

T H E
P A R L I A M E N T A R Y D E B A T E S
O F F I C I A L R E P O R T S

VOLUME 10

PROCEEDINGS AND DEBATES OF THE THIRD SESSION (1983) OF THE NATIONAL
ASSEMBLY OF THE FOURTH PARLIAMENT OF GUYANA UNDER THE CONSTITUTION OF
THE CO-OPERATIVE REPUBLIC OF GUYANA

34th Sitting

14:00 hrs

On Thursday 1984-09-27

MEMBERS OF THE NATIONAL ASSEMBLY (74)

Speaker (1)

- * Cde. Sase Narain, O.R., J.P., M.P.,
Speaker of the National Assembly

Members of the Government - People's National Congress (61)

Prime Minister (1)

Cde. H.D. Hoyte, S.C., M.P.,
Prime Minister

Other Vice-President and First Deputy Prime Minister (1)

Cde. H. Green, M.P.,
Vice President, Social Infrastructure and
First Deputy Prime Minister

Other Vice-Presidents and Deputy Prime Ministers (2)

- * Cde. Dr. M. Shahabuddeen, O.R., S.C., M.P.,
Vice President, Deputy Prime Minister and
Attorney General

Cde. R. Chandisingh, M.P.,
Vice President, National Development
and Deputy Prime Minister

Other Deputy Prime Minister (1)

- * Cde. W.A.L.H. Parris, C.C.H., M.P.,
Deputy Prime Minister, Planning - (Absent)

Senior Ministers (8)

- * Cde. R.E. Jackson, M.P.,
Minister of Foreign Affairs - (Absent)

- * Cde. J.R. Thomas, M.P.,
Minister of Home Affairs

Cde. R.H.O. Corbin, M.P.,
Minister of National Mobilisation

Cde. H. Rashid, M.P.,
Minister of Energy and Mines

- * Cde. C.B. Greenidge, M.P.,
Minister of Finance - (Absent)

- * Non-elected Member

Cde. Sallahuddin, M.P.,
Minister of Forestry

Cde. Dr. R.A. Van West-Charles, M.P.,
Minister of Health and Public Welfare

- (Absent)

* Cde. M.L. Parris, M.P.,
Minister of Education

Ministers (6)

Cde. Urmia Johnson, M.P.,
Minister within the Ministry of National
Development

Cde. Yvonne V. Harewood-Benn, M.P.,
Minister within the Ministry of Education

* Cde. K.W.E. Denny, M.P.,
Minister of Manpower and Co-operatives

- (Absent - on leave)

Cde. R.C. Fredericks, A.A., M.P.,
Minister of Youth and Sport within the
Ministry of Education

- (Absent - on Leave)

Cde. S. Prashad, M.P.,
Minister of Transport within the Vice-Presidency
of Social Infrastructure

* Cde. Dr. S.P. DaSilva, M.P.,
Minister within the Ministry of Agriculture

Ministers of State (2)

Cde. M. Corrica, M.P.,
Minister of State within the Ministry of
Internal Trade and Consumer Protection

Cde. H.L.B. Singh, M.S., M.P.,
Minister of State within the Ministry of
Regional Development

Parliamentary Secretaries (3)

Cde. Agnes W. Bend-Kirton-Holder, M.P.,
Parliamentary Secretary, Housing, within the
Ministry of Health and Public Welfare

Cde. D.A.N. Ainsworth, M.P.,
Parliamentary Secretary, Youth

Cde. B. Bhaggan, M.P.,
Parliamentary Secretary, National Development

Government Chief Whip (1)

Cde. Bidiawattie Tiwari, M.P.,
Government Chief Whip

Other Members (24)

Cde. O.E. Clarke, M.P.
Cde. R.E. Williams, M.P.
Cde. J.P. Chowritmootoo, J.P., M.P.
Cde. Philomena A. Rayman
Cde. J.B. Caldeira, M.P.
Cde. E.H.A. Fowler, M.P.
Cde. Joyce Gill-Mingo, M.P.
Cde. M. Ally, M.P.
Cde. M. Armogan, M.S., J.P., M.P.

* Non-elected Member

Cde. Bissoondai Beniprashad, M.P.
Cde. A.A. Chin, M.P.
Cde. Elaine B. Davidson, M.P.
Cde. H. Doobay, M.P.
Cde. A.B. Felix, M.P.
Cde. Patricia Fredericks, M.P.
Cde. E.F. Gilbert, M.P.
Cde. A. McRae, M.P.
Cde. Joyce M. Munroe, J.P., M.P.
Cde. R.N. Primo, M.P.
Cde. C.G. Sharma, J.P., M.P.
Cde. C. Vandenburg, M.P.
Cde. Edwina Melville, M.P.
Cde. Y. Khan, M.P.
(One seat vacant)

Members from the National Congress of Local Democratic Organs (2)

Cde. R. Bishop, M.S., M.P.
Cde. Bhagmatee Latchminarayan, M.P.

Members from the Regional Democratic Councils (10)

Cde. Dianne Abraham, M.P. (Region No. 8 - Potaro/Siparuni) - (Absent)
Cde. W. Bipat, J.P., M.P. (Region No. 4 - Demerara/Mahaica)
Cde. Nellie R. Charles, M.P. (Region No. 7 - Cuyuni/Mazaruni)
Cde. I. Chowritmootoo, M.P. (Region No. 6 - East Berbice/Corentyne)
Cde. D. Hinds, M.P. (Region No. 10 - Upper Demerara/Berbice)
Cde. K.V. Jairam, M.P. (Region No. 2 - Pomeroon/Supenaam) - (Absent)
Cde. K.N. Jones, M.P. (Region No. 1 - Barima/Waini)
Cde. H.I. London, M.S., M.P. (Region No. 5 - Mahaica/Berbice)
Cde. Cora A. Singh, M.P. (Region No. 3 - Essequibo Islands/West Demerara)
(Vacant) (Region No. 9 - Upper Takutu/Upper Essequibo)

Members of the Minority (12)

(i) People's Progressive Party (10)

Minority Leader (1)

Cde. Dr. C. Jagan, M.P.,
Minority Leader - (Absent)

Deputy Speaker (1)

Cde. Ram Karran, M.P.,
Deputy Speaker of the National Assembly

Other Members (8)

Cde. Janet Jagan, M.P. - (Absent)
Cde. Reepu Daman Persaud, J.P., M.P.,
Minority Chief Whip
Cde. N. Persaud, M.P.
Cde. C.C. Collymore, M.P.
Cde. S.F. Mohamed, M.P.
Cde. I. Basir, M.P.
Cde. C.C. Belgrave, M.P. - (Absent)
Cde. H. Nokta, M.P.

(ii) United Force (2)

Mr. M.F. Singh, C.C.H., J.P., M.P. - (Absent - on leave)
Mr. M.A. Abraham, M.P.

OFFICERS

Clerk of the National Assembly - Cde. F.A. Narain, A.A.

Deputy Clerk of the National Assembly - Cde. M.B. Henry

PRAYERS

14:00 hrs

ANNOUNCEMENTS BY THE SPEAKER

Leave to Members

The Speaker: Leave has been granted to Cde. Jackson from 13th October, Cdes. Sallahuddin and Denny for today's sitting, Cde. Roy Fredericks to the 3rd October, Cde. Rayman to the 10th October, Cde. Doobay to the 30th September, Cde. Khan for today's sitting and the hon. member Mr. M.F. Singh for today's sitting.

