyana \$101.32 million. Problems were, however, caused through the delay in the disbursements of loan funds and this thereby magnified the production and delivery of equipment. As a result, the first power flow from the Garden of Eden station was, in fact, more than one year behind schedule.

3.55 p.m.

Much has been said by members of the Corporation about planning, and about the installed capacity and demand. I merely wish, without unduly burdening this House, to quote some of the relevant figures which would not only be of interest to this House but would also show the pattern of the constant rise in the demand and the steps which this Government consistently has taken to increase the installed capacity. For example, in 1967, the installed capacity was 32 megawatts. The effective firm capacity was only 22 megawatts, while the peak demand was 20 megawatts. I can take the next alternative year 1969 when the installed capacity was 35 megawatts, the effective firm capacity 31 megawatts, and the peak demand 24 megawatts. Let us take the year 1973. The installed capacity moved from 32 megawatts in 1967 to 47.5 megawatts in 1973, the effective firm capacity moved from 22 to 25 megawatts, and the peak demand moved from 20 to 36 megawatts. But, Cde. Speaker, even more startling is the relative increase in the year 1978, in which we are now; the installed capacity is now 70 megawatts, the effective firm capacity is 47 megawatts while the peak demand is 38 megawatts.

It is the objective of any electricity utility service to maintain its firm capacity above the maximum peak demand of the system so that when the larger set is out of service there must be, there will be still adequate capacity to meet those loads. On the occasion when the maximum peak is higher than the firm capacity, there will be need for load shedding when the larger set is out of service. It may be difficult for the untrained mind – and I am not claiming that mine is – to comprehend fully some of the technical implications of what we are passing through, but to assist this House to develop an undertaking of the cause of load shedding, one has to consider the figures which I have just recited to you with the statistics which I have just quoted, and it will be seen that as far back as 1972 the demand on the system was always greater than the firm capacity. That was the reason why the Government took a firm decision on the expansion programme.

During those years, however, load shedding was not sustained; it was not a regular occurrence because the system being relatively new, functioned satisfactorily with normal maintenance. However, Cde. Speaker, the impact of the additional generating capacity brought about by the commissioning of the Garden of Eden station which provides 24 megawatts was realised in 1977 and 1978 when, for the first time, between 1973 and 1978, demand was less than the effective firm capacity. We have, as I have already said, done considerably well. Apart from taking care of the electricity demand for the Greater Georgetown area, we have done considerably well for the rural areas. I think this is perhaps the first time in which the people in the rural areas are in a better position than the townfolk. As I understand it, most of them are enjoying the benefit of lights. But here I wish to come to the crux of our present situation.

The Speaker: Perhaps we may take the Suspension now, it is 4 o'clock and as you are about to come to your main point we can resume at 4.30. The Suspension is taken until 4.30 p.m.

Sitting suspended at 4 p.m.

5.4.78
4.30 p.m.

National Assembly

4.30 – 4.40 p.m.

On resumption –

The Speaker: Cde. King, when we took the Suspension, you were coming to your substantive point. Please proceed.

Cde. King: Cde. Speaker, you are very accurate, as always, in that statement. Permit me, on reflection, having regard to some of the criticisms about not planning, to say something which I should have said in my general review, something about the steps the Corporation had taken to train technical and other staff. I would like to take this opportunity to say that conscious of the very technical systems which we are installing under the development and extension programmes as a condition of development, we realised that we had to train our staff and we signed a contract for both overseas and local training. We trained a total of thirteen electrical and sub-professional persons between 1973 and 1974 covering design, testing installation, power system, gauge control, transmission and distribution, management of large diesel power stations.

In 1975, we also trained our shift engineers in thermal generating station and design construction, and in 1976, we trained a further four persons. In 1977, we trained three more and for this year alone, under local training where we had both foreign and Guyanese technicians, we trained a total of 231 linesmen, diesel mechanics, motor mechanics, and electricians. This number was over and above the forty-seven persons who were trained at various seminars. I say this because realising the technology with which we are dealing, we felt that we had to equip our citizens to cope.

Cde. Speaker, between 1972 and now, the Kingston Station – mainly the “B” Station, the three 10-megawatt generating plants – was in continuous operation and the main mechanical section as well as the boilers, the valves, the pumps and other functioning parts, were not always available for maintenance. I say, were not always available for maintenance, because of the demand on the system. Further, we had hoped that with the programme running smoothly and

on time, we would then have enough power in the system by 1976 to ensure that we could carry out a complete maintenance programme covering the turbines, the boiler and condensers of one of the 10-megawatt sets and then pursue the other two.

Cde. Speaker, because of the delay in the expansion programme, a certain amount of anticipated power was not available until 1977, and that, regrettably, I must tell this House, was at a time when the Kingston “B” Station comprising of three 10-megawatt units had deteriorated very rapidly. At the present time, it is true to say that all three of the boilers in the Kingston Station have defective tubes and must all be entirely replaced. I wish to say to this House that contrary to what the Opposition member had said, that this was a decision yesterday, this was known and clearly understood as far back as the middle of 1977 at which time we negotiated with a U.K. company, whose name I shall say to this House later, for the retubing of the three boilers. Those negotiations started about the middle of the year and the contract was concluded in January 1978. The work on those boilers will commence somewhere between June and July and the first one is expected to be completed by October/November of this year.

The Speaker: Cde. King, I think you have only half a minute, unless the House grants you an extension of time.

Cde. Field-Ridley: Cde. Speaker, I move that the Cde. Minister of Trade be given an extension of time to enable him to complete his presentation.

Question put, and agreed to.

Cde. King: So, Cde. Speaker, the whole operation we expect, will be fully completed by June of 1979.

