

THE NEW BEGINNING AND THE WAY FORWARD

**ADDRESS BY HIS EXCELLENCY DR C.B. JAGAN
AT THE 10TH BIENNIAL DELEGATES' CONFERENCE
OF THE GUYANA PUBLIC SERVICE UNION
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I wish to greet members, past and present, who have contributed positively to the creation and survival of this Union. In doing so let me thank you for the invitation to be here today and to address you. That this Government holds you in high esteem is evidenced, as I look around, by the fact that there are seven Ministers and three Political Advisers of the Government here this morning.

The Guyana Public Service Union has not been untouched by the events of the past 28 years. One may say the story of the GPSU mirrors the story of the Guyana Trades Union Congress.

The change of government as a result of the October 5 elections, the first free and fair elections held in Guyana since 1964, has created new possibilities for trade unionism as a service to workers; trade unionism as a responsible partner in good governance and trade unionism as a capable force in determining policy directions and goals of government. This democratically elected government, born out of struggle and unity, has unpretentious working class credentials. There is now a working class party in government that has without blemish championed the cause of workers in Guyana and elsewhere. Our fight for the restoration of democratic norms in our national life succeeded because we unified Guyanese of all walks of life for the fight against undemocratic government.

And in this regard let me say that if we were in the wilderness for 28 years, it was because of our commitment to the working people not only in Guyana but throughout the World.

For the Trade Union Movement, the restoration of democracy and a working class party leading a national-democratic government present

opportunities to restore its credibility, to rise above criticisms of being controlled by government or political party, to resolve and restore greater respect for financial accountability, and to involve the movement with a greater sense of urgency and militancy.

My presentation today will focus on two important areas: firstly, Our New Beginnings and secondly, Our Way Forward.

Our understanding of New Beginnings is rooted in our working class past. Our intention towards the working class stands above any partisan scrutiny. I humbly submit that our credentials as a national-democratic government with commitment to the working people are impeccable.

Let me go back a little historically. Mention was made in the PSU President's speech to the history of this organisation. I personally was involved in the struggle of civil servants, junior as they were then being called, in the fight against those overlords who manned not only the Government controlled by the plantocracy but also the upper echelons of the civil service and the bureaucracy. Indeed, one of the members who led the fight to give recognition to the junior civil servants, and to break the colour barrier, became a minister of the first P.P.P Government.

Let me make this point clear, because sometimes one can make simple analogy, simple comparison between this government and the last one. I told a labour group headed by the former Head of the CCWU, Mr De Peana, who now works with the ILO in Trinidad, when he came here on an Educational Course and asked to see me. I said: in ILO terms there is the employer and the employee and the government is supposed to sit in the middle as a referee but this situation is contrary to theory because the state is an instrument of class rule; the state cannot be neutral. I told him clearly and distinctly that the present government operating in this state will be constantly in favour of the working people of this country and, as I said at the Enmore Martyrs' Day, workers have a blank cheque. Write in all the labour laws you need. We are not just talking. We have consultation now which you did not have under the last government.

I remember Mr Pollydore (TUC General Secretary) saying that when the labour Amendment Bill was introduced in the Parliament it was I who gave him a copy of the Bill. He had not seen it although the Constitution provides

for consultation. My Government will ensure there is not only consultation but laws to protect the interest of the working class and trade unionism in this country. However we have to look at the situation realistically. I remember when the \$14.00 a day was not paid in 1979, the former government told the TUC, "we have no money; tell us where to find it!" I went with a chart to the special conference of the TUC and I said: "Cut down the bureaucratic ministerial apparatus; cut down the foreign services; cut down the number of ministers by half; cut down the propaganda arm, the Ministry of Information - cut it out and find the money to pay the workers." It was not done.

I said then, "Find the money by suspending debt payment for five years or pay only a quarter of the debt payment." It then was \$225.M, whereas to pay the \$14.00 a day was \$85.M. That was our approach. But we were not supported. We were not supported by those who should have stood up to fight for the working class because regrettably, they were infiltrated by the past ruling party. I do not want to go into the past but I want to put the past in perspective. I tell you once again, this Government is rooted in the working class and if I am going to remain head of any Government, this one or any other one, you can be certain that the working class will always have its say in determining the policy of this country.

My emphasis on New Beginnings is to highlight my Government's attitude to the labour movement.

We subscribe to the re-unification of the TUC.

I was in all the meetings of the TUC Annual Conferences which led to the split and I have fought, as Brother Leslie Melville will tell you, for unification of the movement.

We subscribe to Collective Bargaining.

As I said the other day, the Enmore Martyrs died because they were fighting against company unionism and the right to have a union of their choice and to have collective bargaining.

We will produce new labour legislation.

We are accountable to Guyana, to Guyanese and the world's working class.

