

LEGISLATIVE COUNCIL

FRIDAY, 16TH MARCH, 1951.

The Council met at 2 p.m., His Excellency the Governor, Sir Charles Woolley, K.C.M.G., O.B.E., M.C., President, in the Chair.

PRESENT

The President, His Excellency the Governor, Sir Charles Campbell Woolley, K.C.M.G., O.B.E., M.C.

The Hon. the Colonial Secretary, Mr. J. Gutch, O.B.E.

The Hon. the Attorney-General, Mr. F. W. Holder, K.C.

The Hon. the Financial Secretary and Treasurer, Mr. E. F. McDavid, C.M.G., C.B.E.

The Hon. C. V. Wight, C.B.E., (Western Essequibo).

The Hon. Dr. J. B. Singh, O.B.E., (Demerara-Essequibo).

The Hon. Dr. J. A. Nicholson (Georgetown North).

The Hon. T. Lee (Essequibo River).

The Hon. W. J. Raatgever (Nominated).

The Hon. V. Roth, (Nominated).

The Hon. Capt. J. P. Coghlan (Demerara River).

The Hon. D. P. Debidin (Eastern Demerara).

The Hon. J. Fernandes (Georgetown Central).

The Hon. Dr. C. Jagan (Central Demerara).

The Hon. W. O. R. Kendall (New Amsterdam).

The Hon. A. T. Peters (Western Berbice).

The Hon. W. A. Phang (North Western District).

The Hon. G. H. Smellie (Nominated).

The Hon. J. Carter (Georgetown South)

The Hon. F. E. Morrish (Nominated).

The Hon. L. A. Luckhoo (Nominated).

The Clerk read prayers.

The minutes of the meeting of the Council held on the 15th of March, 1951, as printed and circulated, were taken as read and confirmed.

PAPERS LAID.

The COLONIAL SECRETARY laid on the table the following documents:—

Revised Statement regarding the award of Scholarships in the Colony.

Report on the Accounts of the Patoir Fund for 1950.

ORDER OF THE DAY.

SUSPENSION OF STANDING RULES AND ORDERS.

The FINANCIAL SECRETARY & TREASURER: At the meeting of Council on Wednesday I gave notice that I would move the second reading of the Public Loan Bill yesterday, but unfortunately we did not reach it, as the time was occupied by the motion on the Farm Institute which took up the whole afternoon. Consequently I now beg to move the suspension of the Standing Rules and Orders to enable me to deal with item No. 10.

The COLONIAL SECRETARY seconded.

Question put, and agreed to.

Standing Rules and Orders suspended,

PUBLIC LOAN BILL.

The FINANCIAL SECRETARY & TREASURER: Hon. Members will recall that at the meeting of the Finance Committee held on the 8th June, 1950, this matter was fully discussed and the record of the discussions in the minutes of the meeting of that day reads as follows:—

“The Chairman informed the Committee that the terms of the loan would be — interest at 3½ per annum redeemable in 1970 with the right to exercise an option of earlier redemption after fifteen years, contributions to the Sinking Fund to commence not later than three years after the first interest date. He further explained that it was proposed to issue the bonds to the extent required as and when necessary in relation to approved items under the Loan Expenditure Schedule. The Chairman thereupon invited the Committee to consider and approve the individual items of the schedule which had previously been circulated.”

After that the record goes on to record the result of the discussion of the individual items in the Schedule. I shall refer to that later. But the record of the minutes of the meeting ended in this way:

“At the conclusion of the discussion the Chairman stated that steps would be taken to introduce the Bill into the Legislative Council; that its enactment would not commit the Council to approval of any expenditure under item 1 of the Schedule to the Bill “Schemes approved by the Legislative Council for the purpose of acquiring or resuming and developing land required for urban housing—\$1,150,000” and that a separate Motion would be introduced in Council to authorise expenditure on each individual project under the loan schedule.”

Pursuant to that decision and in accordance with the minutes of the Finance Committee, this Bill has been introduced, and the purposes of the Bill are precisely as stated in the minutes I have just read. That is to say, the Bill when enacted would authorize Government to issue bonds under what is known as the General Local Loan Ordinance, 1941, to an amount not exceeding \$1½ million, and that money to be raised thereunder is to be expended for the purposes as set out in the Schedule. In point of fact, as I have previously announced on some

other occasion, it is not proposed to put these bonds out to public subscription. The scheme is that such property as is purchased shall be paid for by the handing over of bonds equivalent to the purchase consideration.

As regards the Schedule, item 1, as I previously explained, is the revised schemes approved by the Legislative Council for the purpose of acquiring or resuming and developing land required for urban housing. As Members know from the discussion in the Finance Committee, the schemes are the purchase of La Penitence, the possible purchase of Bel Air Park, the possible expenditure on the transfer of the race course from D’Urban Park to Thomas Lands, and also an item for the re-development of Bel Air as required (for that I am not quite sure how the bonds will be financed) and all to a total of \$1,150,000. Of these projects, Sir, only two have so far received the complete blessing of the Finance Committee. The first is the purchase of Campbellville for \$480,000, to be paid for by the issue of bonds to the present owners, and the second is the purchase of the land at La Penitence which is used for a housing scheme. That figure is \$21,000 or \$23,000.

This Bill is not concerned with the specific approval for these items. If it is passed I propose to present before Finance Committee, which is meeting on Thursday of next week, the stated time, a Loan Schedule which will include just those two items which have already had the blessing of the Committee. I refer to Campbellville and La Penitence. The others will wait over for the time being. That would enable, if it is passed by Finance Committee, that Schedule to be brought back to the Legislative Council for a resolution to be passed in the usual way, and thereupon the purchase of those two particular properties will be completed.

The second item on the Schedule is the establishment of a Fund for housing loans to public officers, \$300,000. Members have heard something of that scheme already. It is proposed that money available under the Widows and Orphans

Ordinance shall be invested in the bonds of this particular loan, and the money thereby obtained is to be used for housing loans to public officers under a scheme which has eventually to be drawn up. Under that scheme, it is suggested that we should use the facilities of the New Building Society Limited as managers of any housing loans which may be granted under this particular project. Obviously the lending of loans on mortgages, the management of the loans, the collecting of the monies in instalments, etc., is a specialized task, and it would be preferable, since the New Building Society is declared a Housing Association under the Housing Loans Ordinance, that its facilities should be used for that particular purpose.

The last two items of the Schedule are merely Contingencies, \$40,000 and Expenses of Issue — printing bonds, etc. — \$10,000. I again repeat that this is formal approval of the issue of the loan. It does not seek to authorize the purchase of any of the particular properties which item 1 of the Schedule is intended to cover. Each one will appear separately on a Loan Schedule for discussion and approval by Finance Committee, and furthermore by resolution in the Legislative Council in the usual way. So I hope that the debate on this motion will not go too far along the details of the various schemes themselves, but will be confined to the general principle which is involved in this Bill, and that is the authority to raise a loan on the terms which are specifically set out in the Bill — 3½ per cent. with a currency of 20 years and the right of redemption within 15 years. I beg to move the second reading of the Bill intituled —

“An Ordinance to make provision for raising in the Colony a loan not exceeding one million five hundred thousand dollars.”

The ATTORNEY-GENERAL seconded.

Dr. JAGAN: First of all I would like to ask the hon. Mover of the motion a few questions before speaking on the Bill. In the Schedule the first item set out calls for \$1,150,000, and when that is

divided up — I think he mentioned them all — the purchase of Campbellville, La Penitence and Bel Air Park, the development of Bel Air Park and the removal of the Turf Club and the redevelopment of Bel Air Park—the purchase of the three — Campbellville, Bel Air and La Penitence — amount to \$701,000, and the Mover suggested that he does not know how the rest of the money would be raised but that would be in the issue of the bonds if those properties are to be purchased. As regards the second item of the Schedule for \$300,000, I can see that that would possibly come from the Widows and Orphans Fund. I wonder how the money for the development of Bel Air Park and the Turf Club, which amounts to \$440,000, will be raised by issue of bonds if they are not to be open to the public.