Now this is where the tragedy hit Guyana. Last Sunday morning at 4 a.m., the 69KV transmission line between Garden of Eden to Sophia developed an earth fault causing the rotary

converters to trip out. This meant that a considerable amount of electrical power was removed from Georgetown and the only available power left was just sufficient to keep our essential services, namely, the hospitals and waterworks, going.

We took immediate action and summoned our line crews who immediately proceeded along the path from Sophia to Garden of Eden, a distance of seventeen miles, to try to locate the faults. We had discovered that quite a few insulators on the 69KV lines appeared scorched and these were immediately replaced. All day the G.E.C. replaced those insulators with new and clean ones and various attempts were made to energise the line from Garden of Eden but on each occasion the line kept tripping out. This type of failure on the transmission line is to be considered in technical terms to be most unusual and has never occurred under normal circumstances.

As a result of this peculiar fault, the company had already contacted the designers of the transmission lines who, I am happy to state, arrived last night to investigate along with the other engineers and to rectify the major cause of the peculiar performance of the 69KV insulators. In the interim, we have been able to, on two occasions; get the line to hold for approximately six hours only. I am also happy to say to this House that since the design engineers arrived, they have been working and are still on the job and I have just, since the House adjourned, received an interim report. That report seems to confirm those reasons which the local engineers had in mind, first of all, that clearly the occurrence was abnormal and due to unanticipated and unusual circumstances, and conditions in the Sophia to Garden of Eden area.

Cde. Speaker, I am quoting from a letter written by Shawinigan Engineering Company to the Manager of the Guyana Electricity Corporation:

“The data available suggests that the line failure is due to heavy pollution of the line insulators; in combination with unusual weather conditions; i.e. no heavy rain but drizzle or heavy dew, particularly at night.

Since the failures appear to be concentrated between McDoom and Sophia, the pollution of the insulators is probably due to burning off the sugar cane fields, possibly compounded with some salt pollution due to proximity to the Coast.

While these conditions exist, it does not appear that replacement of insulators will offer any solution.”

They have recommended that an immediate possible solution that could be tried would be to immediately remove the ground wire on each pole from the base of the pole to the lowest insulator.

[Cde. King contd.]

4.40 p.m.

The line crew are at the moment carrying out that exercise and hope to put the line on test within an hour from now. The “B” station represents a substantial portion of the overall supply, indeed, as we have already said, 30 megawatts. Secondly, I have already explained the persistent failure of the line between Garden of Eden and Sophia which could not be clearly identified by both Guyanese and non-Guyanese present in the country but as I have just concluded, the suspected fault has been put forward. The third step that we have already taken is to send out urgent requests for portable generation sets supplying an excess of 10 megawatts for the earliest possible delivery, which could be installed while the boilers at the Kingston “B” station are being rehabilitated. I am happy also to tell this House that the first indication from one country has been received today with a possible delivery date of three to four weeks. The Government awaits the response within the next twenty-four hours from the other two countries.

In an effort to give fulfilment at the earliest possible time the Government in collaboration with the countries and organisations financing the expansion programme has appointed a task force comprising foreign and Guyanese engineers to work out an immediate programme to restore on the short run the maximum possible supply of electricity. This task force has been mandated to recommend to the government, if necessary, the recruitment and/or the recall of engineers formerly involved in the expansion programme Stage One and also any trained persons, local or overseas, for working on the generation and hot line systems. The task force is also charged with the responsibility of identifying any tools, spare parts, and/or equipment which may be necessary for the fulfilment of the exercise and these will be flown to Guyana.

Fourthly, while all these arrangements are in train, the Guyana Electricity Corporation has implemented a twenty-four hour patrol of technical workers to constantly monitor and check the line between Garden of Eden and Sophia, to effect repairs, and to carry out the recommendations of the design engineers presently in the country, thereby reducing the down

time of the Garden of Eden-Sophia 69KV power line. Recognising also that we must continue progressive repairs at the same time on the faulty boilers at Kingston, work continues on a twenty-four hour shift in order to get out of them whatever is possible. All of these measures are aimed at relieving this distressing situation and providing whatever electricity is available.

I must emphasise in conclusion the concern at the loss of power over the last few days which is attributable primarily to a fault in the transmission line from Garden of Eden to Sophia. As I have already explained, we are, together with the consultants and engineers, working overtime to identify and correct the fault. While some degree of load shedding will continue during the time the boilers are under repair, if we can identify the fault and correct it, I can assure this House there will be significant improvement in the situation.

I have spoken for a great deal of time and I am grateful to you, Cde. Speaker, for the extension of time to speak on what certainly is a matter of tremendous importance to the citizens of this country. I have done so in order to dispel, first of all, unfounded rumours that suggest that this failure has been due in many cases to the lack of fuel and/or funds, to dispel also the rumour that the failure of the boiler at Kingston is attributable to the deliberate neglect of maintenance. While it may be true that we were aware that these boilers would have been due for a major overhaul, it has certainly become necessary much earlier than was contemplated by our technical advisers. Suffice it, however, to say that had we taken out the boilers at Kingston for overhaul before the Garden of Eden-Sophia line had been completed and current attained late in 1977, the citizens were likely to have suffered even a worse experience than they now do.

I trust that I have been able to convince this National Assembly that the undetermined failure, the unusual circumstances which caused that failure of the Garden of Eden-Sophia power line, is in no way a reflection on this Government and the planned programme which we have put into motion to improve the electrification of this country, nor is it a reflection on the management personnel of the Corporation. As everyone knows, not only is this likely to happen with mechanical or electrical installations in Guyana but, indeed, we have known and it is on

record that many such instances of this type of breakdown have taken place in many other parts of the world.