Today, science and technology has within its grasp to end poverty, to have it by the end of this decade. But regrettably, science and technology in the hands of International Capital is creating more poverty, more unemployment and even the gains which were made by the working people. In the wealthier states those gains are being wittled away but you can be assured that we will join you always to protect the interest of the working people and to have militant trade unionism which will fight not only to have its just share of whatever is produced in the country but also to work in solidarity with the international working class in order to preserve their gains. Working class internationally today is on the losing end; capital is united but the working class is not. It is our duty here to see that that unity develops not only at home but also internationally.

Comrades, the PPP/Civic 1993 Budget presented the first comprehensive statement on my government's attitude to the working class. Not that we believe it is only in the economic sphere that our intentions are best articulated, but because it is precisely within the economic sphere that the real hardships lie.

Surely we know of the miserable wages and salary and we do not have to get a reminder of what the **Mirror** said. But I hope you are dialecticians like me and do not argue on the basis of simple logics. We must compare things in their deep contents and see why we are where we are, and what was done to bring us where we are, and what must be done to take us out of where we are.

Permit me to refresh your memory as to the details of our first package (outlined in our 1993 Budget:)

- increase in spending in the social sector;
- attention to the plight of the elderly;
- attention to the plight of the lowly paid workers
- recommitment to financial membership of important international labour bodies.

Last year only 7.6 percent of the total budget was spent on social services including Education, Pension, Subsidies and Health. This year, by making judicious cuts - chopping the foreign services by half, chopping the Presidential Secretariat, cutting expenses - we were able to raise that to 12 percent. The working class is interested not only in wages and salaries: What about

education? We are told now that there should be users' fees. Whatever service you get you should pay for it - in education, in health, in everything. We have refused to go along with pressure from outside to increase electricity rates this year by 50% percent. The working class will be worse off if those things are done. Students have to pay for University Education, and workers have to pay for medical services. If they have to pay for all the charges without subsidies by the State, for electricity for example, then surely the wages you get and the salaries you get would erode because of the additional costs.

For years we have agitated that the Means Test for old age pensions must go. I asked Cde. Jeffrey, (Senior Minister of Labour) how much this will cost. I cannot remember the figure but much of that money was eaten-up by administrative cost, in corruption and bribery. We said we will find the money and we wiped out what is called the Means Test so that as soon as a person reaches the age of 65 he or she would be entitled to get old age pension.

There is a difference between this Government and the last one. Do not think that we are not looking at the worries and the cares of the working people. This Government is committed to that.

We are giving attention to the plight of the lowly paid workers. What has happened in the past years was one straight percentage increase from the bottom to the top. We want to see the trade union movement get involved in the discussions with the Government to see that the spread is in such a way that the working people at the bottom who are feeling the biggest pressure, get a bigger percentage than those at the top.

Let me give an example of where we stand. A foreign Management Contract was given to MINPROC at the Bauxite Industry and the World Bank approved it. A proposal was made for salary increases and I heard Sam Hinds (Prime Minister) in front of me, (in fact, I was kind of embarrassed how undiplomatic he was to the World Bank people) telling them "no way; no way will we agree to them boys at the top getting a hundred and a hundred and fifty percent increase and nothing for the people at the bottom." Sam Hinds did that! This Government did that! The last Government made that contract and agreed with it, so how can you say we are all the same? How can we be the same?

I know Comrades were very unhappy that we did not send a mission from Guyana to the ILO Conference. But, comrades, not only that Conference we did not send people to. We did not send people to many other Conferences. Constantly Ministers are pleading with me. I seem to have become the hatchet man: We cut down on trips and we have cut down pocket piece for Ministers from fifty dollars to twenty-five dollars. We did these things because we want to be able to find money, as we did, to open three surgical wards at the Hospital which were closed down during the former regime. We do not want to go in for the kind of extravagance when we do not have any money for essential things here. What a shame that one Minister in the last Government spent six million dollars for an overseas trip when seven million was all that was required to open three surgical wards at the Hospital! Jagan's Government, the PPP/CIVIC Government, opened them! Yes, we had to find the money. If we did not go to the ILO meeting, heaven will not fall. In fact, I think there are too many conferences. Now even the Secretary-General of the United Nations is closing some agencies. There is a lot of conferences, a lot of reports on this, that and the other.

Within the Public Service, as we see it, the possibilities of New Beginnings have not been grasped or fully understood. The political penetration of the Public Service has left in its wake dismay, anger, hostility, fear and uncertainty with the PNC defeat at the last election.

These subjectivism have been exploited, as allegations of harassment, victimisation, dismissals, were hurled about. The dust is clear now, and a sombre analysis of the impact of a change in Government on the Public Service is possible.

