SECOND LEGISLATIVE COUNCIL

(Constituted under the British Guiana (Constitution) (Temporary Provisions) Orders in Council, 1953 and 1956).

Wednesday, 20th January, 1960

The Council met at 2 p.m.

PRESENT:

Speaker, His Honour Sir Donald Jackson Chief Secretary, Hon. D. M. Hedges ex officio Attorney-General, Hon. A. M. I. Austin, Q.C. Financial Secretary, Hon. F. W. Essex, C.M.G. The Honourable B. H. Benn -Member for Essequibo River (Minister of Natural Resources) -Member for Western Essequibo Janet Jagan 99 (Minister of Labour, Health and Housing) Ram Karran —Member for Demerara-Essequibo " 99 (Minister of Communications and Works) -Member for Central Demerara R. S. Rai " ,, (Minister of Community Development and Education). Mr. R. B. Gajraj -Nominated Member -Member for New Amsterdam W. O. R. Kendall -Nominated Member R. C. Tello F. Bowman —Member for Demerara River L. F. S. Burnham —Member for Georgetown Central S. Campbell -Member for North Western District A. L. Jackson -Member for Georgetown North S. M. Saffee -Member for Western Berbice Ajodha Singh —Member for Berbice River Jai Narine Singh -Member for Georgetown South R. E. Davis —Nominated Member A. M. Fredericks —Nominated Member -Nominated Member H. J. M. Hubbard A. G. Tasker, O.B.E. -Nominated Member. Mr. I. Crum Ewing — Clerk of the Legislature

Mr. E. V. Viapree — Assistant Clerk of the Legislature.

ABSENT:

The Hon. Dr. C. B. Jagan — Minister of Trade and Industry. Mr. E. B. Beharry—Member for Eastern Demerara.

The Clerk read prayers.



MINUTES

Speaker's Appeal

The Minutes of the meeting of the Council held on Tuesday, 19th January, 1960, as printed and circulated, were taken as read and confirmed.

SPEAKER'S APPEAL

Mr. Speaker: We are to resume this afternoon the debate on the Motion for the Second Reading of the Appropriation Bill. Last night when the adjournment was taken the hon. Member for Georgetown Central was speaking. Before I ask him to resume, I wish to make an observation.

It has been brought to my attention that at some stage during the debate vesterday, exchanges were made sotto voce between a Member on his feet and one or more on the floor in the course of which disparaging personal remarks, neither dignified nor becoming, were made or exchanged. I was sorely grieved to learn that Members of this Honourable Council would derogate from those scruples which should at least influence behaviour here. Repetition of such conduct will make the general trend of debate retrograde; bitterness and resentment will be fostered, and hurts, rather than heal, will fester.

I earnestly appeal to Members to eschew in the future such anattitude, for it can only tend to lower the dignity of this Council and to imperil personal relationships, neither of which is good for the country.

APPROPRIATION BILL

BUDGET DEBATE

Council resumed the debate on the Financial Secretary's Motion for the Second Reading of the Bill intituled,

"An Ordinance to appropriate the supplies granted in the current Session of the Legislative Council."

Mr. Burnham: Mr. Speaker, before the adjournment was taken last night I

had described the Budget Statement as gloomy. I remember that I said it was uninspiring. Uninspiring, Sir, not from the point of view of its literary composition, which is of the usual high order, but uninspiring from the point of view that careful study of it gives no promise and no real hope to anyone in our community.

I am not unmindful of the hopes expressed from time to time in the Speech, but these hopes are based in many instances on guesses and hopes, the piety of which can hardly be surpassed. In proof of my comments on this Budget Statement, I propose to examine rather closely and carefully the greater part of the Speech.