I can only conclude by reiterating the Government's concern over the situation and would like to reassure this House that we are taking every measure to first of all have the Garden of Eden-Sophia line revived and restored. If that happens within the next few hours and is proven within the next few days to be successful, then there can be and will be planned load shedding, taking into account all of the things which have been said in this House, hospitals, newspapers, printeries, manufacturing operations, and we shall most certainly continue the consultations which we have already commenced to see what are the most appropriate hours for manufacturers to work off the peak period.

Next we are pursuing relentlessly the acquisition of these portable or mobile generation sets which will fulfil the supply which is now provided by the "B" station thus putting us back into our effective supply factor. If this occurs and if we are able to get those portable sets in within a reasonable time – one anticipates six to eight weeks – then the situation will improve. May I appeal not only to the Opposition but to citizens, to business people of this country, to exercise in this dark hour, tolerance, understanding and an appreciation of the circumstances which have led to this unexpected and unanticipated collapse of the electrical services, and to wherever possible use only the minimum amount of electricity required at all times, for example, even after the power is restored, to refrain from the use of air conditioners and unnecessary lighting equipment until the full restoration is made.

Before I take my seat, let me say that there was mention of persons removed from the Board. I would ask this House to take note that we have not only taken steps to put worker participation into active realisation but, indeed, we have put on the Board of the Guyana Electricity Corporation, a member of the Consumers' Association who, I believe, is an active director of that Board and is certainly in touch on behalf of the consumers with what is currently taking place.

[Cde. King continues]

Cde. Speaker, I am very grateful for the time you have allowed me and I believe that all of our citizens can be assured that this Government had done everything possible and has taken every measure possible to plan effectively the widest possible distribution of electricity and also the wide electrification of our rural areas. We have been conscious of the increasing demand on our productive sector. We have planned for that and what has happened in these very unexpected days must be recognised as circumstances and acts far beyond our scope and control and I will ask citizens and this House to accept the assurances that we will restore power at the earliest possible opportunity.

The Speaker: Hon. Member Mr. Singh.

Mr. Singh: Mr. Speaker, shortly before the tea adjournment, the last speaker, the hon. Minister, made this statement, or words to that effect: “We have done considerably well.” What a fantastic statement to make in view of the terrible situation which at present obtains in this country in the area of the supply of electricity. I can only come to the conclusion that a statement like that could only have been made by a P.N.C. Government as arrogant as this one is. I think it is a fantastic statement.

At the beginning of the year all knew that Guyana was undergoing a real financial crisis. Indeed, some of us were convinced that Guyana was bankrupt. Then on 27th February, when we heard the Budget Speech of the hon. Minister of Finance it was openly admitted that Guyana was really in serious financial difficulties. Of course, he did not say “bankrupt,” he did not spell out the situation to that extent, but he did spell it out that it was serious and Guyana could not hope to recover without producing more. Throughout the Budget Speech that was the theme – produce more. Indeed, I can read a part of the Budget Speech on page 49 which really personifies this theme. It states:

“The ability of the country to emerge from its present economic difficulties rests on a number of factors. First, there is the need to restrain or postpone consumption in favour of savings; in effect to increase domestic savings and to maintain it at least at the level of 6% of the Gross National Product over the next four years – the plan period; secondly, there is the need to increase production, productivity and exports; and thirdly, in order to expand production there is the need to plan and implement a balanced programme of development that offers expansion in employment and real economic growth in the short term as well as in the medium term.”

Indeed, there was another part on page 33 where it states:

“However, crucial to the successful implementation of the investment programme over the next four years, would be the rate at which the economy can be induced to save.”

The hon. Minister then said that this saving can only be generated as a result of greater productivity. But how can you plan, how can you produce if the means of production is not there, if electricity supply is not there. That is what is worrying us so terribly at the present moment.

When we discussed the Estimates, we noted that because of the financial crisis it would be necessary to cut back expenditure in a multitude of areas. Of course, the P.N.C. window-dressed the situation by announcing a four-year development plan. Even though it could not put forward a lot of achievements for this year, it made it look rather promising and rosy by saying what would be achieved at the end of four years. But even so, all its predictions were premised on the assumption that there would be greater productivity taking place. That was very clear, that was the theme throughout. Instead of greater productivity, production is less than it has ever

been for years. The private sector which has been struggling, gaping for survival is now having the final nails driven into its coffin. Why? It cannot produce. It does not know how to plan because it does not know what sort of a programme there would be for electricity. Businesses have been shut down. Those who can afford it are planning to leave the country because they are fed up with this state of affairs. Guyana will be losing people who have been producing in the past and on whom Guyana has depended.

The Minister in his Budget Speech said that Guyana is depending on the private sector to help out the situation in the context of a four-year development plan in order that Guyana can survive at the end of four years. Up to recently, last Thursday, I think it was, the hon. Minister George King, addressing the Chamber of Commerce at the luncheon, called on the members to move into the manufacturing sector. How can you possibly even ask a man to have the inclination to move into the manufacturing sector if quite frankly all he can expect is load-shedding and blackouts? The Chairman said this situation will continue for at least another nine months.

We understand that these boilers may not be fixed until mid-next year. How we are hearing that the possibility is that stand-by mobile equipment will arrive in the country within a few weeks. We really do not know what will happen. Why couldn't this stand-by equipment be ordered long before? Why is it that only now in the crisis this stand-by equipment is being ordered?

Let us look at the situation at the present time. Almost all factors of life are affected. Businesses are closing their doors because of no electricity, manufacturers such as shirt factories, engineering factories, are closing and sending their workers home. We have heard some of the details of that. Even I was affected yesterday. I wanted to pump the tyre of my car and there was no gasoline station where I could have found a compressor working, so I had to walk because of no electricity. I am not saying walking may not be a good thing for me but it is not practical to keep walking all the time.