The FINANCIAL SECRETARY & TREASURER: Let me give a tentative analysis of this figure of \$1,150,000 — Campbellville, \$480,000; Bel Air, \$200,000; La Penitence, \$25,000, Development of Bel Air, \$240,000; Removal of Race Course and resumption of D'Urban Park. \$200,000; Contingencies, \$5,000. The hon. Member is quite right in his information on what is proposed in regard to two of these items. As regards the Turf Club, I think he will recall that in discussing it in Finance Committee it was stated that the scheme, if carried out, would be for these bonds to be issued to the present proprietors of the Club who would be expected to raise money on them. Under the scheme it would be determined how much of that money would be given as a grant, and how much as a loan to be repaid. In other words, if this scheme is carried out the idea is that the proprietors of the Turf Club would have to find the money by making use of bonds (in the same way as the proprietors of Campbellville are not being paid in cash but in bonds) and would have to sell the bonds and apply the money to the Turf Club's Scheme. If it goes through they would be expected to use the bonds and procure money as best they can, either using the bonds as security for a loan at the Bank or actually putting them on sale. In any case we would have to decide how much we would give as a grant and how

much as a loan. At one time, as Members will remember, it was suggested that \$50,000 be given as a grant in consideration for certain things at Bel Air.

I am just stating what is contemplated. The development of Bel Air, \$200,000 — how is that to be financed? There again I had hoped we would also be able to find one or more Government Funds which would invest in these bonds. For instance, as stated, \$300,000 for housing loans to civil servants would be found by investing part of the funds of the Widows and Orphans Fund. I had contemplated, perhaps, finding another \$240,000 from that particular source or some other source of Government finances so as to avoid putting the bonds out to public subscription; although public subscription is not excluded, at the moment there is no intention of going to public subscription but to finance the bonds within the Government funds at our disposal.

Dr. JAGAN: In the case of the development of the Turf Club I can see that bonds can be issued to those people who can trade them to raise the necessary money. What I am wondering is what assets Government would hold. It does not seem that these people have any tangible assets which Government would be issuing in bonds. I do not know how that can be done. I do not think this is the appropriate time to introduce this Bill and if it is passed by this Council it seems to me that many of these items are tied up together. I do appreciate the fact that there is great urgency for building not only houses for the working class of people but also for the civil servants. But in view of the fact that these bonds are to be issued to the landlords who own the estate, or the money will be raised by Government, I do not see the necessity for passing this Bill until these schemes are all approved by the Legislative Council — those stated in the Schedule — because one is tied up with the other.

I remember some time ago when the question of the development and removal of the Turf Club was brought before Finance Committee, the matter was turned down. It was suggested that a grant of \$50,000 and a loan of \$150,000 be given.

That was at first turned down and subsequently, when the matter of the purchase of Bel Air Park came into consideration, some Members felt that possibly in view of the large price then demanded for Bel Air Park it would be cheaper for Government, in view of the fact that the Thomas Lands had to be developed, to reconsider the arrangement with the Turf Club to give \$50,000 as a grant and \$150,000 as a loan. In view of all this I do not see the necessity at the present time of having this Bill passed, because the matter will have to be debated fully all over in respect of the purchase of these lands. I have a great deal to say, and I am now preparing a petition to be sent to the Secretary of State for the Colonies on the purchase of these lands. I do not see the necessity for it at the moment. I notice that the hon. Member mentions in the case of La Penitence \$21,000. I think that was modified in Finance Committee and the amount and area reduced. I have divided the relevant amount into \$74,000 to be issued to the landlords, provided these lands are purchased, and the rest of \$440,000 will be provided by Government. So in any case there is no haste to pass this Bill at the present time. Unless we approve of the scheme to purchase this land it would not be necessary to issue bonds at all.

I would like to know whether Government intends to adopt that procedure, otherwise I would have to speak fully on this matter. I suggest that we defer consideration of this Bill until the schemes themselves have been considered. They have been considered by Finance Committee a long time now, and one thought they would have been brought to the Legislative Council for formal approval. I think that will have to be done very quickly and this may await that. If that is done I would submit nothing further, but if the intention is to proceed with the Bill I would have to make my comments along this point.

The FINANCIAL SECRETARY & TREASURER: I am afraid it is the intention to proceed with the Bill. It is very necessary that we should. As the hon. Member said, this matter was discussed on more than one occasion. In point of

fact, as is well known, Finance Committee approved of the acquisition of two properties, and it is necessary that we finance those transactions. It is no good going ahead with the resolution which merely took the form of Schedules in Finance Committee unless one has authority to issue the loan bonds. There is a lot to be done about this. We have to get the bonds ready. It has been a long time since the negotiations with the proprietors took place. I suggest it is not desirable to further defer that.

Mr. FERNANDES: As I see it, we are just making arrangements to make the necessary means of paying for these properties available in case we buy them. I would like to ask the hon. the Financial Secretary what happened in the case of Ruimveldt; where the money for the bit of land we have there came from, if it forms part of this Bill?

The FINANCIAL SECRETARY & TREASURER: Ruimveldt forms part of the Decanting Centre, and such money as has been paid for that forms part of the allocation under that particular Head. No bonds will be issued for that. It is in cash.

The PRESIDENT: It is \$1 million.

Mr. CARTER: I would like to urge Members to approve of this Bill, because the housing shortage in Georgetown and in the country generally is extremely acute. I am in the Assessment Courts and Rent Possession Courts very often, many times a week, and it makes me very despondent to see people having to be turned out of houses, their homes, and at their wits' end to know where they should go to secure some place to live in. The matter is grim, acute, and I think we must get on with the job. I think that this is possibly the biggest problem that is facing the people today, the problem of housing, and it is becoming more and more acute, as our population is getting bigger every day. Even though some Members may be against the acquisition of certain lands, we have approved of two parcels of land, and I feel that this money should be voted and that we get on with the job. There is no point in turning this Bill down at this stage. I would urge

Members to support it. I would like to ask the hon. the Financial Secretary, however, what class of public officer he has in mind. If these houses are to be built for public officers, whether he has any particular class in mind or whether he is considering it from the point of view of size of family?

The FINANCIAL SECRETARY & TREASURER: As far as I remember, the scheme centres around the middle income group of the public service—people who can afford or who contemplate laying out about \$5,000 to \$7,000 on the acquisition of a home. I know the Civil Service Association is extremely keen on this particular matter, and I have heard recently of a proposal they are putting forward or have actually put forward for the setting aside of some bit of land on the east of the town. They are thinking of some bit of land east of Lodge Village which can be allocated to them for officers' houses on long lease, which will enable them to devote most of the finances they will get under the loan scheme in the building of houses.

As I said, it is principally for the middle income group of the Civil Service — men who could really afford or contemplate the sacrifice necessary, because it is a sacrifice, to build a house and pay for it over a reasonably long period, knowing that while they are not paying monthly less than what they pay in rent, at the end of the period they would be owning a home. That is the answer.

Mr. CARTER: I am very grateful to the hon. the Financial Secretary, and I should like to say that we have also to consider the lower income group — those people who can afford rentals of about \$10 per month — and I do not know whether we really took them into account when this scheme was formulated. Possibly they are suffering even more than those of the middle income group, because a person who can afford a rental of \$20 to \$25 per month could easily stretch a little more and pay \$30, but there are many people who cannot afford to pay a rental of \$20 per month. The majority of them can only afford to pay \$10 or \$15 per month. I am willing to vote in favour

of any loan Government finds it possible to raise in order to relieve this acute housing situation.

Mr. WIGHT: I am in total agreement with the hon. Member for Georgetown South (Mr. Carter). It is rather depressing for a Guianese like myself, who has had the opportunity and privilege to travel to neighbouring Colonies, to see what the Governments of those areas have done in regard to the purchasing of land to enable people to build houses, and the consequent reaction in building operations, as compared with the situation in this Colony. Even in the neighbouring Dutch Colony building is proceeding apace, and it is amazing to think that anyone in this Council or outside could have any doubt whatsoever, or any difference of opinion as to the absolute necessity at this stage for Government to purchase land and make it available for people to build houses. The hon. Member suggests that the housing situation is acute. We know that not only from experience in the Courts in which he and I practise, but from discussions with people. It is quite possible that a large percentage of the savings in the Post Office Savings Bank can be utilized, and maybe is awaiting utilization for building purposes. One can readily appreciate that large numbers of persons have deliberately saved their money for the purpose of acquiring their own homes, and I feel sure that, with very few dissentients, Members of this Council will pass this Bill.

One is not particularly concerned about individuals — whether they purchase this or that piece of land. We live in a country which is a whispering gallery, full of petty jealousies and with very little unity. Be that as it may, there is no doubt that this Bill is one of the most urgent necessities of the present Government. Speaking as a member of the Municipality I feel sure that, had the Town Council the money to embark upon any of these schemes for the purchasing of land, it would not have quibbled as to whether this or that piece of land should be purchased, or whether a few more dollars should be paid. It would have been more concerned with the principle that land must be made available for

people to build their own homes. That seems to me to be the logical outcome of any discussion on this matter.