Very early in the Speech, the hon. the Financial Secretary, after apologizing for the lateness of the Budget-which he partly explained by referring to the fact that the Development Estimates had to be promulgated and that Members of this Council who were most intimately concerned with it were personally involved as employers in an industrial dispute he went on to trust that Members would find little that was controversial in either the Recurrent or the Development Estimates. That trust was no doubt based on the fact that there was no proposal of any moment for the increase of taxation. We, unfortunately however, on this side of the Council do not find the Budget non-controversial merely because no tax was introduced. I for one find it controversial not for the taxation not introduced, but for the things not said, for the plans not adumbrated, for the lack of foresight on every one of the 24 closelytyped pages.

In paragraph 2 of his speech, the hon, the Financial Secretary pointed out that the Gross Domestic Product had increased from \$160 million to \$208 million over the period 1952-1956. His provisional figure for 1957 had been, originally, \$223 million, and even last year he forecast a drop of the 1958 figure to \$208 million, which represents a re-

version to the level of 1956. Last year he deduced, as he now admits from the figures, that it is not fair to describe the country of British Guiana, as stagnating. It is a little difficult to follow his logic on this point because the figures of 1958 represent a reversion to the 1956 figures —a period of two years over which period, of course, the population would At last, Mr. Speaker, have increased. I recognize what he means. He means it is wrong to recognize that stagnation connotes standing still. According to my way of thinking, however, the figures disclose a marching backwards, economically.

He, however, makes a concession this year. The Gross Domestic Product for 1959 is likely to be \$224 million when the economy as a whole, and here I quote,

"...is still marking time. Sugar has fallen back since 1958 and will be well below its exceptionally good year of 1957."

We are informed that rice shows signs of giving a fillip to our economy. Later on, Mr. Speaker, I propose to deal with this question of rice, the accelerated production of which has been described by Miss O'Loughlin as being referable to social and political reasons rather than to economic ones.

When the hon, the Financial Secretary comes to deal with the volume of trade over the year 1959, he remarks an unfavourable balance—it was lower than 1958. Perhaps, in a fully-developed country and in other circumstances that would have been a fact of which we would have been proud—a fact which would have given us some pleasure; but in an under-developed country like British Guiana where we are seeking to increase our industrial output, where we are seeking to increase the number of industries in this country, an unfavourable balance of trade which is explained by the fact that there was less importation of heavy machinery, is something to bemoan and something which is not a source of pleasure; for it means, so far as industrialization is concerned and the introduction of new products, we have had a backward year in 1959.

There is the usual comment on our exports and some detailed reference to sugar. With his usual buoyant self, the hon, the Financial Secretary feels confident that the challenge to the sugar industry for 1960 would be met by the industry, but what are the present possibilities of the industry meeting that challenge? The hon. the Financial Secretary, in presenting the 1959 Budget, recognized the downward trend in price and the difficulty which sugar faced at that time. Now in 1960, while still hoping that this industry will be able to meet the challenge posed, he is faced with the fact that the free market price in the United Kingdom for sugar for 1960 is going to be in the vicinity of \$28.24 lower than that for 1959. He is also faced with the fact that the Canadian price is also going to be much lower than what it had been in the previous year. It is good to hope, but it is my contention that hopes must be based on facts.

The hon. the Attorney-General did refer to the realism of the Budget. I am afraid it is difficult for me to appreciate what sense of realism has led this Government to believe that the sugar industry would be able to meet the challenge that faces it.

The exports of rice, we are informed, for the first nine months of 1959 represented nearly \$9 million or over three times what they were for the same period in 1958. That is very good but, as we shall see later and as has been admitted in this Council by the hon. Minister of Trade and Industry, rice is a marginal crop. In 1958, it represented only 5% of the national production, and if we are to place great hopes on rice at this stage, then we shall see later that rice is problematic. And I cannot come to any other conclusion than that this Government is trying to lure the public into a false sense of security.

We have noted that the latter has increased in value, the export value being 11% greater than of 1958. As I noted and heard these facts and figures in respect of the latter, I was wondering whether this Government would find it possible to investigate the situation further and see whether, by way of incentives if there is the market, the industry may not be encouraged to double or, rather, increase its production. I have more than a suspicion that this Government, though willing to make concessions to new industries, is not sufficiently forward-looking to recognize that industries that have existed for some time can be given the incentive of tax holidays if the industries propose to increase their production and employ more persons.