Many offices that use machines are idle. The Government uses machines, typewriters, accounting machines, IBM machines, data processing machines; the banks depend on these telex machines for international trade conversion, bank rates. Even the Income Tax Department uses machines. When we were discussing the Budget here we were told that the Income Tax Department is using I.B.M. data processing machines. I understand they were struggling to do Guymine's Final accounts by manual machines and were having a hard time to get the work done. They are facing all these embarrassments, all these hardships.

This mid-day before I left home, I understand there were bakeries with signs marked "closed, not operating." Laundries have stopped receiving washing because there is no electricity and there is no water. Mr. Speaker, I will tell you in a moment of the connection between water and electricity, if there are those who say there is no connection. Thousands of dollars are literally going down the drain because food in freezers has to be dumped. It will soon be almost impossible to purchase chicken which is already in short supply. Even though the hon. Minister says arrangements have been made in respect of hatcheries, I understand from good authority that many of them have lost thousands of dollars' worth of chicks and eggs. Many of them have cancelled orders because they are not sure what the future holds in respect of the maintenance of electricity supply.

[Mr. Singh continues]

Sir, even the cricketers were affected. There was no water or electricity in the hotels in which they were staying. Imagine that! In this fair land of Guyana, in this Garden City, in this land of many waters, our visitors are embarrassed. What would happen if there was a fire in this wooden city – and I heard the fire engine just now? Guyana can become a burning inferno under these circumstances because we never knew whether there would be any electricity supply or water in the mains in an emergency. If you cannot contain a fire within a short time after it starts, we know what will happen. We knew this because we have suffered bitterly in the past. We knew what could happen in this city of wood.

I understand from the Minister that private hospitals will be provided with a constant supply of electricity but I knew in the past this has not been so. I knew that operations have had to be performed by candle-light and by gas-light and that operations have had to be deferred. This is dealing with the health of the individual. I must remind you too, sir, that the continued lack of water in some areas can lead to an epidemic. Even the traffic lights, as I was coming down here, were not working. How did we arrive at this terrible state of affairs? There is no doubt in my mind, in spite of what the hon. Minister said, that it was as a result of blundering, lack of foresight, mismanagement, wrong priorities, and, perhaps, sheer pig headedness on the part of the Government. I will come to that in a moment.

Was there no one who could have realised that the three 15-year old boilers, working continuously and without proper and comprehensive maintenance, would eventually give way? Of course there was. I want to look for a moment at what the Chairman of the Electricity Corporation is reported to have said in the Government-owned newspaper, the **Chronicle**, of Sunday, 2nd April, 1978, but before I deal with this let me say that I admire the gentleman for his frankness. I understand he has only been appointed to the Board. He put the facts before us in no uncertain terms. He pulled no punches.

As far as I am concerned, we will be suffering for another nine months because those three boilers will not be in operation. The Chairman did not give us all the nonsense we heard from the other people, that kites had been causing disruptions for long periods, about switches tripping, and all the other things that were brought out and fed to the press, and the inconsistencies that have been pointed out by previous speakers in respect of the problem. The problem was simply at that time, the three boilers.

I heard what the hon. Minister said but I want questions to be answered in respect of the statements made by the Chairman because some of them are in direct contradiction to and are conflicting with what the hon. Minister said just now. In fact, there are some points on which we would like information. The newspaper reported that in a forty-minute question and answer programme over G.B.S., the Corporation's Chairman, Dillon Thompson, concluded that the crux of the problem was "financial constraints." Now, the hon. Minister just told us that it was not due to any lack of funds and here the Chairman is reported to have said that the crux of the problem was financial constraints. The newspaper further reported that the Chairman said that if consumers paid up their outstanding bills which are estimated over \$10 million, then the situation would be better.

I say that the operative word there is "consumers." It may appear as though it is the small man who owes the Electricity Corporation, but, Mr. Speaker, you know, because you have remarked on it before that every time I stand in this House for a Budget Debate or a debate on Supplementary Estimates, I talk about the arrears due to the Electricity Corporation. The hon. Minister will remember I said if the Government Ministries and agencies do not pay up their arrears, the corporations will suffer and their progress impeded. They will have to borrow money from banks at higher interest rates. This is exactly the position.

I say that this \$10 million is predominantly owed by the public sector and not by the private sector. It is owed by Government Corporations, Ministries, by nationalised Government-run places, by P.N.C. organisations and business places, by co-operative businesses set up by the

Government, and generally by the Government agencies. That is the information I have. It is a simple matter for the small man or the private sector. If he does not pay his bill, his electricity supply is cut off. Let the hon. Minister tell me who owes this \$10 million, let him say categorically that it is not Government Ministries. We have often come to this House to approve of supplementary provision needed to pay off arrears due in respect of electricity bills. Only recently we had a tremendous amount of arrears due in respect of electricity and telephone bills. Who owes this \$10 million? If it is the private sector, let the hon. Minister tell us why their electricity supply was not cut off, why was it allowed to build up to \$10 million. Do not malign the private sector and private individuals by suggesting that they owe this amount.

Mr. Dillon Thompson was not speaking an untruth technically. He said consumers owe and consumers are Government Ministries, corporations and P.N.C. agencies. The report further stated that in the final analysis, what the Chairman said was that the G.E.C. could not guarantee that there will be no further blackouts. That means that there will be blackouts and load-shedding for the next nine months. In the report Mr. Thompson spoke about an expansion programme but unfortunately, around early in 1974, cost of manufacturing, construction and equipment escalated beyond the G.E.C.'s budget so that the expansion programme itself was delayed considerably.