Whilst on that point it may be advisable that I should at this stage sound a note of warning, although I feel that Government is already apprised of it — that the lands adjacent to the City will eventually have to be incorporated into Georgetown. If we are to continue to pride ourselves, and justifiably so, that we have a City which is healthy and clean, and one which compares favourably with other cities in the world, it seems strange that we should have on the very borders of Georgetown lands which are not subject to proper control of sanitary arrangements. There is, as hon. Members know, an Ordinance to incorporate further lands into the City. I do not refer to acquisition. If D'Urban Park is developed it must form part of the City, and sewerage, water supply and other amenities will have to be provided. The Town Council might have to approach Government for a loan to effect those amenities. The fact has to be faced that lands on the outskirts of the City will have to be incorporated into the City, and will be subject to taxation for the purpose of providing the necessary amenities. Whether a special rate of taxation can be imposed until the necessary amenities are provided is a matter for consideration.

It is therefore with exceedingly great pleasure that I express the hope that we have at last started off on the right road by providing loans for persons who are willing to build their own homes and thus relieve the housing shortage. I do not like to mention the Wortmanville housing scheme because I take credit for it, and I have had a great deal of abuse over it, but I feel sure that those persons who are now residing there are quite comfortable, and but for the abuse and villification over that scheme several such schemes might have been put up today in the City for the alleviation of the suffering of those who are hard put to find houses.

Dr. ICHOLSON: For over two years we have been discussing this subject in Finance Committee and I feel that the time has come for action. We have

discussed it in all its phases. The central Housing and Planning Authority has been held up to ridicule but I can assure hon. Members that it has done a very good job. I am a member of the Authority and I am sticking to it because I know it is doing a really good job. What the Authority failed to do was not done because there were no funds. Now we have come to this Council to realize funds to carry out our projects. I know there are many of my colleagues here who are anxious to see buildings going up for the alleviation of the distress of our fellow citizens, and I am surprised today to find that there is opposition to the passing of this Bill. I am supporting it in its entirety, and I hope other Members will do likewise. It is high time for us to move ahead. We have been charged with talking and planning, but the Central Housing and Planning Authority can do nothing without funds.

Mr. DEBIDIN: The strength of any Constitution depends on one important factor — that there is representation of various elements and a safeguard against conflicting interests. I have listened very carefully to the elected representatives of the City of Georgetown who include an ex-Mayor, but I owe a duty to a particular class of people, the rural population, whose hopes are not the same as those of the people of the City. The amenities enjoyed by the people of Georgetown are out of all proportion to what the people in the rural districts are provided with. It is the people in the rural areas who provide what is necessary for the mills of Georgetown to turn. They are the ones who pay the salaries of the Civil Service. This Bill is designed primarily for the development of Georgetown. It seeks to extend the limits of the City. I am certainly appalled at the proposal to extend Georgetown before living conditions in the rural districts are improved. I would prefer to see the population of Georgetown shrink and the population of the rural areas increase. There would then be no housing problem in Georgetown. The solution of the housing problem in Georgetown is the development of our agricultural industries so that people would gravitate from the

City to the rural areas instead of from the rural districts to Georgetown.

A sum of 1½ million dollars is asked for now, and I am assuming that the hon. the Financial Secretary will succeed in getting whatever he asks for. If 1½ million dollars is raised by way of loan this Colony will be saddled with interest to the extent of \$52,500 per annum on the debentures for at least 15 years, perhaps extending to 20 years. That is the meaning of this Bill. I think this money might well be devoted to a solution of our drainage problems. I have moved a motion in this Council for the construction of a canal leading from the Mahaica Conservancy into the Demerara river —

The PRESIDENT: I do not think the hon. Member need talk about a canal on this Bill.

Mr. DEBIDIN: Am I not permitted to make a point?

The PRESIDENT: Well, the hon. Member has said it.

Mr. DEBIDIN: I think I know the rules of debate and I am certainly non-plussed —

The PRESIDENT: I think the Council is fully aware of the hon. Member's views on the subject of the canal. Will he please go on?

Mr. DEBIDIN: I am not going to mention it. It is sufficient to say that the canal has been estimated to cost \$900,000—less than the amount incurred in the rehabilitation of the areas affected by the floods. If that canal had been built —

The PRESIDENT: I must tell the hon. Member that he is completely out of order. As I told him, he can mention it to illustrate how the money could be spent, but he is continuing to argue about the canal.

Mr. DEBIDIN: I had not finished my sentence.

The PRESIDENT: If the hon. Member is making such a long sentence that it cannot be relevant to this debate, then he is out of order.

Mr. DEBIDIN: I am saying that if this canal had been built hundreds of thousands of people and hundreds of thousands of acres of land would have been available for the further development of the Colony, and there would have been attraction of our people to the coastlands.

The PRESIDENT: Very well.

Mr. DEBIDIN: That is the point I wish to make, and I am sure I am not wrong in my argument. A portion of this sum of 1½ million dollars could be devoted to the project and to the need of an additional pumping unit at Golden Grove.

The PRESIDENT: I must appeal to the hon. Member to confine his remarks to the subject under discussion, and not use it as a means of telling us what are the needs in his constituency. For that is what he is doing. There is another time for that if the hon. Member wants to do it.

Mr. DEBIDIN: I am certainly puzzled.

The PRESIDENT: So am I.

Mr. DEBIDIN: It does seem that debate in this Council is becoming more and more restricted.

The FINANCIAL SECRETARY & TREASURER: Restricted to the hon. Member.

Mr. DEBIDIN: I trust that the very few privileges which we possess will not be taken away from us. Perhaps I may crystalize the particular point by saying that with 1½ million dollars we could do a tremendous lot for the development of the rural areas and thus attract people away from the City or prevent them from coming into it. I think we have done very well for the City of Georgetown. We have erected a Museum at great cost, and a Technical Institute is under con-

struction. We have just passed a Bill to exempt from rates and taxes for a period new buildings erected in Georgetown, and to allow a remission of taxes on buildings which are repaired.

There are certain fundamental objections to this Bill, and the hon. Member for Central Demerara (Dr. Jagan) was perfectly correct in asking for an adjournment. Clause 3 says that "the money to be borrowed under the authority of this Ordinance shall be appropriated and applied to the purposes specified in the Schedule hereto." If we pass this Bill with this clause as it stands it follows that we accept the expenditure of 1½ million dollars on the projects set out in the Schedule.

The FINANCIAL SECRETARY & TREASURER: That is not so.

The PRESIDENT: The hon. Member knows, or should know, that not a cent of this money can be spent without the consent of this Council. This Bill is merely to enable us to raise the money. The spending of it is a different question. Not one dollar of this 1½ million dollars will be spent without the sanction of this Council. I hope he will not go on saying that by passing this Bill the Council is committed to every scheme. It is nothing of the sort.

Mr. DEBIDIN: We must agree to differ on this particular point.

The FINANCIAL SECRETARY & TREASURER: May I add this explanation: that very shortly, perhaps in the next two or three weeks, I shall introduce a Bill to raise \$10 million in London for Development Plan services, and I hope the Council will pass it very speedily. It does not mean that Government can spend that money without approval by this Council of every item on the Schedule, and the hon. Member knows that very well.

Mr. DEBIDIN: Perhaps I have been interpreting the clause too closely, but my view is that it is the thin edge of the wedge for the passing of certain things of which the Finance Committee has already shown disapproval. Why hasn't

the Financial Secretary separated these schemes as he has done in the case of Campbellville and Bel Air? What I feel is that in the same way as Government can come to the Council with a 1½ million dollar loan Bill it could come forward with a Bill for an additional amount of \$800,000. But when a Bill is passed envisaging an amount of \$1,150,000 for certain schemes mentioned before in Finance Committee, what is the implication with the schedule as it is, but that Government expects these schemes to be passed? This is putting the cart before the horse. Nothing can persuade me to think otherwise. It is more than the thin edge of the wedge. We must be fair to ourselves. The hon. the Financial Secretary knows he can possibly get through most of what he wishes to get through in a Bill of this nature. But do not altogether override our best feelings in such matters. That is what it is. He knows that the objections which were raised in Finance Committee to a few of the schemes were so solid that they would not be accepted now, yet we have a Loan Bill as high as this.