As is usual in every Budget which I have had the good fortune to hear, reference, of course, is made to bauxite, sugar and rice. They are the 'Big Three' of our economy as confessed by the hon. the Financial Secretary. They may change their order but the fact that they are the three industries on which we mainly rely, one is almost tempted to be sacrilegious by saying, "As it was in the beginning is now and ever shall be"; and I would add, so long as we have this unimaginative Government.

We know there has been some recovery of the bauxite industry but less than was anticipated in 1959 by the hon. the Financial Secretary. Here, again, it has been established that this Government has been inaccurate in its guesses. Of course, we understand that the value of calcined bauxite in 1959 was 45% higher during three-quarters of the year than the volume over the same period in But I wonder whether the hon. the Financial Secretary would not have been good enough to tell us what were the figures for 1957, before the recession intervened—45% higher in 1959 than in 1958, the year of admitted recession. We did not get much information. We are not in a position to know.

We have to rely entirely on the Financial Secretary to say whether the level of export in 1959 reached the level of export in 1957, before the recession. And even if the level of export would show that 1959 was as good a year as 1957, that does not mean progress, especially when, as in this case, we have to bargain with the fact that the population has increased year by year.

What strikes us as a little strange on this point is that in spite of the world recession of bauxite and aluminum, a new project has been started in our neighbouring country, Surinam, in which I understand, 150 million guilders have been spent. It is not enough to come to this Council and from time to time say that things are bad, our economy is at a standstill, our bauxite exports are low because there was a recession. Did the recession have no effect on Jamaica? Did the recession have no effect upon Surinam? I am led to the conclusion that there are other factors which have contributed to our economy standing still over the year 1959, which factors I shall attempt to refer to later.

In fact, one of the factors to which I should refer finds me a plagiarist, for I am borrowing words from the hon. Financial Secretary's statement which he made in 1959. As I understood him, the Surinam Government was not merely piously hoping that foreign industry would find the country attractive but, first of all, it had an overall Planning Unit co-ordinating the efforts of planning units set up in each sector, then advertised the potentialities of the country and studiously sought the favour of the Alcoa Company. In cases of under-developed and undeveloped countries, the Government has to court foreign investors in the same way as a young man seeks to court the love of his lady friends. It must be remembered, first of all, that to say we have not the industries to buoy up our economy is not enough to inspire those who are in a position to help us. ondly, so far as I know, there is not a surplus exportable and expendable capital

in the world and, furthermore, British Guiana is not the only under-developed country which seeks to attract capitalists and investors to its shores. But more of that later.

We join in the shouts of joy with respect to the success story on diamonds for the year 1959, and we note with pleasure that the Imbaimadai area was thrown open to "pork-knockers" during the past year by the present Government, but we bemoan the lack of foresight on the part of the Government in merely throwing open the area without making available such transport facilities as are necessary if pork-knockers are to take full advantage of the area thrown open. It is an incontrovertible fact that "pork-knockers" cannot get to Imbaimadai. It is only the man with the deep pocket who can reach there. It is not that we grudge the deep pocketed man the right to get into that area to mine diamonds, but one would have thought that Government would have sought to make the facilities such that both the rich investors and the small "pork-knockers" would have been able to take advantage of mining in this new area. Perhaps someone may say that the absence of foresight in this particular question is typical of this Government.

We note with the same amount of sorrow as the Financial Secretary, that the B.G. Consolidated Goldfields, Ltd. has left these shores, and that the production of gold has suffered. But what does this mean? "That there must be still some gold in those hills and rivers, and if there is, the 'pork-knockers' will undoubtedly find it," to quote the Financial Secretary. I should have thought that first of all we would have known why the Company left; we should have ascertained exactly what were the potentialities with respect to gold in that area, and if we were satisfied from the reports of our experts, both financial and geological, that we would have publicized the fact that there is a workable reserve of gold, and as would have been done by other countries in our circumstances,

gone out and sought to interest would-be investors. We admire the "pork-knockers"; they are the backbone of our mining industry, but the exit of the B.G. Consolidated Goldfields, Ltd. is proof of the fact that we cannot depend entirely upon "pork-knockers" if we are to increase our output of gold and/or diamonds.