Since 1974, they knew that the expansion programme would have been delayed considerably because the cost has escalated. The report went on to say that between 1972 and until now, the Kingston power station comprising mainly of the three 10 megawatts generating sets and the mechanical sections including boilers and pumps, were not available, as often as should have been, for regular maintenance. He is saying here quite plainly – and I take it he was reported correctly, unless like the politicians he was misquoted – that since 1972, mechanical sections including boilers and pumps were not available for regular maintenance.

If the boilers and the mechanical section were not available for regular maintenance since 1972, surely, they could have bought stand-by equipment. Surely, the portable equipment that

the Ministry is now getting in for so many weeks should have been bought since then. Why is it that they are only being ordered now when there is a crisis, when Guyana has suffered, when there has been such a loss in production and productivity? Why only now? Since 1972 they knew that costs had escalated. Since 1972 they knew that these things were receiving regular maintenance.

5.10 p.m.

Cde. Thompson went on to say that G.E.C. recently completed financial arrangements for the purchase of three new boilers (tubes) – I understand that is retubing the boilers – but because of the extended delivery dates, they could not start construction until August this year. Why only recently were arrangements made for retubing these boilers? Since 1972, you knew that they have not had proper maintenance. You mean only recently you arranged for them to be retubed? Something definitely has to be wrong! Cde. Thompson explained that the boiler tubes are so bad that it cannot be anticipated when one would go defective. As soon as one was repaired, the other would go bad and so on. He said the life of a boiler is about 15 to 20 years and those at the G.E.C. are about 15 to 16 years old.

Well, my goodness, 15 to 16 years and without proper maintenance since 1972, and nobody could think of doing anything? Mr. Speaker, what were they doing instead? In 1974, costs were escalating. Should they have gone ahead with their heads in the sand and continued with the hydro-power scheme, the road to nowhere – the Upper Mazaruni Road – costing millions of dollars? That road is leading to nowhere because up to this moment the Government has not identified from where it will get the money to put down the hydro-power station. No foreign agency has committed itself to giving that money to set down the hydro-plant there. So what are we building? A road to nowhere!

They knew that there was a crisis building up since 1972. The Chairman said they knew it since then. In 1974, there was an escalation of costs. Why could we not have diverted some of that money from the road towards buying this stand-by equipment, or made arrangements for

[Mr. Singh continues]

retubing the boilers? Why could we not have done it a long time ago instead of rushing ahead with the road to nowhere? Where are the Government's priorities? Let it be understood that the people of Guyana are suffering. Did the Government realise fully that this equipment would go bad and in spite of that knowledge, still continue with the road?

Do you know how much it will cost to do emergency works as they are doing now? It is well known that when you have to rush something in, like portable machines, when you have to do emergency works, when you have to work around the clock, it must cost more. Everybody knew those boilers needed retubing and it was only recently, according to what even the hon. Minister said, in January this year the matter was finalised even though since 1974 it was known that costs were escalating and since 1972 that the boilers were not being maintained. The article further reported that Cde. Thompson, while admitting that consumers had a lot to complain about, appealed for their understanding of the problem. He talked about consumers owing light bills for fifteen months. Well, I would like for us to get a statement as to who owes that amount of money. Linden is now bearing the brunt of the burden of supplying power to Sophia. We know that and it is a blessing that the Canadians did leave five diesel generators, three boilers and three steam turbines at Linden. If it were not for that, perhaps the entire country or the majority of the country would have been blacked out.

In addition to what Mr. Thompson said, we have been told about the problems of the transmission lines. I now understand that Shawinigan Engineering Company has been invited back. I want to ask a question: Did they finish their work and did they go at the completion of their work or were they in fact told, "Look chaps, we can finish the work, we have the expertise, we have the knowledge, we bring your contract to an end, go, because we think we can do the work at a much cheaper cost and finish it off at a much cheaper cost." There is a suggestion that this is what happened. If that is so, then is it perhaps not lack of specialised knowledge that has caused this problem today? The technical officers, Shawinigan Engineering Company, were the consulting engineers. They had the expertise, they had the technical knowledge. Did they stay

for the entire period that they should have stayed? Were they allowed to remain to see everything properly set up and in perfect working order or were they told: “Look boys, go on; we can complete it more cheaply than you can do it.” I would like to know about that, sir.

We have heard from the Minister of the plans they have to solve the problem but I still say that those plans are not satisfactory under the circumstances. I say that we are still left in the dark in respect of what the future holds for the consumers of electricity and under the circumstances, I think the time has come, and I agree and support the mover of the Motion, Mr. Reepu Daman Persaud, that there must be an enquiry from both sections of the House to settle once and for all exactly what happened at the Electricity Corporation, an enquiry to plan for the future, to ensure that a recurrence of this does not take place. While we are talking about hydro-power and we have been talking about it for a long time, let us make sure that we supplement our thermal power and we have adequate facilities until that hydro-power station comes into operation.

I know there are those who are suggesting that electricity and water supply are not connected –

The Speaker: Hon. Member Mr. Singh, you are having your full thirty minutes; three minutes more to go.

Mr. Singh: Yes. I knew I was entitled to that, sir, and I am glad you agree with me. The Mayor of Georgetown said on 2nd April as reported in the Sunday Chronicle of that date, that although we are trying to keep the supply available up to nine o'clock in the mornings, if there is a stoppage of electricity during the time we are accumulating water, it means that we do not accumulate a sufficient quantity. He said further that again there are occasions we commence the supply within the time indicated but shortly after, if there is a blackout, we cannot pump at full pressure and you consequently cannot get a supply of water. So, electricity and water are inextricably tied.

We know we have had a long spell of dry weather but there is still the problem of electricity supply affecting the supply of water. It is critical and it should not be. The citizens of Guyana would not have been suffering were it not for this bungling on the part of the Government in respect of allowing all those boilers to become run down to such an extent and it is only at this time that they are rushing around madly to get portable stand-by equipment and to commission the repairs. I say that we need now the appointment of a commission to go into the whole situation there, and this is not a party matter, for the benefit of the whole country, to make plans so that we never have a recurrence of this.