The other point I wish to make is, that we have not yet accepted the Town Planner's recommendations, and we know that the loans which are to be raised are for these schemes. Again I say it is a case of putting the cart before the horse. I have every sympathy for those Members who urged about housing shortage. But the position in the city of Georgetown is grossly artificial. It is not a housing shortage. I feel sure that if D'Urban Park is extended alongside the Government lands at the back of it would be adequate to take up all this supposed shortage in Georgetown, together with what we have somewhat approved—the extension of housing at La Penitence which is being carried out today. Let us creep before we walk, and let us creep carefully. The Colony is not ripe to commit itself to this large amount, when there are greater things to be done with the money. That is my sole contention today. I have every justification for advancing that because I know of the slowness to consider the schemes of the rural districts. It is not sufficient to say that so much money has been spent

on the rural districts, so much money in land settlements. I think much more should be spent on the development of the coastlands and the development of British Guiana accordingly. There is no doubt that in so far as the land settlements of this Colony are concerned the same principle in respect of Campbellville can be applied in the rural areas. I have already advocated that and once again I raise a voice in that respect. Buy land where it can be purchased by Government and give the people for development and agricultural purposes, not only for housing purpose. Let them develop on their own initiative all the lands on the banks of the rivers and creeks which are suitable. Let us try and get the people on those lands. This is an indication that it can be done. Let us think of doing that for the people who would be anxious to get some piece of land to cultivate and to become farmers. Let us widen the scope of the farming community of the Colony.

A sum of \$300,000 is to be spent on housing for Public Officers. I think too much is being thrown down the drains towards the civil servants of this Colony, and too much attention is being given them. I do not know why and from what source these things are brought to bear on the civil servants of this Colony. They are being pampered too much. \$3 million was given them recently and here we are finding houses for them, when the teachers and headteachers of the Colony have to sleep in neighbours' houses when they are transferred. I have been trying to get a loan to build a certain school in a certain area but no loan could be had from Government. They are the persons who need houses. But the civil servants get everything and, I think, a halt should be called. Let them be more efficient. That is what we want from them.

The PRESIDENT: The hon. Member has drawn a contrast between rural districts and urban districts. May I remind him of what I said at the beginning of this session in my opening address? I said that during the year 1949 no less than 1,445 new dwellings had been erected in the Colony but of these only 142 were

in urban areas. That is a fact and I think the figures for 1950 are greater and more greatly in favour of the rural areas. I say that to illustrate the acute shortage of housing there is in Georgetown. Building in the rural districts in 1949 was ten times what it was in Georgetown. I hope the hon. Member will take note of that.

Dr. JAGAN : I want to say at the outset that I am not one of those persons who are opposed to the raising of loans for the development of this country. But it does not follow that I will not be opposed to the raising of a loan if such a loan would be used to the detriment of the people concerned, the people of this Colony. In this particular case a loan is to be raised on the ground of improving the housing conditions of the people of this country. As I have said before, I am not opposed to the idea of making more loans available to the people and also giving them amenities and conditions which will permit them to build decent houses in which they can live. But when we examine this Bill, as the hon. Member for Eastern Demerara said, we find that certain cut and dried schemes, which have been discussed in Finance Committee already and not entirely approved, are the ones for which it is intended that this loan should be raised.

I would like at this point, since we are putting the cart before the horse, and even though it means that I will have to repeat myself again when this matter comes before this Council, to say now what I have to say then. I want to make it perfectly clear that I am not opposed to the purchase of the Lands which have been named. In fact I want to say that the Government should purchase all the properties which are lying idle around the city of Georgetown, so that those places could have proper buildings placed on them. But I want to go on to state that it is not the people's fault but the fault of the landlords who demand exorbitant prices for these lands, that they have not been developed, and Government has not been able to get its hands on those lands for a long time. It is the price to which I am objecting, and the price stated here at 3½ per cent.

would mean a burden which would eventually go back to the people. The hon. Member for Eastern Demerara said that the interest charges would be in the vicinity of \$50,000. Who will pay that? The people to whom the land will be sold or leased will be the ones to have to pay ultimately, but the profits will go to the parasites who own the land at the present time.

We talk a lot about protecting the poor people. I have a motion before this Council — and I hope it will be discussed very shortly — for a Land Valuation Committee to be set up in respect of these Government purchases, because day by day we find Government purchasing land and properties and, because it is known that Government wants to purchase, the price is rising automatically sky high. For the benefit of hon. Members of this Council I would like to give a few facts relative to some of these purchases which we are now to make, and for which we have to pay interest at the rate of 3½ per cent. per annum on the loan. We know of the case of the Demerara Railway purchase. That is a rope around the ratepayers' necks — \$84,000 per annum which has to be paid in perpetuity. That is No. 1 public scandal, and this one would be No. 2 if these lands are purchased for the price contemplated.

In answer to my questions in this Council Government stated that the whole area of land comprising Cummings Lodge, Turkeyen, Lilliendaal, Sophia, Bel Air, Vryheid, Kitty, Campbellville, Werk-en-Rust and La Penitence, according to Transport No. 1,001 amounted to 2,991 acres. Campbellville, which Government intends purchasing, is 252 acres. In other words Government is purchasing 252 acres out of a total of 2,991 acres. Let us get the figures. In 1937, according to Transport No. 1,001, this estate was purchased for \$60,000. In other words, 2,991 acres for \$60,000. But now we find that Government will be paying \$480,000 for 252 acres. But that is not the whole story. The point about this Bill is that this purchase price of \$480,000 is to be raised by a loan at the rate of 3½ per cent. per annum. We find that the Company will be getting an annual income of \$17,535 for only one

only one section of that estate which they hold.

Perhaps, hon. Members would like to know that according to the balance sheets of this Company which are in the Deeds Registry, this Company has not been making that much profit for the running of the whole estate. I have before me a Profit and Loss Account of Bel Air and La Penitence. The profit for 1938 given in the Deeds Registry is \$9,268.74; for 1939 the figure is \$8,196.33, and for 1940 it is \$8,209.12. Those are profit figures only and not figures relating to the running expenses of the whole estate of 2,991 acres. But we find that because Government intends to purchase 252 acres for \$480,000 the income from that alone will be \$17,535. It is good to talk in the name of the public that land must be made available to them and for houses to be built. I am for that, but I am not for this highway robbery, where the people will be squeezed eventually to pay this high interest. Why give the landlords more profits than they are earning at the present time? Government can find out how much the Company is making in running the whole estate. It is a known fact that in purchasing land some yardstick has to be used. You either use the income which is made over a period of 20 or 25 years as the case may be and pay that figure or —

The ATTORNEY-GENERAL: You also have to take the marketable value of the land at the time.

Dr. JAGAN: I am coming to that, since the hon. Member has raised it. I have before me the "Caribbean Land Tenure Symposium" and would like to read to Members of Council at page 61 of this report. It says, Sir, under the chapter "Trend of Modern Thought" with reference to the question of leasehold and freehold systems:

"The second principle which appears to be accepted is that accretions to land values due to the activities and general progress of the community — "unearned increments" — are not a proper subject for private profit".

I know one Member has dealt a lot with ideologies her . I will not deal with

all the ideologies but would like to tell him that as long ago as 1919, when there was no talk of Communism or any talk of ideology, the German Constitution of 1919 had a clause which stated that unearned increment in the value of land was to be used for the common benefit. I would like to ask, who caused the value of the land to go up? It was the people who settled there, the people who braved the swamps, cleared the ricefields and built houses in the mosquito-infested swamps. It was due to the expansion of the city because more people were coming into the city. That does not mean to say that putting money in the purchase of land is production; it is like putting money into the bank which earns interest. If we want to be fair, let us find out how much money these people have put in that piece of land which was purchased for \$60,000 in 1937, and let us assume it was banked and earned interest year by year. If you want to do that I would agree, but I cannot agree to a figure of \$480,000 for a section of the land which is almost equivalent to 96 times increase in the purchase price of the piece of land.

In fact it will mean that by Government taking over that land, through—let us use the term nationalisation or socialism—the profits that would be given to the landlords would be more than they had been making over a long period of years from 1937 to the present time. And apart from that, we would still have to redeem the bonds in 15 or 20 years at a very high figure of \$480,000. There is the injustice of it all. I am not opposed to the purchase of it, as I would ask Government to take over the whole area from Turkeyen to La Penitence and use the land for the building of houses. I do not want Government to take over the area which has been transported to individuals. I mean the lands owned by the estates which are not being used and which have not had houses built on them because the landlords have been demanding exorbitant prices.