I challenge the Union, the Commission and our detractors to sustain their allegations with facts, numbers and events appropriate to their voiced fears and concerns. I offer no apologies for our actions taken within the realm of Public Service. We have acted responsibly and in a principled way. Time continues to prove our correctness. The prophets of doom have failed to realise their goals; it is now time to move on and exploit democratic change and plan together the way forward.

The unity of the movement and the way forward for democratic trade unionism must be recognised by all as a high priority.

The culture of divided loyalties by the leadership of the movement must be rejected as being incompatible with the demands of our times.

Slavish reliance on the methods of the past to solve the new and complex problems of today must be avoided.

I have said elsewhere that we have to bring in innovativeness and creativity and get out of the ordinary way of doing things - because of the inherited problems, especially the debt problem which we have to confront.

Delegates, Guests, Comrades, the way forward is my utmost concern. The socio-economic realities of our dear land are harsh and real:

- Unemployment and under-employment
- Poverty
- Debt Burden
- Crime and Corruption
- Alienation.
- Workers participation and control.

Let us do not try to compare the PPP with the past government: we are different. We can give you more money, we can give you bigger salaries and bigger wages. But we do not want to do as was done in the past to cut down the service, dismiss and retrench. We do not want to do that, therefore, we consider the plight of those who are employed and do not want to put them in the streets.

Take poverty, wages and salaries. Of course we are aware of the problem. When we first met the World Bank and the IMF they kept telling of us about economic growth. I told them, you can have growth and the rich will get richer and the poor will get poorer. That is shown out in economic statistics. But to have growth and social justice you have to ensure that workers' cares are met. You cannot have a sick worker producing to the maximum in productivity. You cannot have an uneducated worker making productivity at the work place. Therefore I made it clear to them that we have to put more emphasis in the social sector. We have argued even in Hamburg where I was invited to give a feature address at the IDB Tri-Annual Conference. I made the point that we cannot draw down on money which is already committed to Guyana because we have an administrative incapacity.

Why? It is because we have a brain drain. This is why we are determined to educate our people, to give them opportunities for advancement, for training in a hot house fashion in all areas of skills because it is very vital that we make economic progress and economic growth. But we cannot have that unless we have people who are healthy, people who are educated and people who are contented.

As regards to alienation, I remember when the NAACIE people came to see me about wages and salaries at the Electricity Corporation. I said, "Surely we want that but I am pressured to get rid of the 1.2 billion dollars subsidy." I told the Union: "We need your help because if we can get out of this subsidy we will be able to put more money in education, more money in health, more money in wages and salaries". And we put the union in the drivers' seat. Not just one member of the board of directors, we gave them two. I told them: "Form a management committee and sit with the manager and the deputy manager at all levels at least once a fortnight." In other words, we are now empowering the trade union movement to do what was not done in the past in terms of workers' participation and control. This is power! It is not only the government and ministers sitting there and making policy decision. We want you to take the decision at your work place. We mean this as part of our philosophy, as part of our creed. Democracy does not only mean getting elected once every four or five years, or waiting until the next election to see if you can either rig election to stay in power or win it by some other means.

We want the people in the communities, as is happening already, to fight against crime, to fight against corruption, to fight against smuggling and also to be involved at the work place to increase production and productivity. This is what we mean by democracy.

I hope you do not mean exactly what you said Cde. President (Yarde). You talked about corruption, and you more or less said that we have to look at the cause of it. Yes, we have to look at the cause of corruption and bribery but it does not mean that we must condone it. Otherwise, we will have to condone crime, choke-and-rob and everything. While we are looking to solve the problem we also have to cure the social evils in our society.

On that score let me say this: We were asked by the business community to bring down the consumption tax and other taxes which, they said, will stop smuggling. They argued that business people will want to pay the normal

taxes if they are lowered. In this way people will not be encouraged to smuggle any more as they will get into the act of paying their taxes.

I asked them, "well, how are we going to get revenues if we forego more taxes? Right now we have a huge Budget deficit. We do not have money for social services, for wages and salaries. If we reduce the taxes which we are getting at the moment, how are we going to meet even present demands, inadequate as they may be?" The answer was, "You are not collecting as much as you should collect." In other words, bribery and corruption, especially, in the Customs.

So, comrades, you want money, you want salaries; okay we agree with you but help us to fight the corruption. Do not say the corruption is due to the low salaries and wages and leave it at that. Help us to fight against smuggling, help us to fight against fraud in the Customs Department. A fraud squad was put there but not because we love to put it there but because it is a reality that corruption is taking place and millions of dollars are lost. We are told by the business people and the World Bank and others that we are collecting between one third to one fifth only of what we should be collecting.

I want to say that we must fight not only against unemployment and under employment, poverty, crime and corruption. We must fight against alienation. Working people must not only produce; they must share what they produce. They must be part and parcel of the decision making of how that surplus must be shared. We also want the workers to be part and parcel of government in this country.