Absence of Deputy Clerk

Comrades and hon. member, the Deputy Clerk of the National Assembly, Cde. Maurice Henry is on leave and sitting at the table to assist the Clerk is a female who is the most senior and available member of the Parliament Office staff. She is Cde. Roney Dasrath, an Accountant. I am sure you would wish me to welcome her on your behalf and extend our best wishes to her in the performance of her duties.

Repairs to Roof of Public Buildings

Comrades and hon. member, you will also have observed that some work is being done around us. As a result of leaks the eastern half of the roof of the Public Buildings is being repaired. The slate on the roof is being removed and replaced. This exercise may last for some time and may cause some amount of inconvenience to us. However, this will be kept to the minimum and work will be suspended during our sitting. Members are therefore asked to give their co-operation as necessary and to bear with any inconvenience which may be caused during this exercise.

PRESENTATIONS OF PAPERS AND REPORTS, ETC.

The following Papers were presented:

- (1) Annual Reports of the Ministry of Economic Planning for the years 1982 and 1983. / The Prime Minister on behalf of the Minister of Finance /
- (2) Government's Comments on the Report of the Public Accounts Committee on the Public Accounts for the year 1987. / The Prime Minister on behalf of the Minister of Finance /
- (3) The Annual Report of the Ministry of Energy and Mines for the year 1983. / The Minister of Energy and Mines /

INTRODUCTION OF BILLS

Presentation and First Reading

The following Bill was introduced and read the first time.

National Agricultural Research Institute of Guyana Bill 1984 -
Bill No. 16/1984. / The Prime Minister of behalf of the Government /.

PUBLIC BUSINESS

BILL - SECOND READING

Public Service Appellate Tribunal Bill 1984 - Bill No. 14/1984

A Bill intituled:

"An Act to alter the Constitution in accordance with articles 66 and 164 thereof, and to make provision for the establishment of a Public Service Appellate Tribunal and for matters connected therewith or accidental thereto. /The Prime Minister/.

The Prime Minister: Cde. Speaker, I believe that the Bill which will now occupy the attention of members of this House - that is the Public Service Appellate Tribunal Bill 1984 will command the unanimous support of members for it is an important piece of legislation, marking as it does a development in our administrative and governmental practices.

Over the years the various Unions and Associations representing Public Officers in this country have been making representations for the establishment of a tribunal to which they would have the right of appeal from the decisions of the Public Service Commission. These representations have served as the basis for dialogue between those Associations and the Government represented by the Public Service Ministry and after many years of fruitful discussions the Government is now in a position to present this honourable House a Bill which it is hoped would meet the expectations and wishes not only of Public Officers but indeed of all the people of Guyana. The Constitution of our country does not make provision for appeals from the various Service Commissions and therefore it will become necessary to amend the Constitution to enable the Parliament to enact appropriate legislation. The Public Service Appellate Tribunal Bill, therefore, Cde. Speaker, seeks to do these things. The Bill is divided into three parts. Part one deals with certain drafting formalities and need not detain us, but parts two and three are very important in that they deal with the substances of the matters affecting the proposed Bill.

NATIONAL ASSEMBLY

14:10 hrs

(The Prime Minister continues)

Clause 8 of Part II of Bill sets out a number of provision dealing with the establishment, composition and the scope of jurisdiction of a Tribunal so that while Part I deals with formalities, Part II deals with constitutional amendments and principles which should govern the establishment of any Tribunal and Part III deals with the actual establishment of a Public Service Appellate Tribunal.

If I may revert again to clause 8, I would remark that there are four provisions in clause 8 which are very important and which we should note. First of all, the provisions there enable the Parliament to enact legislation to establish an appeals tribunal. It prescribes the composition of the Tribunal and the qualifications of persons who will be eligible to serve on that Tribunal. It also attempts to make provisions for strengthening the independence of the persons who would serve on that Tribunal. I will refer to those provisions in a moment because I think they are very important. Finally, the clause prescribes the jurisdiction of the Tribunal.

In terms of what will be enshrined in the Constitution itself, the Appellate Tribunal will be required to be chaired by a person of legal training but, more than that, a person of Appellate Court calibre. It is expected that if one has that kind of person with that qualification and experience, then the Tribunal will command greater respect and its opinion will carry greater weight.

The clause also makes provision for strengthening, as I said, the independence of the Tribunal and it does it in this way. It provides that no person who becomes a member of this Appellate Tribunal can be appointed to any Government job within a period of three years after he ceases to be a member. Surely one understands the underlying objective there. It is to prevent a man from wanting to exercise a bias in the hope of gaining the favours of the powers that be because, even if he were to do that, the Constitution would prevent him from getting any job in the Public Service for a period of three years after he ceases to be a member and I would say that that is a very important provision.

Thirdly, the legislation in the particular provision to which I refer sets out very clearly the scope of the jurisdiction of the Tribunal. There are three categories of public officials in respect of whose appointments and service the Tribunal will not have jurisdiction and for reasons which will become very clear. First of all, there are those persons to whom article 225 of the Constitution applies. With respect to those persons, the Constitution itself sets out the procedure for dealing with them. These are people who hold high constitutional office and the way to deal with them, to enquire into their conduct, to dismiss them, is set out in the Constitution. There is a Tribunal. Therefore, it would not be appropriate for those persons to come within the jurisdiction of the Appellate Tribunal.

The second category of persons will be those who are appointed by the President after consultation so those persons like P.S.'s, they are not appointed by the Public Service Commission. In fact, they are appointed by the President after consultation with the Public Service Commission.

Finally, there is a category of persons who occupy judicial appointments and whose appointments, although they were made by the Public Service Commission formally, cannot be made except with the concurrence of the Judicial Service Commission, so that one can see it is, in effect, the Judicial Service Commission which gives the nod to the particular person. With those exceptions, all categories of public officers can have, by virtue of the Constitutional amendment, a right of appeal and the Parliament will have the right to legislate to provide the necessary mechanism for them to prosecute this right.

Part II of the Bill deals with two other important matters. First of all, it provides a right of appeal to the Judicial Service Commission in cases where the Judicial Service Commission has delegated any function and so, if the Judicial Service Commission acts through a delegate, the person aggrieved by the decision of that delegate can appeal to the Judicial Service Commission itself and that appeal will be open to a person who has applied for a job and has not obtained that job. If he is alleging bias or something like that, he can appeal to the Judicial Service Commission.

The other amendment affects the Teachers Service Commission. The amendment does two things. It gives the Teachers Service Commission the right to delegate. Up to now the Teachers Service Commission did not have that right and people who are close to the Education scene will tell about the great backlog of work that has built up because minor appointments, minor matters, are not at present susceptible to delegation.

So the Bill seeks to give that power to delegate to the Teachers Service Commission and it also gives a right of appeal to persons who wish to appeal from any decision of any person to whom the Commission has delegated a function.

Part III of the Bill seeks to establish the Tribunal to hear appeals, if I may put it briefly, from the Public Service Commission in respect of appointments by promotion within the Service and in respect of disciplinary matters. The provisions of this section require, as the Constitution provides, for a chairman who has the necessary qualifications, namely he must be a legally qualified person and he must be of Appeal Court qualifications and calibre.