The Speaker: Cde. Persaud, I think your maximum time is 15 minutes.

Cde. Reepu Daman Persaud: Very well, Cde. Speaker, I will try to finish in that time. I wonder if I can start off by asking the Minister to provide us the Parliament, with some light.

[Pause]

I want to answer some of the points raised by the Minister of Trade and Consumer Protection. He referred to rural electrification very briefly. Let me inform him that electricity in Anna Regina was extended by the P.P.P. and the switch was turned on by the then Premier, Dr. Cheddi Jagan. So, that is not true. That is very positive.

The second point I wish to make is that rural electrification was started in 1962/1963 and people in this country began having lights in rural Guyana since then.

But that is not a big point. [Interruption]

5.20 p.m.

The Speaker: Dealing with the Chronicle and the point made by the Minister that the **Chronicle** is attached to the water works, it is true that if you use the switch there you can turn all on or turn all off, but I challenge him to deny that they do not carry out an exercise there separately; they can go to the point within the area and turn off various operations, and in fact

they have been doing that and keeping essential ones. And hence they allow the **Chronicle** to continue. Let me make this point for the Opposition. We are not saying the Chronicle should not get light. We are saying: give them light. But we are also saying: give the **Mirror** and all essential services as far as you can extend the power that exists, give them light.

Let us take the East Bank. You talked about rural electrification, and what you attempted to convey was, probably not consciously, that while Georgetown is in darkness, people in rural Guyana are getting light. Probably in some areas but let me tell you. The whole of the East Coast is without light. The whole of the East Bank is without light. **[Interruption]** Belfield will always have light and Vlissingen Road will always have light. I don't want to make that point. West Demerara. It is not true that Georgetown only is affected, and I speak because I went up the East Coast on Sunday. I went up to the East Bank up to last night, so it is not true to say that rural Guyana is getting light.

I wish to emphasise the point made by the hon. Member Mr. Feilden Singh. It is clear, and the Minister was honest when he said they had knowledge before, but though they had knowledge they waited until almost now to take action. And even if action had been taken earlier than the current time, whether last night or last week, it was late and it is clear negligence. If those boilers were put up in the very early '60s, and if the Chairman of the Corporation said that the life span of those boilers would be 15 to 16 years, this is the last year of the life of the boilers. Any person with common sense would know, you don't have to be a technician, several years before now you should have made arrangements for the replacement so you would not have had to wait. You have to order, possibly they have to be built according to specification, next, you have to ship. All those are involved, then there is the question of foreign exchange. But if the Minister says you have got money, then all right, we are willing to take you on that. That is the position. It is clear negligence, it cannot be defended at all, and any attempt to defend it would be dishonest. The tone of the Minister's speech, and I don't want to be harsh, was very contrite and one acknowledges the contrition in that speech.

Having made those points let me proceed to say that before those three boilers were put in by the P.P.P. in the early '60s, we first brought in two mobile electrical generating plants. They were put at Ruimveldt and subsequently those two generating plants were sent to Anna Regina, so electricity went there in the year 1964. If you are planning, as you quite correctly said, to send for those mobile generating plants, you should have done that long ago. And you would not have been in this predicament. I cannot understand how people with technical knowledge did not tender that advice or whether the advice was tendered and not accepted. But then, you were depending solely on your hydro- electric power. All these factors clearly bring out to my mind without any fear of contradiction that the Government was negligent in handling the electricity problems in this country. Let us take the other one.

The report this afternoon was amazing. To me it was a joke. I came from the East Bank. The East Bank always had salt water. I lived opposite the cane field and they were always burning canes there. Do you mean it took this Government and probably those who were advising the Government until the 5th April, 1978, to find out that you have salt water there and you have got the burning of canes, and it is the salt water and the burning of canes that affected the lines, or the transmission, or the insulators, or what have you? Something is terribly wrong. But I wish to state the other pertinent question. What will be the future of the transmission? What will be the future of the insulators? What will be the future of the lines? Because the salt water will remain unless you are going to make a decision to fill up the river and you don't cut down the canes and don't burn any more. Those factors are still there. How are you going to solve those problems?

Listening to the reply of the Minister, we find that we cannot stand up and say, having heard it, that those answers are really influenced by reason, by fact. In fact, they are unreasonable and they are not supported by facts. I want to assure the Government that it has not convinced us and I have no doubt that it will not succeed in convincing anybody. There is still another Minister to speak and he will take the opportunity to give us some positive information about the whole question of electricity.

Another thing that bothers us is water. This is affected. It is inter-related. Foreign matter has been found in water. Worms have been coming out of the taps. I wonder if this is not a timely appeal that the Government should immediately ask the senior bacteriologist to examine it and tender a report so that the nation can be assured that it will not be affected in so far as its health is concerned. I make the appeal very conscientiously and I think it is very timely. We must not wait until we have the breaking out of various types of epidemics. We must take protective measures.

One sees that in 1964, while the demand on the system was 22 megawatts, we had a capacity there of 32 megawatts. The P.P.P. did not allow the situation to deteriorate as it has deteriorated at the present time. I want to say in conclusion, having made those points that people have to suffer for a very long time. The Chairman, Cde. Dillon Thompson, said nine months, but if the Minister said that this whole replacement and repairs operation will come to an end in June, 1979, then that is much more than nine months so we see what we are in for. The possibility is we can go beyond June so the people of this country and all segments will suffer for well over nine months and it can go into the vicinity of two years. This is the seriousness which the country faces at this time.