We note that the Manganese Company will go into production, and we are happy about it. We suspect that one estimate of this Government with respect to revenue for 1960 is likely to be pretty near right, that is the estimate of royalty to be obtained from manganese mining and export from British Guiana.

The Financial Secretary, in paragraph 9 of his Budget Statement, proceeds to deal with imports. He points out, as I have already remarked, that there has been a drop in the unfavourable balance for reasons which I think are bad for the economy of the country. It is interesting, however, to note with regard to consumer goods, that there was a decrease in 1959 in imports of beverages and tobacco, but food imports were virtually the same. That again is part of the gloomy picture. The year 1959 found more people living in British Guiana than in 1958. If this decrease in imports of beverages and tobacco and this standing still in the volume of food imports were reflected in an increase in the domestic product then perhaps it might have given us less bother, but from the lips of the Financial Secretary himself we hear that there is no significant increase in domestic products, and consequently, the conclusion which I draw from this fact, which is narrated at paragraph 9, is that this is another piece of evidence that there was less money in circulation in 1959.

The gloominess of the picture deepens when one considers the Financial Secretary's account in paragraph 10 of his Budget Statement, of gross capital formation during the past year. After remarking on the increase of \$8 million between 1954 and 1955, \$2 million be-

tween 1955 and 1956, \$15 million between 1956 and 1957, and then \$5 million between 1957 and 1958, he says:

"There is unlikely to have been the same increase between 1958 and 1959, but there is no reason to believe that there is any significant falling off in the level of savings or investment."

Perhaps in his reply to the debate the Financial Secretary will tell us on what facts he bases this belief that there will be no significant falling off in the level of savings or investment in 1959 as against 1958. Then in paragraph 11 he says:

"It is encouraging that consumer prices have risen little over the past three years: the British Guiana Consumer Price Index for September, 1959, was only 2.9% above the 1956 level — an average increase of less than 1% per annum."

That is indeed encouraging to the point that there has been an increase of less than 1% per annum, but what does it really mean? Does it mean what we find in paragraph 11—

"This relative stability over the past three years of consumer prices and also, despite recessions in our major exports, of production generally, is quite an achievement."

I would have thought that the stability of the consumer prices,—if we accept the figures given by the Government, which for present purposes I am prepared to do—really represents the absence of increased spending power in the community. If there was a mild inflation, if there was more money floating around to buy those consumer goods it is likely that the index would have risen. This stability I cannot see in the circumstances connoting anything else than the fact that there was not an extra splurge of spending; that there was not an extra amount of money to go around. I cannot see that this happened in spite of recession; it happened because of recession. Because there was recession there was not the money. Perhaps there is a

difference of prepositions between the Financial Secretary and myself.

The prospects for 1960 are then outlined by the Government spokesman. There will be the large construction programme at the Bauxite Company for the erection and completion of the alumina plant, and the labour force should be substantially increased. I understand that labour force now stands in the vicinity of 850 or 900. It is expected that the construction of the plant will be completed within the next year, and that the labour force required for the operation of the plant will be 400. So that the sooner it is completed the greater will be our problem, unless something happens, because the labour force required after completion will be 400 or 500 as against 850 to 900 at the moment.

We find that the Government has given tax concessions to a number of new industries. That is very good; that is something to be supported, something to be admired and something for which I think the Government should be complimented, but I do wish that the Government, through its spokesman on the Budget, would give some idea as to the number of such industries which have been given tax concessions, the nature of the industries and the expected amount of capital expenditure. A number just means a number; 1 is a number and so is 2. We would really have been most grateful if we had much further and better particulars on this particular point. Nor is it enough to allude to the fact that there have been tax concessions. In a country like British Guiana we want to know that the Government not merely grants concessions to those who come, but that the Government makes efforts to attract those who have not yet heard of British Guiana, or who do not yet know of the potentialities in British Guiana. But merely to sit here in the slips, so to speak, instead of being at the bowler's end, is what we deprecate from this side of the Table.