NATIONAL ASSEMBLY14:20 hrs

(The Prime Minister continues)

That means that he could be a serving member, he could be a retired member, he could be a person who is eligible to become a member of our Appeal Court. Then there is another member to be appointed by the President from among persons who are deemed to have the necessary experience in a knowledge of public affairs, management and things like that. Then there are the representatives of the various unions or organisations which represent the various categories of Public Officers, so that, if I may use a popular journalistic term, I would say that the Tribunal is broad-based, and if I may continue in the trend of fashionable journalism, I would hope that the Tribunal will always be high-powered. The Tribunal, Cde. Speaker, will be served by appropriate staff. It will have a Registrar who will be its Chief Executive officer and it will be the duty of the Ministry responsible for the Public Service to provide a sufficient number of suitably qualified persons to deal with the work of the Tribunal. The Tribunal has been invested or will be invested with the powers of a High Court so that it will have the power to summon witnesses and to command the production of documents and to obtain disclosures so that it can have at its disposal, all the facts, all the information, necessary for it to adjudicate between the Commission and the Public Officer who is appealing.

In addition, Cde. Speaker, part three provided for certain formalities: time for appealing, method of appealing, parties to appeal and matters of that sort. There are three very important aspects of part three to which I would like to attract the attention of Members of this Assembly. The first is that the Bill provides for a public officer who is appealing to be represented by an Attorney-at-law if he so desires and of course, by parity of reasoning, to be represented by an Attorney at law if is so desires.

Secondly, it seeks to introduce a very important principle, and that is it confers a right of appeal on the organisation itself representing the public officer, as distinct from the officer himself, so that a Union can appeal to the Tribunal on a matter of principle. In other words, if the union is contending that the Commission proceeded on a wrong principle, it based its decision on a wrong principle, the union can appeal to the Tribunal to have that principle reviewed and once the Tribunal pronounces on what the correct principle should be, well then the Commission will be bound by that principle in the exercise of its functions.

Cde. Speaker, those are the main provisions of this very important Bill which we have before us. As I said, when I started to speak, this is an important legislation. It makes a growing maturity I should say in the administration of our public affairs. It gives an additional right to Public Officers who have to administer our various ministries and other governmental agencies over time in the face of very great difficulties, who have to administrate in a way which is palatably fair and in a way which will command the respect and confidence of people, and it is only right in the opinion of the Government that those officers should be given a great sense of security, should be given the right to exercise judgements in an impartial way, should be given the opportunity to show that they can administer their various departments and agencies in a way which does substantial justice to the citizens and it is in that spirit and indeed to secure these ends that the Government has introduced this legislation. But the legislation and indeed the Tribunal which we hope will be established will impose upon public officers a great responsibility. It will impose not only the Public officers but upon their unions a responsibility to be prudent in the use of the Tribunal for if every petty unmeritorious case is brought before the Tribunal, well then in a very short time its importance will be diminished and its importance and its value will be destroyed. It is therefore the hope of the Government that in appealing to the Tribunal, in bringing matters to the Tribunal, public officers and their unions will demonstrate a maturity and a sense of responsibility which will ensure that that Tribunal serves the purpose for which it was established – to be the bulwark of the rights of public servants and give the assurance to public servants and to the public – members of the public and citizens to give them that assurance that our public officers operate within an area which provides them with the necessary climate to do their work well, to do it honestly and to do it without fear and favour. /Applause/

Questions proposed.

Cde. Reepu Daman Persaud: Cde. Speaker, we on this side of the Assembly do welcome any legislation which permits employees and in this case employers in the Public Sector to have any matter over which they are aggrieved ventilated fully, so that ultimately and finally justice will be done. The Cde. Prime Minister made a point which needs evaluation, when he said that there is a fixed period for those who will be serving in the Tribunal. And he is probably right when he said that that inclusion in the Bill will impose the strength on the ...

NATIONAL ASSEMBLY14:30 hrs

(Cde. Reepu Daman Persaud continues)

So that they will not have to do things to win favour of the authorities to be reappointed because there is a limited period for them to serve. That brings me to the point as to what may have led the Unions and Organisations concerned to call for legislation of this type to which the Government has acceded. There is no secret that Public Servants have been complaining about the function of the Public Service Commission. There is no doubt, that Public Servants had lost and still do not have confidence in the Public Service Commission. I recall reading the first document emerging I think Cde. Speaker, from the 1964 Constitutional Conference where it was stated in my opinion in clear language that consultation for appointment to the Public Service Commission meant in those days the Office of the Opposition was designed as Opposition Leader – that consultation meant that he must have a nominee on the commission. There has been no subsequent conference which changed that principle or what was felt at the time when that discussion took place and what is more that constitutional violation, the emergence of a new Constitution, the Public Service Commission remains more or less the same. What is true is that principle enunciated and written into a report is not being adhered to and hence the Opposition is without a say in the Public Service Commission.

We are living in a small country. The general feeling is that if someone is aggrieved in the public sector, he feels that if there are those who constitute a particular tribunal or commission to which he can appeal or which he can go to there must be someone then whom he can speak freely to and represent his views. It is based on that real reason Cde. Speaker, that the element of allowing the Opposition to be in the commission was not provided and agreed to at a conference. In supporting this measure, I also will have to call for reconstitution of the Public Service Commission and I want to make that call very sincerely this afternoon – reconstitution of the Public Service Commission and for it to be so constituted that it will represent a wide cross section of opinion so that it will possess the semblance of impartiality which is vital to allow those in the Public Service to have confidence in it.

If not the Tribunal can be bugged down with so many appeals that what can develop in time, and one has to look deeply into the future in passing these kinds of legislation, it can be bugged down with so much work that you will not only have a case where you have got a Tribunal, but you can develop a situation where the Tribunal is not moving with the speed and rapidity to deal with complaints as quickly as one would like or this legislation envisages. I would still like to feel that though this legislation is being created this afternoon by the legislative process and by a constitutional amendment that we look at the root from where appeals will flow and if correction can be effected where then there will be a lesser number of complaints and a lesser number of appeals, not ruling out, of course, the right of the Public Servant to go to the Tribunal.

It is not only a question of first entry into the Public Service that creates evidence for complaint, promotion, transfers, pensions – these are all areas in which public servants have been complaining from time to time. Where a public servant is called upon either to resign or to retire and where I think there is a provision somewhere in the constitution where that right is vested in the President. One wonders – The Prime Minister did an excellent job in explaining the legislation before the House and I do not think there is any need for me to go over those provisions, but that right of the President will be affected by this legislation and if it will not be affected it would mean that there can still be another area of complaint. While there can be no doubt that many of our institutions and even our legislations have been patterned after the British and one can very well understand the reason. We have emerged out of a colonial history but Cde. Speaker, even if a person rises to the esteem office of President of this country, the truth about it is that he is a politician, belonging to a political party and the Leader of a political party. There could be no doubt that the public service of this country will always have people of all political shades and opinions serving it and the person so serving would like to feel that if he has a complaint or she has a complaint that that complaint will be impartially examined and resolved. I would like to see Cde. Speaker, that our legislation reach the point and I want to take the Cde Prime Minister's pronouncement about the maturity of the Government – first time I heard that kind of phrase come and the Prime Minister is young in his esteem chair and I want to treat it seriously that if it is true that the Government has reached, the administration has reached that point of maturity that all areas where possible complaint can arise justifiably,

that the mechanism which this legislative council has the power to promulgate be so framed and fashion that no room will be left for complaint and that we will have a situation in all phases of our Government where justice will not only be done but appear to be done and I would in supporting the Bill which gather from the lips of the Prime Minister has the support from the Unions concerned. I hope I am interpreting him right, there has been long representation and the fact one element of the legislation is admirable... in that if an interested Union is opposed to a principle that that Union enjoys the right under the provision of the Bill to appeal is a good principle.

14:40 hrs

One must not at all sit in this Legislature and contribute to the withering away of the powers that trade unions must continue to enjoy in this country. I think that is a principle which, on this side of the Assembly, we support.

