BUDGET PRESENTATION 2017

Catherine Hughes

Mr. Speaker, members of this Honourable House, I rise in support of budget 2017…and to recognize its truly transformational approach to the growth and development of Guyana. Mr. Speaker these last few days the discussions in this honourable house have been strong on the shouts of taxes and more taxes and I note the deliberate exclusion by all on the other side so far in mentioning even one of the exciting transformational projects in this budget as testimony of the level of debate coming from the other side.

When last did we hear of concrete plans to erect a permanent fixed bridge over the Essequibo River in a budget speech, to desilt the Demerara River which our shipping companies have been crying out to do for decades. Finally actually starting the road from Linden to Mabura – the first phase of the road to Lethem that truly will become the gateway to our hinterland that will provide economic and trading opportunities that lie unrealized between us and our neighbours to the south.

Or the innovative project to develop the boardwalk at the seawall that will take the experience of any visit to the city of Georgetown by any tourist, returning Guyanese or resident to another level. Not to mention the business opportunities it will provide to Guyanese citizens. Yes, when last did we see these things begin to happen. And what is strange Mr. Speaker not one speaker on the other side has mentioned any of these.

Mr. Speaker….we Guyanese have been downing in the sea of potential we were born hoping would be realized in our life time but look at delivery as the yard stick and you will see that we have been comatose for the last two decades….but things have began to change since May 2015.

Mr. Speaker technology has geared us to moving and thinking fast. We want a response to an email in a few minutes or hours not in a few days like it took ten years ago. And so as a society we understandably want Guyana to change today. Now! We want to see the promises realized now. I ain't waiting its 18 months and dey aint deliver yet!

But we forget how broken we had become below the surface. We stripped away the independence of some of our key institutions, some we know decided that paying a bribe could be a standing operating procedure and pay tax….why would I do that. Mr. Speaker these are the things we do not like to speak about. It will take time to clean up the mess – it cannot be done in a year but look around you and see the positive signs.

We have heard of water to communities that never had before, roads where they never had before, lights on roads that never had before, flooding stopped in some areas like never happened before!

Today many parts of the world is in shambles, economies under strain in Trinidad, Suriname, Brazil, Venezuela but the sun is shining on Guyana right now, sending bright rays full of opportunities we just have to see them, take advantage of them, and not succumb to the petty politics of the other side, the screaming and shouting of gloom and doom, trying to destroy hope and never willing to come to the table and put Guyana First.

So today I can stand tall, excited at the promise of a good life for all and commend my colleague the honourable Finance Minister Winston Jordan for thinking long term, planning ahead and for a transformational budget.

Mr. Speaker,

Today's dynamic and competitive global economy demands an ambitious national commitment to technology, innovation and entrepreneurship. As I hope we are all aware, technology and the internet are transforming economies worldwide - from manufacturing, extractive industries, and transportation, to energy and agriculture.

Mr. Speaker, in January 2016, the Ministry of Public Telecommunications was conceived and gazetted for one fundamental purpose. That was to develop the enabling environment, at the policy and infrastructure level, to ensure that Information and Communication Technology is fully utilized for national development and economic advancement.

Mr. Speaker, the overall vision of the Ministry of Public Telecommunication therefore is the creation of a knowledge based society, which is globally competitive and productive, one that will give rise to the strategic placement of Guyana as a premier ICT hub in the region.

*This vision also includes an enabling environment for the creation of a viable ICT private sector that will create wealth, employment and contribute significantly to the Gross Domestic Product (GDP).

Mr. Speaker for too long in Guyana we have done things the old traditional way, a rigid economy that for decades depended on two major agricultural products – namely sugar and rice. Many countries started the process of diversification decades ago, we didn't and have been left behind exchanging political rhetoric for sound economic principles over the years.

Today we recognize that we have developed, but have we transformed our country and its people - we have not, but I'm here to tell this honourable house and my fellow Guyanese that this government can and will transform our dear land of Guyana through the creation of a digital economy and the use of information, communication technology in all facets of life.