Agriculture, we are told, for its success will depend on our having reasonable weather conditions. We agree with that, *pro tem*. And we are informed that,

"For rice there will be an increased acreage as large areas of additional land come into production from the efforts of individual farmers in extending their cultivation, and from the drainage and irrigation programme."

Mr. Speaker, at this stage it is apposite for me to make some observations on the rice industry in British Guiana, and say whether this expected fillip from the rice industry is really one that we can have great faith in.

In the first place, let me say that I appreciate most deeply and earnestly the contribution which the rice farmers have made to the economy of this country. However, I cannot under-estimate the contribution—we should not underestimate the contribution which the rest of the community makes towards that industry. Of \$24 million to be spent during 1960 on development, over \$7 million will go to drainage and irrigation. Drainage and irrigation, as we find here in the Budget and in public statements by Members of the Government, were meant primarily to bring under cultivation more land for rice.

To drain and irrigate one acre of land in the Black Bush area cost approximately \$500. We all agree that it takes about 15 acres to set up one family. That means that for drainage and irrigation alone, for one family, the cost is \$7,500. What about the clearing of the 15 acres? It will be conservatively estimated at another \$2,500. The result of that: it costs about \$10,000 to set up a family. Apart from that, it must not be forgotten that there are concessions to the industry—I say reasonable concessions, I say deserving concessions—such concessions as duty-free gasolene. One has to ask oneself, what proportion of that contribution to the setting up of one family is repaid or repayable?

I am not saying it is wrong to subsidize an industry. I am saying it is wrong not to recognize that you are subsidizing an industry, and at the same time it is wrong not to recognize that that industry represents only a small percentage of your domestic product. And the profit of that industry, as has been admitted by the Minister of Trade and Industry, is comparatively small. question is, therefore — and we expect the Government to pose an answer — is it worthwhile to spend so heavily for the direct purpose of increasing the rice production? Maybe the answer would have been, yes, but we see no evidence of the fact that they have thought it out.

And having produced rice, the next question is the selling of the rice. We have it on authority as high as the Chairman of the Rice Marketing Board that the world price of rice is falling. We have it on very high authority — Miss Carleen O'Loughlin—that a problem facing those responsible for planning the industry's future is: Can British Guiana remain a competitive seller to West Indies markets? In which connection she states, at page 116 of Volume 7, No. 2 of "Social and Economic Studies", in her paper on "The Rice Sector in the Economy of British Guiana":

"Clearly at certain market prices it may be cheaper for the West Indies territories to import Far Eastern rice."

I am reminded that this was published in June, 1958. But the validity of the proposition has not changed with the passage of a paltry 18 months. Another question posed by Miss O'Loughlin was, "Should long-term economic planning and government investment be geared to an expansion of the rice industry?" She added:

"For the present the government appears to be firmly committed to an expansion of the industry, and a considerable part of development expenditure is going to provide drainage, irrigation, and land clearance with a view to rice cultivation. The immediate need for such action results from the lack of alternative employment for British Guiana labour,

which shows itself in the form of landhunger on the part of rice farmers and their families. It is perhaps pertinent to ask however whether such a policy is, in the long run, likely to further significant economic development? Can rice production, as a major national industry, ever provide the regular employment and high average levels of income which are two of the main objectives of economic development? If it is admitted that rice production is unlikely ever to be a high standard of living industry, should not capital expenditure be geared to providing other outlets of employment rather than the expansion of rice?"

After investigating the statistics with respect to the income from rice, Miss O'Loughlin stated, and may I finally quote her:

"The estimate . . . indicates that the value significance of rice industry is extremely small as compared with the significance in the political and social fields."