I would like to pose a few questions to the Prime Minister. Will the Tribunal, or the jurisdiction of the Tribunal, allow it to adjudicate within matters dealing with pensions as such, that the public servants have not been paid, or the public servant is not satisfied with his pension? He uses all the avenues available to him leading him up to the Public Service Commission. Will that right that he enjoys be in this Bill for him to take it to the Tribunal? There are instances of transfers. I hope that Government will appreciate that people have been saying, "I have been transferred purely on the ground that I am not a supporter of the Government" or "I may have done something and the way the Government gets back at me is to send me ^{from Georgetown} to Lethem or to some interior area." Will the Tribunal's jurisdiction allow it to look to complaints of that nature? The third one is the question of resignation and/or retirement.

These are, I think, sensitive areas and areas which were bothering public servants for a number of years. I raise those few reservations and matters which the Prime Minister probably did not address his mind to or he may have addressed his mind to them but did not pronounce. He may be disposed to do so now so that the fears which hitherto existed in the minds of public servants may disappear so that we can enter a new era which can influence our public servants to remain within the system. We cannot, of course, ignore their complaints about poor salaries, wages and so on. That is another area. But let us say that all things are equal and satisfactory and those other areas of insecurity are removed. I think I am within my realm because the Cde. Prime Minister alluded to the fact that this will be giving greater security. We hope that in those areas where public servants felt that there was cause for feeling insecure, their fears will disappear so that

we can retain our best brains, our best people, within the framework of the system.

Lastly, no one will deny how greatly the system has suffered from migration and resignations. I hope that every step will be taken to remove all fears so that all these institutions will be administered and will function in such a way that public servants will feel secure to continue within the system.

The Speaker: Cde. Hoyte.

The Prime Minister: Cde. Speaker, I welcome the support given by my friends on the minority benches because I do feel that a matter of this kind transcends, and ought to transcend, partisan differences. It is not a matter of politics; it is a matter of the proper governance of the State of Guyana.

I do not accept the strictures of Cde. Reepu Daman Persaud to the effect that public officers have lost confidence in the Public Service Commission. Let me be the first to admit that the Public Service Commission is not perfect, but which agency is perfect? The most we can do is to try to do our best and very often to try to do our best in circumstances of great difficulty. So I would like to take this opportunity to pay tribute to the sterling work which has been done over the years by the members of the Public Service Commission. I think they have done a magnificent job in attempting to manage and administer our Public Service. We cannot satisfy every person and I am not as optimistic as my friend in believing that we can ever reach a stage where there is no room for complaint. I think we have to keep striving to reduce the areas of complaints and, if we continue doing that, I think we will be achieving a great deal.

Nor is it accurate to say, as Cde. Persaud has said, that the President has ceased to consult on the question of appointments to the Public Service Commission. That is not so.

Cde. Reepu Daman Persaud: I did not say so.

The Prime Minister: Then I withdraw the remark.

The Speaker: What I think he was saying, Cde. Hoyte, was that it was understood when they had some agreement at the Colonial Office that the Minority, or Opposition, as the case may be, would have had a presence on the Commission.

The Prime Minister: I am not in a position to comment on those matters. What I do know is that the Constitution provides for consultation. These are now political matters which I believe the political party affected ought to be pursuing with the Government. These are matters now for political dialogue. I would suspect that the other point he made about the re-constitution of the Public Service Commission flows from that point he made about dialogue. So my only comment would be that insofar as the Constitution is concerned, as the Constitution exists, the President and the Government have been obeying the provisions in both the spirit and the letter, but I would urge my friend to stimulate our political life by raising these matters for on-going political dialogue. We have never closed our ears to representations. We have never denied our friends on the other side the opportunity to raise political issues for consideration. I would say that what the Government has done is to have shown great faith and confidence in our Public Service.

The questions raised by Cde. Persaud are three in number. First, as to whether the Tribunal will have jurisdiction to hear appeals on matters of pension. The short answer to that is No, but the matter is not excluded because the law makes provision for the Schedule to be extended from time to time. I would say this: I am not sure what particular argument or difference would arise on a question of pension which is a matter governed by law. The computation is governed by law and if it is an arithmetical difficulty I would assume that that is a matter to be corrected. But let me assume there might be some problems of principle which might cause dissatisfaction to a retiring or retired public officer. I would say that these are matters which can be brought within the jurisdiction of the Tribunal.

14:50 hrs

The question of transfers is a troublesome one in that when a person applies to join the Public Service of this country he applies to make himself available in the service of Guyana, not only in the service of Guyana in Georgetown, not in the service of Guyana in New Amsterdam, or at Linden, or at Mabaruma, but wherever the exigencies of the service requires him to be. Very many people do not like to be transferred for obvious human reasons. They are urban people. They are born and bred in Georgetown and you are sending them to Lethem!

I remember on one occasion joining the plane to go to Lethem and there was a public officer who was being posted to Lethem and his wife was sobbing bitterly and she said "he is going into the bush to be eaten by lions and tigers. That was her conception of what was going to happen to her poor husband.

But we know that people do not like to be transferred because it disrupts their family life and their arrangements. I think it would be wrong to give support to any belief that any person has a vested right to serve the people of this country in one particular geographical location of this country.

On the third matter of resignations or retirement —

The Chairman: I think he was asking whether the Tribunal will look into complaints of transfers.

Cde. Hoyte: I should say clearly no. I left it to be inferred. Thank you for bringing it to my attention. The fact that I did not respond directly should have given him the answer.

On the question of resignations and retirements, it would appear to be ... but dismissals would be disciplinary matters. I understand the law to be saying that any matter which relates to exercise of disciplinary powers would fall within the jurisdiction of the tribunal. Now, it is true, Cde. Speaker, that the Tribunal is not empowered now, will not be empowered now at its inception to deal with every matter about which a public officer would feel aggrieved. But I would say that it is better that we start cautiously and learn from experience. Let us not overwhelm the Tribunal with more work than the jurisdiction just cannot handle bearing in mind that this is something new. I said in the course of my opening statement that we have reached a stage of

maturity. I was not saying the Government, I believe it is the Guyanese people and let us not fool ourselves that we could just pick up the laws and practices and procedures of places which have had centuries of experience in civil service matters and transfer them here. We have got to gain our own experience. We have got to proceed at our own pace of development, and I am sure that as we attempt through the appeals tribunal to administer the provisions of this law we will gain greater confidence and we will be able to progressively expand the jurisdiction of the tribunal in a way which is orderly, satisfactorily and effective. /Applause/

Question put.

Division.

Assembly divided: Ayes 53, Noes nil, as follows:

<u>Ayes</u>	<u>Noes</u>
Mr. Abraham	Cde. Doobay
Cde. Belgrave	Cde. Davidson
Cde. Basir	Cde. Chin
Cde. Mohamed	Cde. Beniprashad
Cde. Collymore	Cde. Armogan
Cde. N. Persaud	Cde. Ally
Cde. Reepu Daman Persaud	Cde. Gill-Mingo
Cde. Ram Karran	Cde. Fowler
Cde. C.A. Singh	Cde. Caldeira
Cde. London	Cde. Williams
Cde. Jones	Cde. Clarke
Cde. Hinds	Cde. Tiwari
Cde. I. Chowritmootoo	Cde. Bhaggan
Cde. Charles	Cde. Ainsworth
Cde. Bipat	Cde. Bend-Kirton-HOLDER
Cde. Latchminarayan	Cde. H.L.B. Singh
Cde. Bishop	Cde. Corrica
Cde. Khan	Cde. Prashad
Cde. Melville	Cde. Hare-wood-Benn
Cde. Vandenburg	Cde. Johnson
Cde. Sharma	Cde. Sallahuddin
Cde. Primo	Cde. Rashid
Cde. Munroe	Cde. Corbin
Cde. McRae	Cde. Chandisingh
Cde. Gilbert	Cde. Green
Cde. P. Fredericks	Cde. Hoyte
Cde. Felix	
<u>53</u>	<u>nil</u>

Motion carried.