Mr. Speaker, I am pleased to inform you that we are now on the threshold of a transformation in public services and the way we provide these services to the citizens of Guyana. This we will do by providing on line digital services to Guyanese consumers at key ministries, at public sector agencies, in the areas of passport and drivers license applications, e-commerce, telemedicine, on line education and training and by encouraging our citizens, especially our young people to take advantage of the increased entrepunerial activities the world wide web offers.

We have corrected several of the ills of ICT mismanagement and functional incompetence exhibited and perpetuated over many years by the previous Administration. Such as a fibre optic network that didn't work but which we were still paying a loan on, and a damaged cable to the hinterland that squandered billions of tax payers money.
But we are putting all this behind us, and starting from scratch so to speak - and are now ready to realise real transformation in the public sector through ICT interventions.

The E Government network
The E government unit is the engine of our ministry.
Our Government has reviewed, repaired and consolidated the eGovernment Network constituting the Fibre Optic backbone around Georgetown with a LTE network spanning from Charity to Springlands. This network was first established in 2012 but only operationalized it last year by this administration and is now the basis for interconnecting Government Ministries and Agencies.

To this end, this Government has connected and provided secure, controlled Internet Access to over 140 locations.
With this level of interconnectivity we have equipped 86 secondary schools, 3 Regional Education Officers' locations, 3 Cyril Potter College of Education (CPCE) locations, 2 University of Guyana (UG) locations, and 6 technical and vocational institutions with reliable high-speed access to educational content in their computer laboratories, as well as advanced the effectiveness of law enforcement

Further, several poor, remote and hinterland communities are now digitally connected through the installation of 14 community ICT hubs in regions 2, 3, 4, 5, 6. Hubs have been established in Good Hope, Charity, Dartmouth, Bagotville, Buxton, Betterhope, Beterverwagting, Lusignan, Sophia, Trafalgar Union, Port Mourant, Liverpool, Sandvoort, and Vryman's Erven – Cow Dam; and through this intervention over 66,000 residents in these communities have been provided access to the Internet.

We are conducting assessments to determine, through an evidence-based approach, the real and emergent needs of these communities and building the capacity to meet them. And by so doing, we are bridging the digital divide and empowering our citizens to participate in digital society.

Mr. Speaker- our President the honourable David Granger, re-conceptualised and developed a modern project in the form of the One Laptop Per Teacher programme. Over 8,202 laptops have been distributed to teachers across all ten Regions of Guyana. The goal of this approach is to improve digital access and learning and is complemented by Government's initiative to install high-speed Internet access in all secondary school and institutions of higher learning. Teachers all across Guyana now own their laptops that were pre-loaded with marking schemes, e-textbooks with links to research materials, teaching aids for Math and Science, and much more.
So when my colleague on the other side MP Selman is still speaking of test papers and text books we are preparing to move Guyana way past that.

So yes Honourable member Damon – this is the era of science and technology – and its our government – this APNU plus AFC government that will take you there!

Mr. Speaker, we have overcome a major hurdle in terms of salvaging the eGovernment Network.   Most notably, the fibre optic link to Lethem was decommissioned at a loss of over $1.3 billion dollars of tax payers dollars which must be placed squarely at the past PPP government as possibilities of repairs proved impossible and fund for this purpose in our 2016 budget went unused.

Nonetheless, we have only just begun to scratch the surface, in the context of our agenda to operationalise Guyana's eGovernment Framework/Strategy. For the period commencing 2017, Government will assertively pursue the development of a Guyana ICT Platform that shall be manifest in the form of an ICT ecosystem.

As the ministry began to build out its operational capacity during 2016, we recognized that a major priority was the creation of an open, liberalized telecommunication sector. To this end, in July 2016, we laid before Parliament and passed the 2016 Telecommunication and amended Public Utility Commission Bills which have now been assented to. The passing of these bills established the framework and conditions under which our telecommunications sector will be liberalized. As part of this framework, we also completed the eight sections of regulation as required by the new legislation and sent them out for public consultation and comment. To come are Electronic Transactions, Data Protection, and other relevant legislations.

With the liberalisation of the Telecommunications Sector, new frontiers of innovation and entrepreneurship will be opened, higher levels of academic achievement will be realised by enabling a level playing field for all Guyanese children and citizens pursuing academic and vocational personal/professional development. New business models can now become the reality in Guyana, where our citizens can join their counterparts

around the world in developing new entrepreneurial and e commerce opportunities all from the conveniences of their homes.