However, my Government cannot fight, cannot prevail against these national social crimes all at the same time and in one full swoop. Our campaign is being deflected by pressures which are upon us by those who feel that their solution is the panacea. Right now 27 million dollars of balance of payment support that we need are held up by the World Bank and the IMF because they want to hear from the government about privatisation, and about GEC on whether we are going to increase rates to the consumer. I agree with Cde. Pollydore (TUC General-Secretary) that for us to resist these pressures we need the full backing of the Labour Movement, of the GPSU, because it is very important that we fight together unitedly.

This country has suffered because the Labour Movement and the Political Movement became divided and if we do not correct that we are going to continue suffering in the future. Foreign domination takes different forms today from the ones in the colonial era.

I welcome, therefore, the remarks by TUC General Secretary and the GAWU supporting the Government on some of these issues. But, comrades, we have to rally the workers to our side. The Government offers its historic identity with the working class as a guarantee of its sincerity. We offer the success in negotiating better terms in a new Public Administration Project, where all workers benefit and not just the senior management, as fruits of labour's victory. We point to a healthier industrial climate with regards to union recognition as another fruit of our mutual victory.

On this matter of the Public Administration Project there was some questioning whether we should push this project which will be financed by the World Bank, the British and others amounting to about 15 million US dollars. Some asked whether in three years' time, when the aid will be cut out, if we will be able to sustain the wage improvement programme. But we said we are going to have economic growth to sustain us. We would like you, the Government and the union, especially the Public Service Union and the TUC, to get involved in how to work out this project on how the cake must be shared. I do not think that money should only go to the top; the people at the bottom need to live also.

Brothers and Sisters, the way forward will be as we want it to be - closer identity between a legitimate Government and a credible Trade Union Movement to inscribe the rights of the working class to a greater share of the wealth it creates: or it can be filled with endless intrigues and intransigence to delay the dawning of the new day.

The tasks of the movement are many and much goodwill and support will be needed to overcome the vestiges of the past. My administration is moving in a direction to delink the diverse political inputs into the Public Service and to create an acceptable structure where the political authority, the government, can transparently guide the evolution of the Public Service.

My HPS, Dr. Roger Luncheon, is in the forefront of this activity consulting with the Commission, Senior Public Service and the body politic to re-arrange the political/Public Service nexus.

If the necessity of the task is not recognised, we will continue to waste our time, talents and resources in endless suspicions of each other. We cannot attain the culture of the Public Service in Britain and the developed world were we not to conclude this engagement.

Within the next few weeks, as negotiations are completed and preparations finalised, the Public Admin Project will be unveiled. To many, the Salary Enhancement Package is their sole concern. But, comrades, within the project also exist mechanisms for:

1. The planning of the Public Service
2. The enhancement of Financial Administration
3. The creation of a policy body which all point to our long term commitment to the condition of Public Servants to Guyana.

What does the administration expect as a consequence of these changes?

- Lessening of political manipulations of the Public Service
- Better training of Public Servants
- Better Public Service geared to the demands of the economy
- Better service to the Guyanese tax-payers.

Ultimately, the close identity between the government and the working class could allow a more concerted labour orientation to define appropriate government policy. This is important and necessary in many areas and for many reasons.

The Economic Recovery Programme with Structural Adjustment is fraught with implications for labour. It is important that in the coming dispensation that labour exerts its influence to the greatest extent. The important areas are:

1. Public Service
2. Cost-Recovery
3. Divestment in the Public Sector.

For the Public Service, the new solution proposed is - Reduction of Public Expenditure.



"Fearlessly Forward in Unity"

President Jagan and Senior Minister of Labour, Dr. Henry Jeffrey, join hands in solidarity with Union Officials.

(From right, Susan Moore, General Secretary GPSU; Minister Henry Jeffrey; President Jagan; Patrick Yarde, President GPSU).

From the proponents of Structural Adjustment comes policy proposals with serious implications for the working people. My government alone cannot and must not be expected to deal comprehensively with the Western creditors. The Private Sector and our Western creditors have clout within and without. The hand of the government has to be strengthened to maintain social justice and to articulate the wishes of all the interest groups in Guyana.

When President Garcia of Peru and President Kaunda of Zambia decided unilaterally to cut debt payments in relation to foreign earnings, that is to cut debt payments to 10 percent their governments were destabilised. Therefore, I repeat, if we are to solve our problems we have to do it collectively. The working class has to play a big role.

Ladies and Gentlemen! Comrades and Friends!

Exciting times are before us with forces unleashed by democratic renewal. My administration goes on record to state it intends to harness those forces and, working in conjunction with patriotic and democratic organisations, to create a new Guyana, drawing from our democratic traditions and our love of social justice.

Thank You.