As I have said before, I am preparing a petition to the Secretary of State for the Colonies on this issue, and if it means going to Great Britain to oppose this issue we will do so. I would like Government to proceed immediately with my motion

to set up a Land Valuation Committee so that in purchasing land this Committee would go into all the relevant facts — the purchase price, the profits earned and whatever increase in land value has occurred in the meanwhile. In the circumstances, even though I feel that no purpose would be served in opposing this measure at the present time, as it would have to come back and I would have to say the same things over again, I am opposing it. That is why I suggest we are merely wasting time. In view of these remarks I do hope Government will not be afraid to acquire compulsorily these lands, if it is found that the landlords do not want to sell at an equitable price.

The CHAIRMAN: There is provision in the law for that.

Dr. JAGAN: I hope Government would not be afraid to use it.

The CHAIRMAN: Would that satisfy the hon. Member?

Dr. JAGAN: I would be satisfied, but I want that to be done quickly, because this price is not satisfactory to the people concerned. The hon. Member for Georgetown South mentioned the poor working people. We have these people who cannot afford to pay high rentals. The Cost of Living Survey Committee which examined the situation reported that people were paying less than \$2.00 per week for rental. May I inform the Council that for Campbellville alone the purchase price is approximately \$1,905 per acre with interest at 3½ per cent. or \$66.66 per acre? So when we consider that six or eight houses are to be built there we can see right-away that without the benefit of building a house or building roads and putting other amenities there, the people would be burdened with this initial weight from the start. If people go there they might get a loan from the Building Society to build their houses, but they would have to pay 6 per cent. on that. While we are thinking of the poor people of the Colony we must ultimately think of protecting their interest and assisting them and seeing that they would not have to bear the burden of this whole expenditure in the long run. We

have been carrying the burden of the Railway Permanent Annuities as a standing example and, I think, the time has come when we should cry halt to such expenditure in the future.

The FINANCIAL SECRETARY & TREASURER: There is not very much I need reply to, but I would like to touch very briefly on the remarks just made by the hon. Member. He knows very well, as all Members of Council, that this particular property to which he devoted most of his speech — Campbellville was about to be sold by the proprietors, and one of the reasons which induced Government, largely supported by the hon. Member for Georgetown North, was that it would have been most unfortunate if that property was sold out in small sections. It would certainly have been very unfortunate for the existing tenants of the land who have erected houses thereon. It was to protect them from possible exploitation by private secondary holders that Government decided to take urgent steps to acquire this property. Secondly I have no doubt whatever that had a private sale taken place in the way I mentioned, the price would have been higher than \$480,000, and thirdly, I am sure many Members would agree with me that if action is taken under the powers granted in the Acquisition of Land Ordinance the price would be higher still. On more than one occasion we had to explain to Members that the procedure under that particular legislation is not very satisfactory, not as satisfactory as private negotiation, because the Courts very rightly are very jealous of the interest of individuals whose lands are going to be expropriated, and in no case I have known has it turned out that where action has been taken under that particular power, it cost less than private negotiation. As I said, these facts are very well known and are also well known by Members around this table. The people at Campbellville held the land on a very tenuous tenure, and now are glad and anxious that this particular scheme should go through. I know the hon. Member is trying to upset these people's minds.

Dr. JAGAN: I object to that remark. The hon. Member must state facts

and not make malicious statements in this Council. He is making a remark there to indicate that I have been trying to turn the minds of the people against the proposition of Government.

The FINANCIAL SECRETARY & TREASURER: Perhaps I should have said that I have been so informed. I attended the function recently when Your Excellency opened the Ruimveldt Decanting Centre. There I was buttonholed by an individual from Campbellville and asked when this particular transaction would be put through, as the people there were very anxious to have it put through. He was asking me on behalf of himself and a number of other people, and he told me that he had heard from other quarters—and I think he referred to the hon. Member—that the thing was all wrong, and he was very anxious indeed that this transaction be put through. I promised him that this particular Bill, which is the first step, would come before the Council this week, and I hoped it would go through. He was very pleased to hear it.

I feel sure that the people concerned are not unhappy about the position that will develop when the land is purchased. That is to say that an opportunity will be given to them to acquire freehold the land on which they built their houses, and payment will be made over a period of years. However, I think I have trespassed too far. All this Bill seeks to do is to give enabling power to raise the loan. We shall probably hear more about the details later on, and I hope the hon. Member will attend the meeting of Finance Committee on Thursday when, if this Bill is passed, that particular item will appear on the Loan Schedule, as it must under our rules, and the Schedule will be brought back to Council for approval. I formally move that the Bill be now read a second time.

Question put, and agreed to.

Bill read a second time.

COUNCIL IN COMMITTEE

The Council resolved itself into Committee to consider the Bill clause by clause.

Clause 3 — *Application of loan.*

Mr. DEBIDIN: I gathered from the statement made by the hon. the Financial Secretary, that if this Bill goes through he will negotiate for the purchase of the land. Am I right in assuming that this Bill will give him the authority to negotiate for the purchase?

The CHAIRMAN: It is the first step towards getting possession of the land in order to start building. I think the Financial Secretary made it perfectly clear that he could not negotiate for the purchase until the Bill is approved by this Council.

The FINANCIAL SECRETARY & TREASURER: There is an agreement between Government and the proprietors that the land shall be purchased for the sum of \$180,000, subject to the approval of the Legislative Council. That scheme has been considered in Finance Committee where it has been approved. Nevertheless, it will have to go back to Finance Committee for specific approval in relation to this Bill. Negotiations for the purchase have been completed subject to the approval of this Council.

Clause 3 put, and agreed to.

Clause 4 — *Rate of interest and period of loan.*

Dr. JAGAN: I move the deletion of the words "three and one-half" and the substitution of the word "one" in respect of the rate of interest to be paid on the debentures. I have very good reasons for moving this amendment, because we know what is the object of this Bill. The object is to issue bonds to the owners of the land to be purchased, and in view of the fact that it does appear that the Bill will go through even though some Members are opposed to the high purchase price, I think the only thing we can do at the present time is to try to secure a reduction of the rate of interest so that the annual income to be derived by the Company from this transaction may bear some relationship to the profits which they are now making on these properties. We know that the land has been used as pasture land, and rice land, and the average price of such land is between \$7 and \$8 per acre. Interest

at the rate of one per cent. would more approximate the true figure which should be paid to the owners.

The Committee divided on the amendment and voted :—

For — Dr. Jagan and Mr. Debidin — 2.

Against — Messrs. Luckhoo, Morrish Carter, Smellie, Phang, Peters, Kendall, Fernandes, Coghlan, Roth, Raatgever, Lee, Wight, Dr. Nicholson, Dr. Singa, the Financial Secretary and Treasurer, the Attorney-General and the Colonial Secretary — 18.

Amendment lost.

Clause 4 passed as printed.

The Council resumed.

The FINANCIAL SECRETARY & TREASURER : I move that the Bill be now read a third time and passed.

The ATTORNEY-GENERAL seconded.

Question put, and agreed to.

Bill read a third time and passed.

POSTAL, TELEGRAPH AND TELEPHONE RATES.

Mr. DEBIDIN : I beg to move the motion standing in my name which reads:

WHEREAS the Honourable the Colonial Secretary at a meeting of the Fourth Legislative Council of the Colony of British Guiana at the Third Session, 1950-1951, held on the 4th of January, 1951, purported to lay on the table the following documents :—

- (1) Post Office (Telegraph) (Amendment) Regulations 1950 (No. 25 of 1950).
- (2) The Parcel Postage Rates (Great Britain, Northern Ireland and beyond and H.M. Forces) Regulations No 32 of 1950.
- (3) The Post Office (Telegraph) (Amendment No. 2) Regulations, No. 34 of 1950.
- (4) The Telephone Regulations, No. 35 of 1950.
- (5) Order in Council No. 47 of 1950,

made under section 16 (2) and 17 of the Post and Telegraph Ordinance, Chapter 185.

AND WHEREAS in fact the aforesaid Regulations were not printed and circulated to Members in Council at the time of the alleged laying over, and this was only done in February, 1951, when Council was in recess;

AND WHEREAS it is the clear intention of the governing and empowering legislation with respect to the aforesaid Regulations that the said Regulations should be circulated to the Members of Council immediately after being laid over so as to enable them, if necessary, to frame Resolutions for the annulment of any such Regulations for consideration and determination of the Council within a limited time of 21 days from the date of laying over;

BE IT RESOLVED that the aforesaid Regulations be deemed to have been effectively laid over as on the date of the resumption of Council on the 28th of February, 1951;

AND BE IT FURTHER RESOLVED —

- (a) That the aforesaid Regulations No. 25 of 1950 be annulled and that the Regulations revoked thereby continue to be in force.
- (b) That the aforesaid Regulations No. 32 of 1950 be annulled and made void.
- (c) That the aforesaid Regulations No. 34 of 1950 be annulled and that the Regulations revoked thereby continue to be in force.
- (d) That Regulations 28-31 inclusive and Schedule D of the aforesaid Regulations No. 35 of 1950 as further amended by Regulations laid over the table on the 28th of February, 1951, be annulled and be of no effect, and that all previous Regulations annulled thereby continue to be in force.
- (e) that the aforesaid Order in Council No. 47 of 1950 be annulled.

