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Barbara Khol

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Guyana: Labor Unions Protest Government Austerity Policies

by Barbara Khol
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On the evening of July 25 in Georgetown, 2,000 workers participated in a march and rally organized by the Trade Union Council (TUC) to protest government austerity measures. The TUC is Guyana's largest trade union organization. TUC secretary general Joseph Pollydore said workers will demonstrate again in the near future if talks later in the month fail to persuade President Desmond Hoyte's government to raise wages. The unions are insisting that the government raise the minimum wage from $0.52 (65 Guyana dollars) to $3 per day to compensate for consumer price inflation. Hoyte has promised substantial increases in the last quarter of the year. Union leaders say that judging from past experience substantial increases could mean as little as 12%. Several devaluations over the past four years and the elimination of subsidies under an austerity program supported by multilateral financial institutions have raised prices beyond the reach of average workers. The current minimum daily wage is insufficient to purchase a gallon of gasoline. The staging of the march followed a special TUC conference to review the nation's economic circumstances in the aftermath of a "killer budget" unveiled in late February. Interest rates were doubled to 39% to reduce borrowing, the Guyana dollar was devalued 126% against the US dollar, and subsidies on several food staples were eliminated. Prices on basic consumer goods jumped as high as 400%. (Basic data from Inter Press Service, 07/26/91)

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