Bill read a Second time.

Assembly in Committee.

The Chairman: Comrades, there are a few minor corrections I would like to draw your attention to. In the number of the clause, "2" should be substituted for "(2)"; and "3" should be substituted for "(3)" in Clauses 2 and 3 respectively. In clause 4 there should be a closing bracket inserted after the word "appointment" in the fifth line of the new paragraph (2A).

In Clause 8, the word "and" should be inserted between the words "which" and "the" in the first line of paragraph (7) (d) of the new article 215A, and the word "question" should be substituted for the "questions" between the words "any" and "whether" in the first line of paragraph (12) of the new article 215A.

In Clause 9, the word "article" should be inserted between "and" and "215A (12)" in the last line of paragraph (c).

In Clause 12, the word "organisation" should be substituted for the word "body" between the words "the" and "to" in the last line of subsection (2).

In Clause 29, the word "provision" should be substituted for the word "provisions" between the words "any other" and "of" in the second line of subsection (4).

In Clause 31, the word "Part" should be substituted for the word "Act" between the words "this and "shall" in the first line, and in the Schedule the word "office" should be substituted for the word "officer" at the end of item 1.

I will do Clause 1 and then take the ^{division on the} others separately.

Clause 1 agreed to and ordered to stand part of the Bill.

15:00 hrsAssembly divided: Ayes 53. Noes Nil as follows:

<u>Ayes</u>	<u>Noes</u>
Mr. Abraham	
Cde. Belgrave	
Cde. Basir	
Cde. Mohamed	
Cde. Collymore	
Cde. N. Persaud	
Cde. Reepu Daman Persaud	
Cde. Ram Karran	
Cde. C. A. Singh	
Cde. London	
Cde. Jones	
Cde. Hinds	
Cde. I. Chowritmoctoo	
Cde. Charles	
Cde. Bipat	
Cde. Latchminarayan	
Cde. Bishop	
Cde. Khan	
Cde. Melville	
Cde. Vandenburg	
Cde. Sharma	
Cde. Prino	
Cde. Munroe	
Cde. McRae	
Cde. Gilbert	
Cde. P. Fredericks	
Cde. Felix	
Cde. Doobay	
Cde. Davidson	
Cde. Chin	
Cde. Beniprashad	
Cde. Armogan	
Cde. Ally	
Cde. Gill-Mingo	
Cde. Fowler	
Cde. Caldeira	
Cde. Williams	
Cde. Clarke	
Cde. Tiwari	
Cde. Bhaggan	
Cde. Ainsworth	
Cde. Bend-Kirton-Holder	
Cde. H.L.B. Singh	
Cde. Corrica	
Cde. Prashad	
Cde. Harewood-Benn	
Cde. Johnson	
Cde. Sallahuddin	
Cde. Rashid	
Cde. Corbin	
Cde. Chandisingh	
Cde. Green	
Cde. Hoyte	- 53

Motion carried.Question -" That Clauses 2 - 9 agreed to and ordered to stand part of the Bill.

put.

Assembly divided: Ayes 52. Noes Nil. as follows:

<u>Ayes</u>		<u>Noes</u>
Mr. Abraham	Cde. Davidson	Nil
Cde. Belgrave	Cde. Chin	
Cde. Mohamed	Cde. Beniprashad	
Cde. Collymore	Cde. Armogan	
Cde. N. Persaud	Cde. Ally	
Cde. Reepu Daman Persaud	Cde. Gill-Mingo	
Cde. C.A. Singh	Cde. Fowler	
Cde. London	Cde. Caldeira	
Cde. Jones	Cde. J.P. Chowritmootoo	
Cde. Hinds	Cde. Williams	
Cde. I. Chowritmootoo	Cde. Clarke	
Cde. Charles	Cde. Tiwari	
Cde. Bipat	Cde. Bhaggan	
Cde. Latchminarayan	Cde. Ainsworth	
Cde. Bishop	Cde. Bend-Kirton-Holder	
Cde. Khan	Cde. H.L.B. Singh	
Cde. Melville	Cde. Corrica	
Cde. Vandenburg	Cde. Prashad	
Cde. Sharma	Cde. Harewood-Benn	
Cde. Primo	Cde. Johnson	
Cde. Munroe	Cde. Sallahuddin	
Cde. McRae	Cde. Rashid	
Cde. Gilbert	Cde. Corbin	
Cde. P. Fredericks	Cde. Chandisingh	
Cde. Felix	Cde. Green	
Cde. Doobay	Cde. Hoyte	- 52

Motion carried

Clauses 10 - 34 and Schedule agreed to and ordered to stand part of the Bill.

Assembly resumed.

Question -

"That the Bill be reported to the Assembly

put.

Assembly divided: Ayes 52. Noes Nil. as follows:

<u>Ayes</u>		<u>Noes</u>
Mr. Abraham	Cde. Davidson	Nil
Cde. Belgrave	Cde. Chin	
Cde. Mohamed	Cde. Beniprashad	
Cde. Collymore	Cde. Armogan	
Cde. N. Persaud	Cde. Ally	
Cde. Reepu Daman Persaud	Cde. Gill-Mingo	
Cde. C.A. Singh	Cde. Fowler	
Cde. London	Cde. Caldei	
Cde. Jones	Cde. J.P. Chowritmootoo	
Cde. Hinds	Cde. Williams	
Cde. I. Chowritmootoo	Cde. Clarke	
Cde. Charles	Cde. Tiwari	
Cde. Bipat	Cde. Bhaggan	
Cde. Latchminarayan	Cde. Ainsworth	
Cde. Bishop	Cde. Bend-Kirton-Holder	
Cde. Khan	Cde. H.L.B. Singh	
Cde. Melville	Cde. Corrica	
Cde. Vandenburg	Cde. Prashad	
Cde. Sharma	Cde. Harewood-Benn	
Cde. Primo	Cde. Johnson	
Cde. Munroe	Cde. Sallahuddin	
Cde. Mc Rae	Cde. Rashid	
Cde. Gilbert	Cde. Corbin	
Cde. P. Fredericks	Cde. Chandisingh	
Cde. Felix	Cde. Green	
Cde. Doobay	Cde. Hoyte	

Motion carried

Assembly resumed.

Bill reported with Amendments; as amended, considered; read the Third

time and passed.

GUYANA MANUFACTURING AND INDUSTRIAL DEVELOPMENT AGENCY BILL 1984 - BILL

No. 12/1984.

A Bill intituled:

"An Act to provide for the establishment and function of the Guyana Manufacturing and Industrial Development Agency and for matters connected therewith." / The Prime Minister /.

The Prime Minister: Cde. Speaker, Bill No. 12 of 1984 seeks to establish an agency with a mandate to do all things necessary. Infact in the words of the Bill itself "to take all steps necessary and desirable to establish, promote and develop the manufacturing and industrial sector in our country.

Over the years we have had institutions charged with this responsibility. Years ago we had the Guyana Industrial Development Corporation which later became Guyana Development Corporation and this was succeeded by the Small Industries Corporation which had a special focus upon small manufacturing activities.