*2017 shall be the year, Mr. Speaker, when we SCALE UP FAST. While there exist challenges, we have developed appropriate ICT Project Management structures and systems that are organised to optimise our investments and existing assets.   Indeed, Government sees this sector as a new and emerging hub for growth.

The implementation plan for 2017 is as follows. Mr. Speaker, $1.58 billion is budgeted for investment in eGovernment initiatives.   Of that, an estimated $114 million is allocated for the provision of public Internet access at over 600 Government buildings across the country.   These Public Internet Access Points (PIAPs) will increase the opportunities, and channels through which thousands of individuals will access online resources as part of Government's aim to reduce the digital divide and increase digital interaction with Government.

Key to this initiative is the transformation of strategically located post offices into comfortable, refurbished ICT hubs which will provide opportunities for citizens to visit these hubs to access the internet free of charge to receive government services. All Post Offices within reach of the eGovernment Network - especially those located in digitally excluded communities such as Lethem, Linden, Bartica, Mahdia, Mabaruma, and Port Kaituma will become community ICT hubs.

An estimated $90 million will be used to provide ICT access for Hinterland, as well as poor and remote communities throughout Guyana. We intend to expand the reach of Government services to the hinterland. Community ICT hubs and PIAPs will be established in Masakenari, Annai, Lethem, Wa-ram-adong, Paramakatoi, Aishalton, St. Cuthbert's Mission, Linden, Bartica, Mahdia, Mabaruma, Port Kaituma, and Kwakawani, in addition to at least 24 more pilot communities across Guyana.

The aim of this initiative is to improve the livelihoods of persons in these regions and to reduce the digital divide that exists between coast and hinterland, between the have and the have nots, between urban and rural areas through access to educational resources.   It also allows us to leverage local (indigenous) knowledge in the development of Guyana's natural raw materials and the promotion/marketing of local products.

A further thirty pilot Community ICT Hubs serving an estimated 60,000 residents, will be established in Regions 2 (Affiance, Onderneeming, Lima Sands), 3 (Leonora, Den Amstel, La Parfaite Harmonie, Hauge Lib), 4 (Agricola, Mocha Arcadia, Enmore), 5 (Ithaca, Bath Settlement), and 6 (Whim, Fyrish, Bara Cara, Skeldon); regions covered by the eGovernment Network (eGovNet).

 In next stage of expansion, communities in Regions 1, 7, 8, 9 10 (Bamia, Block 22, Victory Valley, Cinderella City) will also be considered; as well as other potential communities in the other regions. In rural, poor and remote areas, these 'community

centre' – will be run by local people, and will serve all members of the community providing Internet access, training and computers to equip these the centres.

These hubs would improve residents' access to information and services, increase knowledge and practices in traditional economic sectors, support education and learning for youths and adults, and build cohesion in communities. An estimated $30 million has been allocated for these pilots, with the wider project expected to come on stream in the latter half of 2017.

All this - will be accommodated through the eGovernment Network (eGovNet), therefore maintaining and expanding the reach of this network is also of critical importance. Approximately $435 million is allocated for this activity. This includes approximately $70 million for the expansion of the network to Timehri, Amelia's Ward, Diamond, and further afield; $50 million for ensuring the cyber security of Government's network; and $275 million for the maintenance and technical support services required to ensure the continued functionality of the network.

A further $674 million has been allocated towards the provision of connectivity and Internet access to the over 140 Government locations already connected to the eGovernment Network; and the more than 600 Government locations planned for 2017.

Finally, Government has also recognized there is a need to boost our ICT human capacity. Approximately $160 million will be spent on the delivery of specialized ICT training, in collaboration with the Government of India, through the Centre of Excellence in Information Technology (CEIT). The fully renovated, furnished and adequately equipped Centre will be opened in 2017 with a focused training-of-trainers programme in advanced areas of ICTs who will in turn provide training for up to 500 ICT professionals; in a variety of advanced ICT areas of specialization e.g. cyber security, mobile and cellular 4G technologies, big data; in the two-year duration of the project.