I want to draw the Government's attention to the sum total of the effects of all of this, that no aspect of life will be free in view of this major impediment of electricity associated with water and thus there is a need for the Minister this afternoon to announce the setting up of a Committee not only to look at the Electricity Corporation, not only to look at all the other ills that exist there, not only to look at the financial statement, and on that I want to ask that the House be given an opportunity of seeing the list of names of people and names of organisations who owe the \$10 million. Let the nation know. If it is the consumers, let the people know who are the persons who owe.

5.4.78

National Assembly

5.30 – 5.40 p.m.

[Cde. Reepu Daman Persaud continues]

5.30 p.m.

Cde. Speaker, we want that Commission of Inquiry to look into all aspects of life that will be affected by electricity, unemployment and many other things. We want the Government to very equitably examine areas that are vital, institutions, commercial operations, other operations that would need electricity and to ensure that all those be given priority. For instance, the East Bank is without light. What struck me is the fact that the Demerara Oxygen Company operated on the East Bank at Eccles. People have to obtain gas in order to cook. What is the position? The Demerara Oxygen Company is unable at the moment to produce gas and within a few weeks we will find ourselves without gas so the stoves cannot be operated and people cannot eat. It is vital and I think that the particular institution must be looked at and electricity given to it so that the people can be provided with gas.

There is one last point I wish to make. There has been a call from the Government that those who have plants should put them into operation. We know what the laws are. Because of the whole concept and idea that those plants must go out of operation, people sold them. Many big institutions have sold theirs and they are without. Will the Government be prepared to grant the licenses and all that is required to all those who are prepared at this time to bring in their own plants so that we can have these plants operating in this period of clear emergency in the country? I think the Government must address its mind to this and let the people know. Don't simply tell them to operate their plants. We must acknowledge the fact that people sold their plants many years ago. People were not servicing because they thought there was no need to do that, they were provided with electricity. Do not simply make an announcement that has no meaning. Would the Government be prepared to grant licenses to those persons, particularly those who have sensitive operations, who would like for now and for the future to provide themselves with their own plants and to have them operating so that they will be able to carry on, thereby continuing productivity at least at some level?

Let us face it, we are virtually moving to a standstill in the country and the situation is very desperate. That is my contribution. I am glad that the People's Progressive Party has been able to initiate the debate on this matter and we have been able at least today – one Government Minister spoke and another very senior one is to follow – to hear what is the position. We hope that no one will consider himself too big, a boss and master, but a servant serving the people at all levels, and they will all make themselves available to speak to the people, to speak to the community at large, to have meetings and to see how the situation can be remedied. We must move to take Guyana out of this chaotic situation.

The Speaker: Cde. Persaud, I thought you would have said thanks to me; but for me, you would not have had the Motion at all.

Cde. Reepu Daman Persaud: Thank you, Cde. Speaker.

The Speaker: Cde. Jack.

The Minister of Energy and Natural Resources (Cde. Jack): Cde. Speaker, when the Motion was proposed, our position on this side of the House was that we welcomed the opportunity in this the highest forum of the land to ventilate this problem which has affected all of us and which has caused great concern. I will spend just a very short time to try and remove some of the cobwebs which seem to have been woven by the Opposition because, I am sorry to say, listening to the debate as it has proceeded this afternoon, I am convinced that some of the Members on the opposite side of the House are determined to be confused and are furthermore determined and have an intention to confuse others. I should like, therefore, in the simplest language possible, to make a few points so that they perhaps can understand. I am sure the public will understand.

First of all, there are two distinct aspects to this matter. There is the question of the refurbishing and repairing of the boilers and there is the question of the transmission line. When

the member spoke about the immediate problem not being a financial one, he was referring to the fact that it was not a financial constraint that caused the line to trip out. I am told that the transmission line that we have had in this country previously was something of the order of 11 KV. The transmission line that we now have is the largest or most powerful transmission line we have ever had in this country. It is 69 KV. It is the first time in this country that we have had a transmission line of that size. There have been instances in other parts of the world, including Egypt to my own knowledge, where the transmission line transmitting power from Aswan was contaminated with sand which caused trip-ups. I am not saying that that is the specific case here.

I would like to make one point. While we are all addicted to a reliance upon science, let us remember that science is not perfect and that when you are instituting or introducing new equipment there are periods of running in and there are problems which may not have been anticipated. In this instant case the hon. Member Mr. Singh wants to know whether Shawinigan finished the operation or whether we chased them. The fact is that this line was designed by our consultants and was constructed under the supervision of the consultants. We are not at this stage making any comments on that.

Frankly, we do not claim to know what is the actual cause, but one must take this into consideration. All of us in these parts of the world import technology which has been developed and designed for other climes and other climates and with the best will in the world it is impossible to anticipate all of the problems which may arise when you take equipment and put it into new areas like this. It is with this in mind that we have held consultations with the expatriates who are here. It is with this in mind that we have called down the consultants who have been working immediately. There is one thing this House should understand and it is this, that had that line not tripped out, had it held, the incidents which we are primarily discussing today would not have occurred, that is, the blackouts over the weekend which have occurred would not have occurred had there been no problem with the transmission line. I want to stress this so that people know. When we speak of nine months and time for repairing the boilers, we are talking of Kingston. When we speak about the immediate problem which we hope will be

solved, we are speaking of a fault arising in equipment which is new, which we have installed recently, which we have installed under the supervision of competent people, people with a worldwide reputation. Therefore, if there is a fault and if we are looking for it, whether it is a fault in manufacture, whether it is a fault in some unseen circumstance here, we cannot say. We are not saying that it –

The Speaker: Comrades, will you allow the Minister to speak so that we will know what is going on?

Cde. Jack: We are saying that it could be salt water, it could be the burning of cane, it could be the dust as a result of the long dry spell, it could be a combination of those or it could be something else.

5.40 p.m.