National Assembly

15:10 hrs

(The Prime Minister continues)

In 1978 the Small Industries Corporation was dissolved and it was succeeded in a way by a Government Ministry, the Ministry of Manufacturing and Industrial Development.

The establishment of these various agencies was Government's attempt to respond to a desire by manufacturers to have an agency to which they could resort with their problems, their proposals, their projects, a kind of one-stop agency which would handle all matters related to the manufacturing sector, which would give that sector support and advice and which would accumulate a body of information and data which might help manufacturers to make appropriate decisions.

What became clear very soon was that this function did not fall easily within the framework of a Government Ministry. As a matter of fact, it became very difficult to recruit the kinds of technical personnel one required to do the work of dealing with the manufacturing sector so that the Ministry did not even get off to a start and today it is more or less a shell.

However, the needs of the manufacturers are pressing and their requests for assistance become more insistent with each passing day. The purpose of this Bill is to establish the Guyana Manufacturing and Industrial Development Agency with the mandate, in a general sense, to do all things necessary to help the manufacturing sector. I think that while we pay, as indeed we must, greater attention to the agricultural sector, while we organise ourselves to increase agricultural production and make our agriculture more efficient, at the same time we recognise the need also to promote manufacturing activities.

The functions of this agency are set out in the Schedule to the Bill and if I may summarise those functions as set out in the Schedule, I would say that the agency has a responsibility to help Government in the formulation of appropriate policies which would act as an incentive to our manufacturing activities; that the agency would help manufacturers in a variety of ways by providing services, by helping in the procurement of input, by helping them to organise the acquisition of suitable technology, by keeping such information as will be helpful to manufacturers and by undertaking or facilitating undertaking of research and development activities aimed at improving the performance in the manufacturing sector.

Obviously this agency will not do all of these things on its own. In the first place, it will have to work very closely with our manufacturers. Secondly, it will have to utilise the services of many agencies which are already in our system, for example, the Institute of Applied Science and Technology and the University of Guyana, to name just two which come to mind. Thirdly, it will have to ensure that it can establish contacts between manufacturers within our system and manufacturers outside of our country in ways which can be beneficial to our own people in terms of enabling them to acquire technology and techniques which can improve our manufacturing performance.

One good example of the kind of work this agency will be expected to do can be provided by what the corps of people who will staff the Agency have already started to do. There will be, during the middle of next month, an Exhibition of spare parts which are manufactured in this country. This Agency will be mounting that Exhibition. It will be bringing together over 30 local manufacturers who are producing spare parts and components to try to get them to understand what everybody is doing, to try to get the public to know about their activities, to try to get, in particular, our farmers and other users of our equipment and machinery, to get them to understand what the responsibilities are and, by and large, to get those manufacturers together so that they can have exchanges among themselves as to how best they can support one another and consequently support the country through the production of spare parts.

It is that kind of practical work that we would expect this Agency to perform. It has already started to carry out the mandate which we hope the Parliament will give it and I am sure that all Members would like to wish it success in its work to help our manufacturers to expand and strengthen the manufacturing base in this country.

Question proposed.

Cde. N. Persaud: Cde. Speaker, we in the People's Progressive Party have been calling on the Government for a long time to have a planned proportional development of the economy. Taking into consideration the vast amount of land we have in this country, we called on the Government to develop the economy in a planned proportional manner with emphasis on the agricultural and industrial sectors. Regrettably, however, we must admit that while the emphasis for some years now – belatedly, however – has been placed on the agriculture sector, the emphasis on industries has been lacking.

I want to suggest this afternoon that one of the reasons why we find ourselves in this economic mess is that we have failed to emphasise industrial development in this country, based on whatever is available and, I want to repeat it, in proportion to agriculture.

The Cde. Prime Minister reminded us that the Guyana Investment Development Corporation was succeeded by the Guyana Development Corporation, which was itself succeeded by the Small Industries Corporation. I recall the occasion when the 1978 Dissolution Order was debated in this Assembly and, if I am not mistaken, the Cde. Prime Minister, who was then Minister for Economic Development, said that the rot was too deep-seated for any successful reorganisation based upon the establishment of that corporation.

The dissolution of this Small Industries Corporation came about after the Government, I think, was advised by two experts who handed in their Reports. The Small Industries Corporation, as we know, failed to have the expected impact as far as the manufacturing sector was concerned and the reasons given in the Reports were poor management of some procedures and organizational problems.

National Assembly

15:20 hrs

(Cde. Narbada Persaud continues)

In the sum total the Small Industries Corporation was inefficient and unviable. Be reminded this afternoon that more or less, the functions if not all, some of them were handed over or transferred to the Ministry of Manufacturing and Industrial Development. We are being told this afternoon, Cde. Speaker, that that Ministry did not get off to a start and is more or less a shell. Now, what has been the position over the last six years? Manufacturing has suffered. If I am to quote the figures from the Budgets: In 1982 manufacturing was \$3.9 million; in 1983 \$3.8 million and in 1984 \$1.4 million. Obviously, this meant nothing. It was a clear indication that the manufacturing sector was going to be neglected during these years. We are however, happy based on our call over the years, that the economy must develop in a very planned and proportional manner with emphasis on agriculture and industries, that the Government has seen it fit to establish this agency which will be known as the Guyana Manufacturing and Industrial Development Agency. As is stated here, and we do hope that the main function of the Agency will be known to take all steps necessary or desirable for the establishment, promotion and development of Manufacturing and Industry in Guyana.

Cde. Speaker, as I said, we have no quarrel with the Government in the establishment of this agency. But, Cde. Speaker, if we look on page 12 of the Bill, Section 25, it says:

"The agency shall keep accounts of its transactions to the satisfaction of the Minister and the accounts shall be audited annually by an auditor appointed by the Minister."

We who sit in the Public Accounts Committee know very well what has been happening as far as the finances of this country are concerned over the years. I want humbly to suggest this afternoon to the Cde. Prime Minister that we do not feel that any agency or any corporation, as a matter of fact we feel that all agencies and all enterprises that receive money, grants, advances etc. from the Central Government, money from the Consolidation Fund, they should come under the direction of the Auditor General and not that the Minister should now appoint another auditor, perhaps a private auditor or a private auditing to audit the books of this agency and other such agencies.

We know according to the explanatory not it is stated here that the funds of the agency will consist mainly of the monies provided to it by the Government as grant or loans. Since the Government is going to provide money to the agency I am suggesting that the auditing of this agencies and other agencies like these be done by the State Auditor and not by any other auditor appointed by the Minister.

Cde. Speaker, I alluded to the failure of the Corporation established before to put manufacturing and industry on its feet in this country. These establishments have failed and I only want to hope that this establishment, this agency which is now being established would ensure that all the errors and mistakes made in the past by the other establishments are not repeated and that we can really put the emphasis proportionately on manufacturing and industry which is so lacking in this country today.

Cde. Hyote: Cde. Speaker, I thank Cde. Narbada Persaud for the very constructive remarks he made during his intervention. I do agree with him on the need for overall development and planning, but I would say two things first: We have to build the institution to implement such a plan. Of the those institutions is a planning institution. We do not have an efficient, well staffed planning institution. I think Cde. Persaud knows that we have been trying to establish such an institution. But such an institution if it is to be efficient, the objective which both Cde. Persaud and myself share is there would have to be widespread involvement of people. Therefore, I would hope that in future when those responsible for establishing the various organs of our Planning Commission invite the party to which my friend belongs, to participate in the planning process, we would be getting this time a positive answer. Now I believe some of the agencies we established in the past failed because we made them financial intermediaries, and after a time people started to look upon them merely as agencies to provide money and so they forgot their other functions. They did not have time for the functions such as: organizing small manufacturers, helping them to set up proper systems, helping them to identify appropriate technology, helping them to find markets – they became little banks and, of course, we know what happened. T.B.C Small Industries that money was not recovered and after a time there was no way the State could continue funneling money into an agency which was not getting back the money and which was not making a visible impact. So what we are trying to do this time is to set up an agency which will not be giving money.