If the Government had said, 'we have considered the relevant questions and we have decided for political and social reasons that we should expend nearly one-third of the development capital for 1960 for the purpose of putting more lands under rice cultivation' I would have understood, but we have not been favoured with the reason. For my part, I would have thought that efforts would have been made in the uncertain circumstances of today to switch that development expenditure to another field in which results were likely to be less uncertain. I consider it a grave wrong, not only to those who have to bear the cost of servicing the Public Debt, but a grave wrong to those who are going to grow the rice, to continue in a planless fashion to increase the area under rice production when (a) you do not have a proportionate contribution to the domestic product; (b) the margin of profit, which is at the moment low, is likely to be lower if the prices in the world continue to fall and we have to compete against countries which produce rice more cheaply. It would mean that these people will fool themselves that they are employed, and in the end we will find that they will put in more than they can possibly get out to their gain. As Miss O'Loughlin remarks, the emphasis may be for political and social, rather than economic reasons.

There is, however, a gleam of hope, that the Government is beginning to bestir itself in the field of agriculture; we find there is reference to the fact that there will be an attempt to diversify the agriculture of this country. I agree with that. Who is he that would not agree with such a plan? But what do you find? We just find a few lines. There is not enough detail of the plan for diversifying of agriculture and the repercussions upon the rest of the economy after we have diversified our agriculture. We do not even find an attempt to strengthen the education personnel of the Department of Agriculture, which is the Department that will see that Agriculture is diversified.

To what extent is there an increase of personnel? A few? Yes, a few. In this mighty project in which all Guianese must be involved a few extra Agricultural Officers will not be enough. It is not a question of growing crops, it is a question of teaching people how to grow other crops, and it is a question of having the maximum assistance. at the moment I can say from my personal knowledge that the Agricultural Officers in the Districts are over-worked and physically incapable of undertaking all the tasks which they are to undertake. But, of course, such wide vistas are only possible if you see the entire picture, if you see the plan as a whole. And as the hon, the Financial Secretary winds up his assessment of the prospects for 1960, he says:

"We are still in the position that sugar, bauxite and rice account for 90% of our exports, and if anything ontoward happens to one of these, for climatic or external economic reasons, our expansion is held back."

With all seriousness, I would have thought that it is unnecessary to repeat

this. So far, it is repeated three times in this Budget. We agree. We are ad idem. But what we want to see is that attempts are being made to remove the country's economy from being dependent on three products, the prices of all three of which we cannot control; and in the case of one we have to battle with the elements.

We are reminded that the 1959 Budget proposed that \$1.7 million was to be transferred to the Development Fund as Government's direct contribution to the Development Expenditure for 1959. There, of course, was a short-The main shortfall of revenue was from customs and excise. Would you believe, Mr. Speaker, that the error on customs and excise was as high as 8%? What type of Government we have here that makes an error of 8% in \$22 mil-I did not think the task of Government was the ability to guess. tainly, the trends of 1959 were recognized at the beginning of 1959—the recession, the fall in sugar price. then, has the Government come to this Council in 1959 and over-estimated so terribly a revenue which was likely to come from customs and excise.

But may I remind this Council, when we come to deal with the question of beer, of the words of the hon. the Financial Secretary, uttered here in 1959. He said, here, in one of his hopeful "I have no hesitation in moments: assessing the additional revenue yield at \$250,000." That was on beer. year, the yield on beer is \$2,000 less than the yield on beer for 1958. He estimated a \$250,000 increase; we see \$2,000 less. Then we have the explanation that since the tax on beer is paid two months after it is brewed, there was collected in 1959 tax on beer that was brewed in 1958. Why wait until 1960 to recognize that which you should have known in 1958? Why over-estimate by \$250,000?

Of course, it is not for me to say that the failure of beer to yield the large

revenue which was anticipated can be explained by the fact of the tax. I have not considered it sufficiently and closely. There may be others more au fait with all the relevant facts. You may say it is because you put on an extra tax; but what else was the reason? And now I am not questioning the fact of the tax. Whatever was the reason to find an error of 33½% is to find proof of gross incompetence on the part of Government; and may I make haste to say that the incompetence of which I speak in this context, as far as I know, is not the incompetence of an individual. It is the incompetence of a team. It is the incompetence of the Government. Of course, as I had reason to remark last night, in some places unpleasant facts are beautifully passed over.