Industry Innovations programme within the ministry of Public Telecommunications which will receive a total of $41,505,000. will focus on training and the building the capacities of young Guyanese and Guyanese at large as we transform to a digital society. It will ensure hat they become acquainted with the numerous benefits to be derived via the worldwide web – such as research data, advancements in Science and Technology, health and education, on modern agricultural practices beyond Hydroponics.

Mr. Speaker just a month ago this Ministry held its first hackathon which showed us that there is a growing, energized ICT community of vibrant young people right here in Guyana, doing really amazing things. But our system has looked them out and frustrated their efforts for too long. Mr. Speaker in just 48 hours the best of these young minds came up with apps to deal with several of the challenges we have been facing forever as a nation.

Mr. Speaker we are all worried about crime but when we will stop, think and recognize that anyone that walks around with millions of dollars in cash is a sitting duck. Well Mr. Speaker our own indigenous solutions are nearly here as this hackathon produced an electronic payment system that in time can pay our pensioners and can be used by Guyanese across the length and breadth of Guyana with ease. This hackathon designed another app that connects farmers with real time information and data on existing local, regional and international markets so that farmers can produce for an existing market.

But Mr. Speaker it doesn't stop there. The highlight of our transformational strategy is the implementation in a phased way of the smart city-safe city programme – Smart Guyana.

Imagine an ICT driven programme which integrates all sectors and services into a cohesive whole. A Safe city model that is already being implemented by the Ministry of Public Security that uses technology – cameras on street corners, a command centre monitored 24-7, and new communication tools that will ensure that if you do the crime you will do the time.

Mr. Speaker no matter which side of the political fence you're one many accept that never before have we solved so many crimes in Guyana. Remember those days of the past administration when the unsolved file was full. The smart city concept builds on our efforts to date to bring technology to government services, to teaching, to take a doctor through Skype to a remote village for consultation with a health worker and patient. You get the picture…can we do it….yes we can.

With the development of our "Smart Guyana" project this Government has signed a Memorandum of Understanding with the Chinese company, Huawei International, and the information gathering assessment has begun. We will expand the standing LTE and fibre optic networks into inland areas – to new towns like Bartica and Mahdia, into Kwakwani and the Berbice riverain communities, as well as the areas that Phase one missed, such as BushLot and Bath Settlement in Berbice or the Pomeroon in Essequibo

COMMUNITY HUBS
*Mr. Speaker, The eGovernment Unit technicians have been visiting communities in poor, remote and hinterland areas to install receivers and internet-ready computers. As at 30 November, 2016, 14 communities were digitally connected through ICT hubs in regions **2, 3, 4, 5 and 6**. Community ICT Hubs have been set up in Good Hope, Charity, Dartmouth, Bagotville, Buxton, Betterhope, Beterverwagting, Lusignan, Sophia, Trafalgar Union, Port Mourant, Liverpool, Sandvoort, and Vryman's Erven. There are now more than 66,000 residents in these communities who have access to the worldwide web at community hubs.

Our Technicians are doing 3 things simultaneously:

   a. **They're installing internet-ready equipment in community centers**
   b. **They're training community leaders and children in the use of the internet**

c. They are installing more receivers to connect the <u>computer laboratories</u> in secondary schools.

Up to November, they had connected over 120 schools on the coastland and in the hinterland. Actually, the secondary schools connection programme was put on a fast track to ensure that our children could meet the CXC's new rule that requires all candidates to submit their SBA assignments online.

So, we're not wasting any time. Giving our children and teachers a proper framework for a rounded high quality education is much too important.

Mr. Speaker, there is another element to the community connectivity programme. Very shortly the first three **tech support** units will be set up in RDC compounds in Anna Regina, Linden and New Amsterdam. The technicians assigned to those units will be the **"First Response teams"** equipped to fix minor problems, and they will refer the major problems with the community systems and teachers' laptop computers to their head office.