We have had a lengthy debate on the question of increasing taxation for the purpose of balancing our budget. I do not intend to go into the pros and cons again but I would say that Government should not have resorted to an increase of postal, telegraph and telephone rates for the purpose of raising additional revenue to balance the budget. The question of postal charges is something which affects not only the commercial or business com-

LEGISLATIVE COUNCIL

munity of the Colony but the entire population, particularly the poorer classes of people. A business firm may be able to pay the higher rates for letters and telegrams because they are passed on to the public and charged to working expenses. The poorer classes of people, particularly those in the rural areas, feel any rise in postal charges. In the old days of penny postage the people made full use of the postal service. We are spending large sums of money on primary education, and I would like to know that postal communication between one person and another is encouraged.

There has been considerable repercussion and quite a lot of complaint in the rural areas about the increased rates. I have been handed a note from someone who says he had to pay \$1.26 for a three-minute telephone call from Skeldon to the Mercy Hospital in Georgetown to inquire about a relative who was a patient there. I have also received a letter from a gentleman at Golden Grove who has had to pay 54 cents for a telephone call. I have also had to pay 27 cents for a call from Mahaica to Georgetown. It is very hard to find that although I pay telephone rental in Georgetown I have to pay trunk line charges to put through a call to Vreed-en-Hoop, and every time I telephone the Magistrate at Buxton I have had to pay 18 cents. The same thing applies to telegrams. I do not know if the Financial Secretary has calculated what increase in revenue will be derived from these increased charges.

There is another Regulation which imposes extra charges on gift parcels to Great Britain. I consider it a most unkind cut to tax gifts. Only recently I read in the Press reference to the number of gift parcels which arrived in England and were a great help in the food situation in that country. I know about it because I and my family have sent gift parcels to relatives in England, and in some cases the charge exceeds the value of the gift.

Mr. ROTH: If the hon. Member sent his parcels through the merchants instead of through the post they would not cost him so much.

Mr. DEBIDIN: The recognized way

of sending parcels is by post. Is the hon. Member suggesting an alternative method which would deprive the Post Office Department of revenue?

Mr. ROTH: The hon. Member has apparently never heard of the **Amakura** and the **Arakaka**. The Post Office Department has nothing to do with gift parcels which are bought and sent through that service.

Mr. DEBIDIN: I do not see the necessity for so much heat on the part of the hon. Nominated Member. We like to send our parcels by post, a means which we know is safe, and which we can guarantee. I would not for one moment accept the very kind suggestion of the hon. Member and depart from my usual way of sending through the post. I do not think Government should impose these small charges which will not enhance our revenue very much. I know that there has been some reduction of charges for telephone communication to 8 cents for each minute, and in some cases to 12 cents per minute, but I still regard these charges as excessive. We have been accustomed to pay eight cents per minute for three minutes, or one shilling per call as it were, and I feel that is a reasonable sum for any trunk call that may be made. I do not know that Members would like me to move that this Council go into Committee in order to deal with each of the Regulations, but I feel that would be the best thing to do and let each Regulation be dealt with on its merits. They are slightly different, and we can go through them quickly. With the remarks I have made already I move that Council go into Committee to deal with each of these Regulations.

The PRESIDENT: Does any other Member wish to speak on the motion?

Dr. JAGAN: I beg to second the motion.

The ATTORNEY-GENERAL: I do not quite follow the line or procedure which the hon. Mover of this motion desires to take because, as all Members are aware, these Regulations have come into force and become law as a

result of the powers flowing from the Post and Telegraph Ordinance. The hon. Member in his motion states :

“Whereas the hon. the Colonial Secretary at a meeting of the Fourth Legislative Council of the Colony of British Guiana at the Third Session, 1950-1951, held on the 4th of January, 1951, purported to lay on the table the following documents:”

I think it will be accepted that the hon. the Colonial Secretary did not purport to lay, but in actual fact he did lay those Regulations in accordance with the provisions of the Ordinance. I am sure the hon. Member appreciates that aspect of the situation—that accordingly, after the effluxion of time the Regulations became part and parcel of the Post and Telegraph Ordinance. That is not new; nothing novel about it. That is the procedure which has been developed within recent years, as the result of legislation. I am sure the hon. Member and all hon. Members are familiar with it. The Legislative Council cannot undertake to go through the various details of a measure of this kind, having worked on the general principles which are embodied in an Ordinance, and so the details are left to the Department concerned. I refer to that in order to suggest to the hon. Member what is the way to proceed with this matter. It is part and parcel of the law at the moment and, therefore, one cannot just say “I move the Council go into Committee to deal with these Regulations that are law”. The hon. Member may make his comment adversely on any Regulation which is regarded as objectionable, but effectively these Regulations are law and become law 21 days after they were laid. Section 94 of the Principal Ordinance amended by Ordinance No. 6 of 1935, clause 4 (2) provides that —

“Regulations made under this section shall be laid before the Legislative Council within fourteen days next after they are made if the Council is then sitting, or if not, within fourteen days after the commencement of the next ensuing session, and if within the next subsequent twenty-one days a resolution is passed by the Legislative Council that the regulations or any of them be annulled, they shall be therefore annulled, and the regulation so annulled shall thenceforth become void and of no effect but without prejudice to the validity of any action in the meantime taken under them.”

That provision is in the form generally used. The Regulations become law before opportunity is given to deal with them, but there is that period which is generally called the “quarantine period”. Twenty-one days having passed from the 4th January when the Regulations were laid, I suggest to the hon. Member it is clear that these Regulations are now legal and binding, and have the same force as if they have been incorporated in the Ordinance. I am not saying that the hon. Member is denied the opportunity of expressing his views with regard to the Regulations. All I am saying is that the procedure provided is one to be followed and is one which the law allows under the terms of the Ordinance. The hon. Member has made comments so far as the actual increases are concerned. That is another matter.

The hon. Member feels that the increases involved in these Regulations are very much higher than justifiable, and than what the public can pay. I would, without trespassing on the domain of the hon. the Financial Secretary and Treasurer, point out that some time ago this Council was considering the question of making provision for the Post Office and matters which came within the purview of the Post Office Department, and it will be noted that some of these Regulations are very old. Those are the rates which have been charged for some long time, and accordingly the Post Office being run, as I understand it, at a loss somebody has to pay to make up that loss, and those who use its services would have to pay some part of it in an endeavour to make the expenditure and the income balance.

I am sure the hon. Member, as a lawyer, appreciates that aspect of it. While I am not trying to prevent him from discussing the matter, yet at the same time I must point out that the Regulations are now legal and binding, when he suggests in the preamble to the motion that the Colonial Secretary purported to lay the Regulations. Preamble No. 2 is somewhat beside the point, because all the requirements of the Ordinance were observed and the Ordinance were observed, the Regulations become valid. So far as

the facts go, the Regulations themselves were published in the **Gazette** on the 30th December, 1950, and it is provided in those Regulations for them to become effective and operative on the 1st January, 1951. Therefore when they were laid they had been already published in the **Gazette**, and in that **Gazette** it was declared when they came into force. The hon. Member was served with notice at the time that was published.

Mr. DEBIDIN: May I be permitted to reply to the legal point raised by the hon. the Attorney-General? It is very important. The motion is also very important. It is seeking to ask that these Regulations be annulled, and that we resort to the position in which we were before 1951.

The PRESIDENT: The fact is they are law.

Mr. DEBIDIN: Is Government going to contend that the Regulations were published and handed to Members? How could we have seen them to draft a resolution on them? When they were laid over they should have been handed to every Member.

The PRESIDENT: The hon. Member should confine himself to the second part of the motion. Start from there and put a straightforward motion, striking out the other part.

Mr. DEBIDIN: These Regulations would be operative according to law if a resolution is not moved by a Member of this Council within 21 days, because if they remain after having been laid over for 21 days without a resolution being moved then they become law. I am contending that the Financial Secretary had to go somewhere, and he laid over these Regulations the very day he made his Budget Speech. After that we went into recess and Finance Committee to deal with the Budget. Moreover, as additional ground I made enquiries, and those Regulations were not sent to us until some time in March. They were not printed and sent to Members. I contend that if Regulations are laid over they must be ready and not in words, otherwise they are Regulations which do not exist. Because

of that position this Council ought to say that the Regulations were not laid over at the opening of the session as should have been done.