It will be giving all the other kinds of support to enable people to devise proper systems and to develop viable projects and to go along to support them so that we start off by helping them to identify suitable projects for investment, helping them to develop proper projects for implementation and helping them to obtain the resources from the various banking institutions. I believe that an agency would have a much better change if it confines itself to that role of helping the manufacturers.

I do take the point that Cde. Narbada Persaud made about the Auditor General. Now, it is the intention as indeed has been the practice to have the Auditor General be responsible for auditing, and I think that we need to recognise this fact that the Auditor General cannot with the best will in the world audit all the Government agencies and organisations which we have. It has become just impossible and therefore we need to give ourselves this flexibility that while it is intended that the Auditor General should audit, that if per chance for any reason he finds himself unable to do so then we must be able in accordance with the law to appoint somebody other than the Auditor General to carry out the work. That is the only reason why we have allowed ourselves that flexibility. But I do thank Cde. Persaud for his observations, for his wish that this agency will be successful and I am sure that if we all work together giving the necessary support, it can and will be successful. /Applause/

Question put, and agreed to.

Bill read a Second time.

Assembly in Committee.

The chairman:

Clauses 1 to 18 agreed to and ordered to stand part of the Bill.

Clause 19

The Chairman: There is a correction on this Clause. Please delete the second word "or" at the end of the subsection (4) (c).

Clause 19 as corrected, agreed to and ordered to stand part of the Bill.

Clauses 20 to 27 agreed to and ordered to stand part of the Bill.

Clause 28

The Chairman: Substitute "28(1) for "28" in the number of the clause.

Clause 28, as corrected, agreed to and ordered to stand part of the Bill.

Clause 29 and the Schedule agreed to and ordered to stand part of the Bill.

Assembly resumed.

Bill reported without Amendment, read the Third time and passed.

National Assembly

15:30 hrs

Bill considered in Committee:

Read Third time and passed.

ENERGY (AMENDMENT) BILL 1984 – BILL No. 15/1984

A Bill intituled:

"An Act to amend the Energy Act 1984 /The Minister of Energy and Mines/

Cde. Rashid: Cde. Speaker, I beg to move that the Energy Amendment Bill 1984 be read a Second time.

The Energy Amendment Bill 1984 is a simple and straightforward piece of legislation which is necessitated by...by the President to appoint the Minister of Energy and Mines as Chairman of the Guyana National Energy Authority. The Authority which no doubt you will recall was set up in July 1981 and arose out of a growing awareness of the urgency to manage efficiently our energy resources both acquired and in doubt.

Less than a decade earlier Cde. Speaker, the world began to encounter what became known as an oil crisis. The impact of this crisis was devastating for most economies and in particular for those that relied solely and primarily on imported hydro carbons for industrial and domestic purposes. In both developed and developing world, energy began to be regarded as a vital factor in promoting or hindering a nation's economic and social welfare. Today, it is generally accepted that the days of cheap oil are over and energy management is going to assume increasingly critical role in economic development. Those who ignore this fact do so at their own peril.

The establishment of the Guyana National Energy Authority in 1981 was in recognition of this fact, recognition of this new reality. The Authority is saddled with the responsibility of among other things promoting conservation policies and developing indigenous alternative sources of fuel. Over the past three years or so the Authority has pursued its objectives with a fair degree of success in particular with the assistance of the...seven biogas plants which were constructed at Paradise, Belbaag, Mon Repos, Garden of Eden, and the lights at Linden. Recently, we have constructed another at the Sophia Complex. The biogas technology apart from being an important source of fuel also produces very rich manure which is a very excellent product which could be applied to the agriculture sector.

We are confident in the GNEA that once this biogas programme is pursued with the commitment and seriousness and provide tremendous possibility for rural...and in collaboration with other agencies the GNEA is working to advance other biogas sources such charcoal wood and firewood. In the ensuing period the authority proposes to step up and accelerate its activities in such a way to make a substantial impact in the long run on the composition and the relative importance of each source of energy in the energy structure. We are proposing that we will be able to do this by increasing emphasis on conservation measures and on renewable energy source, the development of renewable energy sources.

The Energy Amendment Bill 1984 proposes to amend the Energy Act of 1981 so as to give effect to the decision of the Cde. President to allow the Minister of Energy and Mines to occupy the post of Chairman of the Authority if no other person is appointed as Chairman.

National Assembly

15:40 hrs

(Cde. Rashid continues)

This objective is achieved by amending section 4 of the Principal Act by the substitution of the following subsections for subsection (1).

"(1) The Authority shall consist of a Chairman and not more than four other members to be appointed by the Minister.

(1A) The Chairman shall be a fit and proper person to be appointed by the Minister or, where no other person is appointed as the Chairman, the Minister; and one of the other members of the Authority shall be appointed by the Minister to be the Vice-Chairman of the Authority."

The Bill also seeks to empower the Minister, as Chairman, to delegate his responsibilities as the chief executive officer of the Authority to another member of the staff of the Authority. This is necessary because, as is well known, Ministers are engaged in very important and other matters and this function will require day to day work which the Minister would not be able to deal with. Hence the importance of delegating authority and responsibility.

These, Cde. Speaker, are the main proposals in this Energy (Amendment) Bill 1984 and I wish to recommend it to my parliamentary colleagues.

Question proposed.

Cde. Reepu Daman Persaud: I share completely the view expressed by the Minister in his concluding contribution when he said that the Minister has other duties to perform. If that is so, why does he want to appoint himself Chairman? Why does he want to advise himself?

The Speaker: No, no. He said Cde. President is appointing the Minister. He is not appointing himself.

Cde. Reepu Daman Persaud: Not as a Minister. I was thinking as Chairman.

The Speaker: He is not appointing himself as Chairman.

Cde. Reepu Daman Persaud: The Minister sets up the Committee. He appoints the Chairman; he appoints the Deputy Chairman and he presides over the meeting. I am sure that is my understanding of the Energy Bill, with due respect. The point I am making is this, if the Minister is so engaged that ultimately and finally, according to the provisions of this Bill, he has to delegate his functions to somebody, why does he not start off on a positive note by appointing a Chairman.

That is my contribution, a very positive contribution. In such a case, the Minister will benefit from the advice of a body in which he is not involved from day to day. Of course, he will argue and say, "I will delegate certain day-to-day functions and I will not be there."

The point I wish to make is: If a Chairman is not appointed, why is a Chairman not appointed? The law permits the Minister to appoint a Chairman. If the intention of Bill is only to allow the Minister to function in cases of emergency, one can probably concede it easily. As I said, that is all to the Bill, that the law is being amended to allow the Minister to sit as Chairman.

The Speaker: If there is no Chairman.

Cde Reepu Daman Persaud: If no Chairman is so appointed. I want to ask the Minister if he cannot find someone who will serve as Chairman of the Authority and if he will not be better off to sit, to receive the report of that Authority, to examine deliberations, and then he himself will be able to address his mind to what has taken place and so take an impartial view of the deliberations of the Authority and make decisions from time to time to conserve energy and make proper use of the availability of energy. We share the view that the Ministers must not get involved in all these little things. That is our view. I think I made that point before in discussing another Bill and that principle we have not changed. In all these corporations, while a Minister appoints them, while a Minister has a say in them, I do not think it is a wise thing for a Minister to get involved in the day-to-day administration of these bodies. The Minister will be better off to be aloof from them, overlooking them nevertheless, but allowing impartial bodies, independent bodies to administer them.