The implementation plan for 2017 is as follows:
Mr. Speaker, $1.58 Billion is budgeted for investment in eGovernment initiatives. Of that, an estimated $114 million is allocated for the provision of public Internet access at over 600 Government buildings across the country. These Public Internet Access Points (PIAPs) will increase the opportunities and channels through which thousands of public workers will access online resources as part of Government's aim to reduce the digital divide and increase digital interaction with Government.

Very key to this initiative are the Post Office – especially those located in the communities that are waiting to be connected such as Lethem, Linden, Bartica, Mahdia, Mabaruma, and Port Kaituma.

An estimated $90 Million will be used to provide ICT access for the Hinterland and for then poor and remote communities. Community ICT hubs and PIAPs will soon be established in Masakenari, Annai, Lethem, Waramadong, Paramakatoi, Aishalton, St. Cuthbert's Mission, Linden, Bartica, Mahdia, Mabaruma, Port Kaituma, and Kwakawani, in addition to at least 24 other communities across Guyana.

A further 30 Community ICT Hubs are being established as pilots to serve 60,000 residents in parts of Region 2, (Affiance, Onderneeming, Lima Sands), Region 3 (Leonora, Den Amstel, La Parfaite Harmonie, Hauge Lib), Region 4 (Agricola, Mocha Arcadia, Enmore), Region 5 (Ithaca, Bath Settlement), and Region 6 (Whim, Fyrish, Baracara, Skeldon). In next stage of expansion, communities in Regions 1, 7, 8, 9 and 10 will also be included.

In rural, poor and remote areas, these 'community centre' will be independently run by local people, improving residents' access to information and services, support education for youths and adults.

An estimated $30 million has been allocated for these pilots, with the wider project expected to come on stream in the latter half of 2017.

All of these initiatives - the PIAPS, community ICT hubs, connectivity to Hinterland and poor and remote communities - will be serviced by the eGovernment Network that will continue to be extended. Approximately **$435 million** has been allocated for expansion as follows:

- **$70 million to extend the network to Timehri, Amelia's Ward, Diamond, and further afield**
- **$50 million for ensuring the cyber security of Government's network**
- **$275 for the maintenance and technical support services**

Another **$674 million has been allocated to improve connectivity and Internet access** to more than 140 Government locations that were already connected to the eGovernment Network, and to the 600+ Government locations

Finally, Government recognizes the absolute need to boost our human ICT capacity:-

Approximately $160 million will be spent on specialized ICT training at the Centre of Excellence in Information Technology (CEIT). This is in collaboration with the Government of India. This fully renovated and fully equipped Centre will be opened in 2017. The programme will focus training-of-trainers in advanced areas of ICT. These master trainers will in turn provide training for up to 500 ICT professionals over two years in a series of advanced ICT areas of specialization.

- The Guyana Post Office Corporation
- Mr. Speaker, before I close I would like to speak a little more about our post offices. There are sixty (64) Post Offices throughout the length and breadth of Guyana. While methods of communication have changed, this particular source of national revenue has also undergone some changes. Mr. Speaker, I wish to inform that Government intends to recalibrate the Post Office's mandate to more efficiently accommodate our people's 21st century ICT needs. Mr. Speaker, in the year 2016; ten (10) Post Offices were made ICT ready. This brings us to 47 ICT ready Post Offices as of November 2016. Guyana Post Office Corporation intends to further upgrade an additional 17 Post Offices with ICT ready services during 2017. This will include Kamarang, Acquero, Mabaruma, Ituni and Aurora Post Offices which will require satellite connection. ICTs will significantly enhance the Post Offices' services namely Bill Payments, Same Day Money Transfer and the envisioned Electronic Pension Payment and much lucrative Online Shopping. Post Offices will also benefit from internet connectivity that will be made possible through E-Governance's Public Internet Access Point initiative.
- Additionally, Mr. Speaker, GPOC commenced rebuilding the Kitty Post Office in 2016 and will soon conclude same to serve the valued residents of that locality. In 2017, further enhancement will be made to the Post Office's security and

building infrastructure. This will see the renovation of the Anna Regina and New Amsterdam Chief Post Offices based on budgetary allocation for capital works in 2017. Mr. Speaker, for the year 2017, the Guyana Post Office Corporation will also seek to regularize its properties and acquire land titles which are currently in the name of the Colony of British Guiana. Ownership of land titles will allow the Post Office to acquire funding to improve its infrastructure. Thank you.