This matter strikes at the root of our Constitution. If we delegate powers to the Executive Council to make Regulations and they make Regulations, and Members of this Council allow them to remain without taking any objection, they become law. Therefore we must be given every opportunity of taking steps, if we wish to, against those Regulations. That is why I ask in the first part of the motion that "the aforesaid Regulations be deemed to have been effectively laid over as on the date of the resumption of the Council on the 25th of February, 1951." That is the day on which we resumed in Council. If they were laid over properly, then I contend that the Council sat every week after that, and if we had then allowed 21 days to elapse without doing anything then those Regulations would have been operative. When they were laid over we had no opportunity of seeing them or moving any resolution by way of action as I have done now. I think this Council ought to say that, because they were not published and handed to Members —

Mr. ROTH: To a point of correction. They were published in the **Gazette** in December last according to the statement of the hon. the Attorney-General.

Mr. DEBIDIN: I do not know if the hon. Member reads his **Gazette** every time.

Mr. ROTH: Yes, he does.

Mr. DEBIDIN: It does not follow that what is published in the **Gazette** is notice in this Council. It has to be laid on the table.

The PRESIDENT: I think the hon. the Colonial Secretary stated in so many words "I lay on the table this document". The position is, that under the law these Regulations are actually laid, and we cannot get away from it. This Council cannot say they are not laid by resolution. That is why I suggest that the hon. Member should confine himself to the second part of his motion and show why these

Regulations should be amended. We cannot get around it; the Regulations are law.

Mr. DEBIDIN: You say they have been laid over and have become law. What is the position? They become operative from the time they are laid over, but if they are opposed before 21 days have elapsed they cease to be operative, and anything done before they were opposed or thrown out would not be affected. That is what the law means. That is why we should have an opportunity to discuss them. It would not be constitutionally right to lay them over and make them operative at the last session of the Council when the Council went into recess and we were not able to move a resolution against them. If you accept the hon. the Attorney-General's ruling, then I am going to blame the Executive Council for taking advantage of Members of this Council, and would ask the Executive Council not to do that again. We must have an opportunity of reviewing any Regulation passed by the Executive Council. I accept Your Excellency's suggestion to confine myself to the second part of the resolution and merely to ask that these Regulations be annulled. This Council can recommend that now, and I beg to move that Regulations Nos. 25, 32, 34, 28 to 31 and schedule D and 47 be annulled.

The PRESIDENT: The hon. Member must ask for the deletion of the entire preamble and the first resolution, and the deletion of the words "And" and "further".

Mr. DEBIDIN: I am seeking to have the charges which existed before 1951 remain. I need hardly say anything more, I commend the reasonableness of the motion to this Council.

Motion amended accordingly.

Dr. JAGAN: I wish to second the amended motion and to make a few observations. In the case of Telephone Charges I do feel that to persons in the rural areas it is a great burden, especially if private telephones have to be used. Government would sooner or later have to adopt a modern telephone system. If

it is found to be uneconomical to run a new and proper telephone system, then means would have to be devised in order to increase the charges. But at the present time, with a very dilapidated service, I do not feel it is fair and just to increase the charges as has been done. I feel that some means should be devised in the future, when a proper telephone system is instituted, whereby, if it is felt that more money should be raised, certain checks could be applied to the indiscriminate use of private telephones. At the present time, the hon. Member has referred to the fact that if he has to make a call to Vreed-en-Hoop or Mahaica or Buxton, even though he has a private telephone, for which he is paying a rental, he has to pay an additional toll. It seems to me to be real discrimination in this sense: Two persons have private telephones, both paying a fixed charge, but we find one person using his telephone very sparingly and the other person using his regularly. In the U.S.A. persons who have private telephones are allowed so many calls for which they pay on a toll basis per call. I feel that unless we have a proper system of telephone exchange in this country, and a proper system of checking on the use made of the telephone, it is not right that we should levy charges indiscriminately on persons at the present time.

With respect to the postal charges I do know that the increases which have been levied for ordinary letters and post-cards are really being felt by the people in the country; those persons who have to do a lot of letter-writing have a fair additional expenditure to incur. I do hope that Members will see the wisdom of supporting the hon. Member's motion.

Mr. WIGHT: It seems rather strange that the telephone is apparently used by those who some hon. Members seem to think have no right to exist with their wealth and capital, and further that the writing of letters is presumably done mainly by those who are illiterate rather than by those who are literate. Therefore the burden of increased charges seems to fall on those well able to bear it

LEGISLATIVE COUNCIL.

—those “sitting ducks” in Water Street and the big land proprietors who are parasites in the Colony and otherwise. Apparently the increase of the revenue—I may be entirely wrong — would come largely from those who are jolly well able to bear it, the more wealthy, the more literate, the scribblers like lawyers and others who will do the writing; they will have to bear the extra charge. I have suffered the same way so I can feelingly support the remarks by the hon. Member for Eastern Demerara.

On the other hand one appreciates the difficulty. I am also from the rural areas. I do happen to represent a rural area. I have represented it for a little while and, if the people wish it, I would be here for a little further time. My constituency is unfortunate in having a rotten service even when operating. There is for all practical purposes no telephone service there. Up to within recent times, regardless of the increase in the rates and of postal stamps, I had a request from a certain area in my constituency—Queenstown—to have a telephone booth installed. That can only operate on the Coast, and so I presume a poor person will only use that telephone and pay the increased charge in extreme cases of emergency. How often will that be? The particular individuals who can pay will bear the cost for operating that telephone booth. Similarly those people who feel the burden of the extra cent for postage will be those who can pay the increase.

It seems that we need every cent of revenue. It is all very well to say that if we had an adequate up-to-date telephone service we could increase our charges. Is it suggested that the present charges are those for an up-to-date service? If we had an up-to-date telephone service, such as exists in the U.S.A. or Canada, I take it, the charges would be further increased on the present rates. I do really ask hon. Members — and I feel sure they will say no — whether the extra burden would fall so hard on the poorer class of people and is really going to affect them to such an extent as indicated. They do not have to go to the telephone except in extreme cases, such

as sickness; they do not have to write letters except in such circumstances. Where the burden falls and where the revenue comes from are the business houses and professional men who have to be constantly at the telephone through their business, and have to be constantly writing in the carrying on of their business.

Mr. LUCKHOE: At first blush I am rather inclined to support this motion, because it would appear that the rates are rather excessive, and there is a certain amount of hardship caused. But on reviewing the position, if I remember correctly, the hon. the Financial Secretary and Treasurer said there was a substantial loss on the operation of the service, and increased receipts must be earmarked to carry out improvements and extensions. I speak subject to correction. He felt the amount accruing from the new rates would be to the extent of \$137,000. If the receipts from these new charges are not what were anticipated I think Government might well review the position in the light of the data at present available, as compared with what was anticipated at the commencement of the year.

Capt COGLAN: I have spoken on this subject before. I notice that under the new Regulations, dated 29th January, 1951, the telephone rentals for the New Amsterdam Exchange were fixed at \$80 for business and \$40 residential, and that the rentals in respect of other Exchanges were brought on the same level with New Amsterdam, which is quite satisfactory. But, as I have pointed out before, under the new Regulations people at Vreed-en-Hoop, in addition to the higher rentals for their telephones, are being asked to pay a trunk call fee to Georgetown which was hitherto in the same Exchange area. The new arrangement will not benefit Government very much because people who live at Vreed-en-Hoop, instead of telephoning to Georgetown, can either come across the river to Georgetown and telephone from their business places, or send a messenger across the ferry with a monthly ticket.

I am only passing on information that has been given to me. The people at Vreed-en-Hoop are asking to be allowed

to come within the Georgetown area as they were before. There has been a letter from the Postmaster General in which he stated that the introduction of charges per call is not possible in this Colony unless the necessary metering apparatus is installed, but that this method will be adopted when the new telephone system is installed. All I ask as far as Vreed-en-Hoop is concerned, is that it should be included in the Georgetown area as before.

The FINANCIAL SECRETARY & TREASURER: Does the hon. Member mean that residents at Vreed-en-Hoop should pay the Georgetown business and private rates?

Capt. COGHLAN: No. That the Vreed-en-Hoop Exchange be considered within the Georgetown area, so that anybody living within that area —

The FINANCIAL SECRETARY & TREASURER: Should pay the Georgetown rates?