Question put and agreed to.

Bill read a Second time.

Assembly in Committee.

Bill considered and approved.

Bill reported without amendment, read the Third time and passed as printed.

BANK OF GUYANA (AMENDMENT) BILL 1984

A Bill intituled:

"An Act to amend the Bank of Guyana Act." /The Minister of Finance/

The Prime Minister: Cde. Speaker, the Bank of Guyana Act has no express provision enabling the Bank to act as guarantor with respect to obligations assumed by the Government or by Government corporations. The question as to whether there is an implied power to guarantee or an inherent power to guarantee has been argued for several years now, but I think that the better legal opinion is that the bank being a creature of statute can exercise no powers other than those conferred by the express words of the statute.

In past years, this question as to whether the Bank could or could not guarantee was merely an academic one because in times of financial and economic buoyancy financial institutions dealt directly with the public sector corporations and would advance supplies or money on the basis of the balance sheets of those corporations and, similarly, they dealt with Government relying upon the Government's revenues and relying upon our Consolidated Fund to liquidate obligations assumed under any contract.

However, within recent years, these financial institutions have been pursuing a different tactic in as much as debts have been accumulating and rescheduling has become the norm rather than the exception so that today, as you attempt to reschedule debts, financial institutions have been asking for Central Bank guarantees. In fact, in the same way as they have been asking for Central Government guarantees when dealing with public sector corporations.

National Assembly15:50 hrs

(Cde. Prime Minister continues)

In the circumstances then, having regard to practical consideration, it is now considered necessary to place the question beyond the shadow of a doubt as to whether the Bank of Guyana can or cannot guarantee a Central Government or Public Sector Corporation obligation. So the purpose of this Bill is to insert a provision in the Bank of Guyana Act which makes it clear beyond the doubt that the Bank does have that power. Obviously, we cannot allow the Bank to run off on its own and purport to guarantee any amount of money. Therefore, the Bill makes provision for a ceiling to be placed upon aggregate guarantees or upon the aggregate amount of guarantees, and for that ceiling to be fixed by the National Assembly by resolution from time to time so that the power is given. But that power is only activated when the National Assembly passes a resolution and that power has to be exercised within the ceiling established by the National Assembly.

Now, the other parts of the Bill are really legal consequences which flow from this power given to the Central Bank. For example, if the Central Bank has to pay a debt which is guaranteed, well then the law makes provision for the Central Bank to turn to the Central Government to seek reimbursement or to turn to the Corporation if it has as guarantee a Corporation loan to recover that money from the Corporation. So this is the simple purpose and intent of this Bill which I commend to Members of this Assembly.

The Speaker: Cde. Narbada Persaud.

Cde. Narbada Persaud: Cde. Speaker, I would just like to make a few short points. In the remarks of the Cde. Prime Minister, I think he made it very clear that one of the main purposes of the Bill is because in the recent times Foreign financial institutions have been insisting to have Central Bank guarantees instead of Government guarantees. Now in the last Budget Estimates, I saw a schedule that outstanding at the 31st December 1983 there was \$428 million of loans guaranteed to Government Corporations. I am talking about external loans. Now we find that if a Government Corporation goes into an arrangement with an external financial institution, and that loan would be guaranteed by the Central Bank now, I would like the Prime Minister in his reply to say whether the Government will still give the guarantee. I pointed out \$428 million were still outstanding up to the ending of last year.

Now if the Corporation fails to live up to its obligations, it means that the Central Bank will have to pay the external financial institution, then it would be arranged that the Corporation repays the Central Bank within a time specified by the Minister. If, however, within that specified time the Corporation still fails to pay the Central Bank the money would be charged to the Consolidated Fund and that is to say that the Central Government will now pay the Central Bank. The money will then be charged to the Corporation and instead of the Corporation repaying the Central Bank, it will then have to pay the Consolidated Fund or the Central Bank which stands at the moment. What I am trying to find out, Cde. Speaker, is whether or not it does not come down to the same thing. If the Corporation fails, the Central Government will have to pay the money from the Consolidated Fund and wait on the Corporation to repay to the Central Government? In this case the Bank is an intermediary. If however, the Corporation fails the Bank the thing comes back right where it is at the moment.

The other question I would like to ask the Cde. Prime Minister is: We are saying that if the Corporation fails to pay the Bank, the Consolidated Fund would be charged, the money would be paid to the Central Bank, and the Corporation pays to the Consolidated Fund, what happens if the Corporation still fails within that specified time to pay to the Consolidated Fund? What happens if the Corporation falls up? We have so many Corporations that are not viable Corporations and it would be because of some financial problem of the Corporation that they may run into a problem where they cannot repay to the Central Bank and so it will go down to the Central Government. What happens when they fail further to reach the deadline given by the Minister to repay to the Consolidated Fund? These are the question I would like to ask the Minister. On a special note I would like to find out from the Prime Minister whether this is one of the conditions of the International Monetary Fund for further loans?

The Speaker: Cde. Hoyte.

The Prime Minister: Cde. Speaker, my friend has an obsession with the International Monetary Fund which I really do not share. I think he knows, as well as all of us and indeed the whole country, that this Bill has to no extent an agreement with the International Monetary Fund. If you have no agreement, therefore, how can you have conditionalities?

Let me just say this from the outset that we are dealing with the practical affairs of international finance and I agree with Cde. Narbada Persaud that whether the Central Bank guarantees or the Central Government, it comes down to the same thing except that for maybe the comfort and well-being or the feeling of security of these international agencies, they require certain formalities. But speaking for myself as a member of the Government and one who has had to deal with some of these matters, it all comes down to the same thing when you are dealing with a sovereign Government and institutions of a sovereign Government.

Now the Bill does not provide for the Central Bank to guarantee instead of the Government. What some of the financial institutions are asking is that the Government indebtedness should be guaranteed by the Central Bank. Now, if as Cde. Narbada Persaud enquires, the Central Bank guaranteed the loan of let us say a Corporation and that Corporation fails to pay absolutely for whatever reason, then the Consolidated Fund bears the obligation. But I will tell you what the value of this is –

The Speaker: Cde. Hoyte, just a minute. It seems that we will finish shortly after four, I do not think we will take the suspension if that is agreed?

The Prime Minister: The Central Government, as I was saying, would bear the loss. The value to the external creditor is that he wants somebody to pay him promptly, so if the obligation falls due and the Corporation cannot pay, he then says to the other person – the guarantor – well you pay me right away. Now let us assume that the Central Bank can pay and does pay, the Central Bank can then work out with the Corporation some arrangement under which the Corporation pays overtime. So the obligation to the external creditor is liquidated and the Corporation gets a rescheduling which it could not get from the external creditor. But as I said, these are requirements now and I think we need to put ourselves in order so that in the event of our rescheduling debts, we would be in a position to comply with requirements which are now becoming standard. /Applause/

National Assembly

16:00 hrs

Question proposed.

Bill read a Second Time.

Clauses 1 – 3 agreed to and ordered to stand part of the Bill.

Bill reported to Assembly.

Assembly resumed.

Bill reported without Amendment, read the Third time and passed.

ADJOURNMENT

Resolved, "That this Assembly do now adjourn to a date to be fixed. /The Minister of Home Affairs and Leader of the House/"