What we are saying is that we have done the best that could be done in the circumstances, that is, we have brought the people who are immediately concerned and we are working around the clock on it. I would like to give this assurance that if, as Cde. King said, we find the fault and can repair that fault then this immediate problem will be at an end. When I say the immediate problem, I hope no one misunderstands me. I am speaking of the immediate problem which we have suffered over the last few days.

I turn now to the question of the boilers and here we come to the question of the financial constraints. Despite the fact that every single day of the week and every day of the year, we speak about the financial crisis in the world, some of us don't seem to believe it. The fact is, as Cde. King has pointed out there was an escalation of cost from 1971 onwards. Some people say, "Why don't you buy extra boiler immediately? The fact is that we have been negotiating for money to carry on the expansion programme and once you are borrowing money, you are paced by the speed of the lenders. Naturally, we would have liked to have everything settled in 1971

but we could not have it settled until 1973. The escalation of prices necessitated further negotiations with the aid donors. That took time. Now, we are being wise after the event by the suggestions made that we should have bought the extra boilers since then. That fact is that if the line had held, we would have had time, it is true, with some load shedding, to pull out the boilers one by one and repair them.

When we speak of financial constraints, if we had the money, we could have scrapped the three boilers and bought three new boilers. That is what we could have done but we did have a financial constraint. I hope that hon. Members of this House understand what Cde. King means when he speaks of financial constraints. We just couldn't go and buy for cash three boilers as if we were buying a box of matches. That is the situation. We speak of the time that it would take to fix these boilers overtime.

A lot of comparisons were made by Cde. Reepu Daman Persaud. He said when the P.P.P. was in office, the Corporation had 22 megawatts of power and an installed capacity of 30 odd megawatts. It is impossible to compare the two situations. When the P.P.P. was in office all it had was the G.E.C. We now have an integrated service. The total installed capacity in this country is something of the order of 141 megawatts, so there is no point in attempting that sort of comparison at all.

I want to spend a few minutes, however, on some of the things that Cde. Narbada Persaud said. There has been, time and again, reference to the Report of Preece, Cardew and Rider, and since some of our friends on the opposite side are like broken gramophone records, we know what they are going to say before they say it, so I got a copy of that Report. What they do not say is this, that the consultants upon whom they rely said this on page 43, paragraph (G) of that Report:

“We recommend that a decision to build the first phase, comprising two 30 MW sets, of a new large thermal station, or, alternatively, to construct the Tiger Hill hydro-electric scheme,”

the one that they always talk about

“should be deferred until the report of the United Nations Survey becomes available. As this report may not be received before the end of 1968, we recommend that steps should be taken in the very near future for the acquisition of a suitable site for a major thermal power station, so that its first phase could be commissioned in 1973...”

A suitable thermal power station. This is what we have done at Garden of Eden and 1968 is the time when the decision was taken, as Cde. King pointed out. I am sure the members of the P.P.P. Opposition have several copies of the Report; perhaps they can read it over and over again. The reason why the Tiger Hill scheme was not implemented was that in those very good days of cheap power and cheap oil, a scheme like that was more expensive than a thermal scheme. It is here in their bible.

We had a very sad case of Cde. Narbada Persaud quoting from the 1974 Report of the G.E.C. Cde. Speaker, you would know, because of your qualifications and expertise in another field, that it is considered extremely bad form if Counsel quotes one paragraph of a document to support his argument and deliberately omits to quote the rest. It is not the very best thing to do.

But that is the standard --

The Speaker: Unfortunately, I don't have the power or I would commit some of them.

Cde. Jack: I have a hope that with patience and understanding they will learn. I believe that they want to learn. I now quote the second paragraph on the same page 29. They quote that

the revenue jumped from \$13 million to \$19 million, and I am speaking in general figures. That was a jump of 48 per cent and he wondered, therefore, why we did not make a profit. They quoted subsequently to say that there was a profit in 1973. In 1974, there was no profit. However, they quote the revenue but they do not quote the operating expenses:

“Operating expenses including depreciation charges, but before interest rose from \$11.665 million in 1973 to \$19.572 million in 1974, an increase of 67.78%.”

Now, let us turn to the question of the hydro-power scheme. The first point that was made was about the Tiger Hill scheme and I have already dealt with this Report. In those days one looked at cost of generating power, something in the region of \$3 million. Tiger Hill was not the only scheme we considered, we also considered Tiboku and in 1969 we attempted to finance Tiboku. At that time it was claimed that the mill rate at 5.6 mills was too high, the conventional wisdom being at that time that one should have 3 mills as a mill rate. Because of that we were unable to raise the financing.

A lot of heavy weather has been made about the Upper Mazaruni Scheme. The mill rate for the Upper Mazaruni Scheme today is about the cheapest that one could get for generating power from any hydro-electric station in Guyana, it is between 5.6 mills and 10 mills.

5.50 p.m.

The most recent information that I have, which of course is not confirmed, is that if one were to establish a station at Tiger Hill today, the mill rate would be in the vicinity of 29 mills as against 5.6 mills and would cost something in the region of \$200 million (U.S.).

I want to refer to a statement which I consider to be completely misleading and that is, that we decided to ignore the maintenance of thermal energy because we expected to get the

hydro-electric station on stream in 1979. The fact are that when the first report was made, the report said – that is the Energo Project Report – that we could have the scheme in 1979, all other things being equal and the financing being available. However, I must remind the hon. Member that we speaking of 1978; we are in 1978, therefore, by no stretch of the imagination could we be heard to say that we intended in 1978 to have hydro-electricity power and, therefore – **[Interruption]** If they want to speak, I will take my seat, Cde. Speaker.

INCOMPLETE TRANSCRIPTION: PAGES ARE MISSING FROM TRANSCRIPT