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- NATIONAL FREQUENCY MANAGEMENT UNIT

- As the Regulator responsible for Spectrum Management and Number Administration, NFMU's 2017 Budget projections are meant to better position it to serve the public and facilitate Government's and the Private Sector's roll out of Telecom/ICT networks and services.

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- With the liberalization of the Telecom/ICT sector, it is expected that more operators will enter the marketplace. This will lead to demand for additional spectrum.

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- The NFMU has developed a Mobile Broadband Plan that can address the need for additional spectrum. Spectrum for more backhaul links have also been identified. The services that the spectrum will facilitate include commercial as well as health, education and other government services etc.

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- The Roadmap for the transition from Analogue to Digital Terrestrial TV has been developed. The NFMU is ready to move forward with this. This transition will result in more spectrum efficiency and vastly improved TV signals.

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- NFMU's Girls in ICT Activities will continue to raise the awareness of the benefits/opportunities for females in the ICT sector (at least 500 girls are targeted). The Guyana Girls can Code pilot launched in 2016 is expected to be expanded to reach at least 200 girls.

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- The 2017 Budget also such as a new building, new vehicles, monitoring equipment, Office furniture etc. are geared at improving the efficiency and services that the NFMU provide to all spectrum users.

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- At the end of the day, one of the major objectives of the NFMU is to support/facilitate Government's and the Private Sector's plans at expanding and developing the Telecom/ICT sector.

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- This new liberalized technological environment creates an expanded Role of the Public Utilities Commission the PUC

- With respect to telecommunications, rates are to be determined by supply and demand in an open competitive market and the Commission will have oversight to ensure that the rates set are fair and reasonable. The role of the Commission

is widened to include advising the Minister and the Telecoms Agency when required, on areas such as pricing, fair competition, and competition protection.

- Monitoring and ensuring compliance with License conditions issued to the telecommunications undertakings. Quality of service indicators are to be monitored against set standards and the PUC will establish the reporting requirements for same, and enforce compliance.

Mr. Speaker the new Guyana will be a country in which ICT skills will be the foundation of our education, preparing our young people to work in the new areas of employment that the sector produces.
Already Guyana is making a name for itself in the emergence of call centres. There are more coming on the table and for those expanding like Qualfon and Teleperformance we thank you for your commitment to Guyana. And let me allay your fears regarding an mis information that may be peddled to you. As an export led company the 14% duty on data will not apply to this sector.

Mr. Speaker all these measures cost money….but let's be honest and give jack his jacket.
A hue and a cry has been made over the 14% tax on water but the facts are as my colleague Minister Bulkhan has explained you would have to use over 12 (400 gal black tanks) as a citizen to get to this level of consumption.

And that 14% tax on electricity - we learnt that of GPL's 108,827 customers – 80.09% pay less than $ 10,000 per month

Mr. Speaker the vat on data has also received harsh criticisms but I want to remind us all that it is a necessary revenue stream given the range of transformative measures I've shared. In the long run with the new liberalized environment that will spur competition I expect to see our high costs for internet access when compared to other Caribbean countries, reduce in time – and benefit us all. Free internet access at ICT hubs will nonetheless provide valuable support.

Mr. Speaker – budgets are difficult, even in our home we don't have enough or don't always get what we want to make everyone happy. A national budget is much the same but I can reassure the Guyanese people we are laying the foundation for a secure future. And what have we achieved:

In Guyana our minimum wage has moved from $39,540 to $ 55,000 in 8 months – with workers taking home $ 15,460 more….never done in recent years by the PPP.

Not the regular 5% increase in salary the PPP offered over a 14 year period but a total of 36.4% over the last 18 months.

The former Minister of Education shouts about the stoppage of the $10,000 grant – this coalition government made a one off payment of $ 50,000.

Budget 2017 gives a increase in old age pension to $19,000 per month, a reduction in corporation tax, a reduction in the value added tax and more.

Mr. Speaker…I look to the future with anticipation especially within my sector and therefore recommend the passage of this budget. Let the transformation begin.

* paragraph not delivered