Capt. COGHLAN: No, pay the rates for Vreed-en-Hoop.

Mr. LEE: I hope that with these increased charges people will be provided with proper service. On many occasions people in my constituency have paid for telegrams which were dispatched on the same steamer on which they travelled.

Mr. FERNANDES: It is my opinion that postal, telegraph and telephone services should be as nearly as possible self-supporting, and should not receive any subsidy from general revenue. I think that those who use these services are, in 90 per cent. of the cases, able to pay the small increases. I do not think we can justify relieving the great majority of their normal obligations. I would like to remind hon. Members that if Cable and Wireless had put up the new telephone and telegraph services the charges would have been still higher than what these Regulations call for.

The FINANCIAL SECRETARY & TREASURER: I was a little surprised by one remark of the mover of the motion when he said he did not know if the

Financial Secretary had calculated the yield from these increased postal and telecommunication charges. I feel depressed because, of course, the Financial Secretary very carefully explained in the Budget Statement what the effect of these charges would be, and gave the estimated yield in the case of postal services as \$77,000 and telecommunications \$137,000. Also, at the conclusion of our Finance Committee deliberations, I prepared a complete summary of the financial position, showing the expenditure as approved by Finance Committee and the estimated revenue for the year as augmented by the additional taxation and charges, and in that statement, of course, those figures also appear. So I feel somewhat slighted when it is suggested that the increases had not even been calculated.

The position is just as stated by the hon. Member for Georgetown Central (Mr. Fernandes). Quite obviously, these are public utility services of a kind which ought to be made self-supporting. We all know, and I think it is admitted, that our postal services have not been paying their way. In fact they have been run at considerable loss, even after deducting the credit for the value of the so-called free services rendered by the Post Office Department to the Government itself. These increases in our postal rates will not even rectify that. The addition of \$77,000 to our revenue is not going to really put the matter quite right, and as Members will recall, in Finance Committee and as confirmed by this Council, we agreed to spend another \$12,000 on the delivery of mails on sugar estates, so that that is a further trespass on the increased yield of \$77,000.

As to the rates themselves we know, and as Members have been emphasizing, we are not a rich country, and why should we in British Guiana attempt to envisage subsidizing our postal services while continuing to charge rates which are substantially below those that are charged throughout the Caribbean area and in other parts of the world? Our rates are in some respects lower than those in Jamaica and Trinidad. Our

LEGISLATIVE COUNCIL.

local rate of 4 cents is the same as in Trinidad and Jamaica. Why should we go lower? Our surface mail rate of 5 cents is the same. We cannot go lower than that. Similarly our foreign rates are precisely the same as in those countries. I therefore submit that we have not been excessive in putting up these new rates.

There are one or two points on which perhaps a little more generosity might have been accorded. One was mentioned by the hon. Nominated Member, Mr. Smellie, with regard to air mail rates. We are a little concerned about the differences in our air mail charges. Why this should be I do not know. The Postmaster-General insists that all his Department charges is a proportion of the ordinary surface mail rate, plus the actual cost of carriage by air mail, and yet we know it is cheaper to send mails inward from Great Britain than from British Guiana to Great Britain. Those are matters which I will invite the Postmaster-General to go very carefully into and see whether we can adjust these air mail rates.

Another criticism which I feel myself is deserving of some consideration is the rate on printed matter — newspapers. It is very unfortunate that the old rate on newspapers of one cent for 4 ozs. is now 2 cents. It means that every newspaper that is posted to the rural areas costs one penny more, and since the newspaper publishers have been forced to put up their price it means that a newspaper will cost 10 cents in the rural areas. That is too much for a newspaper for the people in the rural areas, and when the Postmaster-General returns from leave I will ask him to consider and recommend that the old rate on newspapers should be restored. The revenue from that source cannot be very much, and I think we should encourage the distribution of printed matter, particularly newspapers.

As regards Telecommunication I am glad of the opportunity to confirm again what the position really is. As the hon. Member for Georgetown Central has said, Cable and Wireless had put up a Schedule of charges which were in many respects

substantially higher than those Government has introduced. In our informal discussion we obtained the concurrence of Members with the idea of putting up those charges at once so as to stimulate and encourage the immediate improvement of our telecommunications system. I said that the yield from the increased charges is estimated at \$137,000, and I also explained that now that we have come to a firm decision that Government should retain the system and not transfer it to Cable and Wireless, and that it will carry out the rehabilitation programme itself, we shall have to raise an additional loan, possibly next year, to cover the cost, and I did say that part of that money, a substantial part, should go against the annual charges on that proposed loan. Members will recall that in Finance Committee and in Council the Schedule of works to be undertaken from loan funds was increased to \$500,000 this year so as to provide for the programme and estimated expenditure on the initial stage of this reconstruction. So that while we are taking in \$137,000 on the one hand this year we are really hoping to spend this \$500,000 on the initial stages of our reconstruction. So that it was a sort of contract that we apply these new rates right away and get the money to start our rehabilitation programme at once, and I did assume that Members were very well satisfied indeed with that particular arrangement. I think it is true to say that our telephone service is not a bad one. It is a good service in Georgetown, but it is not big enough. It is the trunk lines that give all the trouble, and it is a fact that we have a long waiting list of people who require service.

As regards the point made by the hon. Member for Demerara River (Capt. Cagnol) I appreciate his point of view, but I must say that the extra charges in respect of the Vreed-en-Hoop Exchange are perfectly justified by virtue of the fact that it is attached by trunk line to the main Exchange, and that particular attachment is one of the most expensive features of the whole business. A submarine cable is a very expensive feature of this telecommunications system, and if, as he suggests, reident of Vreed-en-

Hoop are brought within the Georgetown area it would also mean that they would have to pay a flat rent charge which is more than the Vreed-en-Hoop Exchange charge. The business rate in Georgetown is \$116, whereas the business rate on the Vreed-en-Hoop Exchange is only \$80.

Capt. COGHLAN: The only reason for people at Vreed-en-Hoop having telephones is for communication with Georgetown. So that it would be even better for them to pay the Georgetown rate than to have to pay \$80, because what they would have to pay in extra charges for trunk calls would be many times more than \$30.

The PRESIDENT: The hon. Member cannot make another speech.

The FINANCIAL SECRETARY & TREASURER: I am afraid I have gone too far on that subject. I do not think we have done badly in putting these rates up. They are quite fair and reasonable, and of course money is required to balance our budget. We have already balanced our budget, and it is quite unreasonable at this stage to unbalance it.

Mr. DEBIDIN: I would ask hon. Members to consider the postal, telephone and telegraph systems as in the nature of a social service in the rural areas of the Colony, and it amazes me to find that the telephone rentals for business places in Georgetown have been reduced from \$110 to \$80. Why this solicitude for business places in Georgetown? Why hasn't the same consideration been shown for people using telephones in other parts of the Colony? The people in the rural districts should not be made to pay additional charges for communication with Georgetown in view of the increased rental charges. When the hon. the Seventh Nominated Member (Mr. Luckhoo) was speaking about telephones I was wondering whether he was comparing our system with that of Barbados. I have recently visited that island where one can telephone from Worthing to Bridgetown

without any extra charge. It is a very good telephone system.

In considering this motion I am asking Members to consider the attitude Government has taken up on the aerated drinks issue. About 30,000 people signed a petition to Government which a Member of this Council presented. I am appealing on behalf of the same people that they should not be dissuaded from using the postal service for which the taxpayers are paying so much. When a person in a rural district writes a letter he has to buy stationery for 4 or 5 cents and then purchase a stamp for 4 cents.

The PRESIDENT: I thought the hon. Member said they were all illiterate.

Mr. DEBIDIN: I am sure Your Excellency did not hear me say they were all illiterate. I think there are more than half literate. Only 2 per cent. of the African population are illiterate. I am pleading on behalf of all races, and particularly for the African community. I have discharged my duty. If those Members who have spoken feel that it is better to wait until the people are dissuaded before anything is done, they can vote according to their conscience. I know where my conscience lies and I am leaving the motion to the good faith and conscience of Members.

The Council divided on the motion and voted:—

For — Dr. Jagan, Mr. Debidin and Capt. Coghlan — 3.

Against — Messrs. Luckhoo, Carter, Smellie, Phang, Peters, Kendall, Fernandes, Roth, Raatgever, Lee, Wight, Dr. Singh, the Financial Secretary and Treasurer, the Attorney-General and the Colonial Secretary — 15.

Motion lost.

Council was then adjourned until Wednesday, 21st March, 1951, at 2 p.m.