We are told that there was a substantial increase in tobacco duty. What was that increase? There was the auggestion of \$450,000 which was anticipated for the whole of the year. But still, what was this substantial increase? Substantial can be a very subjective word. To the pauper one dollar is substantial; to the millionaire one dollar may not be substantial. So we are entitled to know how far does the shortfall go. We must, however, admit that the Government confesses its manifold sins and wickedness, for in paragraph 16 it says:

"It is clear that the original import duty estimates as a whole were based on too optimistic a view of the speed of recovery from the local recession of 1958."

We must say they had admitted that, but it is one thing to admit one's fault and another thing to have either the intelligence or desire to learn from the mistakes of the past. And I do not see any evidence of this Government learning from the errors of 1959.

Mr. Speaker: I do not want to interrupt you. I only want to tell you that in another five minutes you may have to get someone to move another Motion for you to continue.

Mr. Burnham: I hope to do that. I propose to seek the wishes of the Council to continue my examination of the Budget.

And I wonder, at this stage, whether the absence from the Government of economists and statisticians, an absence to which I made reference way back in 1957, does not, in some way, explain the error which led them to be so optimistic over the speed of recovery from the 1958 recession.

There is a reference, here, to a 'temporary reduced spending and general cautiousness in the commercial world which followed the pattern of 1958.' But it would appear that by the time we reached the end of 1959, the proof of caution shown by the commercial world was justified. There is a peculiar thing towards the end of paragraph 16 of this Budget Statement. It reads:

"It must be remembered however that the collection will still be over a million dollars more than in 1958, and as regards the actual figures for 1958 and 1959, I think it is true to say that the picture has been somewhat distorted by the large amount of extra import duty received towards the end of 1958 as a result of accurate divinations of some of the increased duties which took effect from January, 1959."

That seems to me—if I am wrong I am prepared to stand corrected—that there was a Budget leakage at the end of 1958 and as a result of that the Budget for 1959 was affected, which was a serious thing for a Government. there was a Budget leakage, it would mean that the security measures—an admission by the Government—are not sufficiently stringent. Is it that the Executive Council Members are so dishonest to commit a breach of the Official Secrets Act by divulging Executive Council secrets to members of the public? For the Financial Secretary to stand up here and virtually admit that there was a Budget leakage—

The Financial Secretary rose —

Mr. Burnham: The hon. the Financial Secretary did not say so in so many words, but I am entitled, though my ability to interpret polysyllabics may be poor, to interpret what I read here; for you did not collect what you had hoped to because of acts of divination.

The Financial Secretary rose -

Mr. Burnham: Mr. Speaker, are we to assume that the men of the commercial world are obeah men?

Mr. Speaker: My interpretation is that your time is up.

Mr. Burnham: Thank you, Mr. Speaker.

Mr. Kendall: I beg to move that the speaker be allowed another half an hour.

Mr. Jackson: I beg to second the Motion.

Question put, and agreed to.

Mr. Burnham: I have already alluded to the fact, which appears in paragraph 18, that there was a shortfall of \$2 million on the estimate for Customs and Excise, and there was a very interesting observation made by the Financial Secretary in paragraph 19 in referring to his Budget Speech of 1959—

"I emphasized, however, during the course of the debate that my instinct was that the customs duty was over-estimated and the income tax revenue underestimated."

Every year that has happened. That is one of the things which lead me to say I doubt whether this Government is learning from its errors of the past. It is all right to under-estimate one Head and over-estimate another, and hope that the under-estimate would make up for the over-estimate, but I have a penchant for accuracy. I have a high admiration for ability, and I think that neither my penchant nor my admiration

used dice.

is satisfied by this recurrent error every year. You make a guess of Customs and your revenue from revenue but although Income Tax, both guesses are wrong, together they work out not so badly. But the art of guessing is not a pre-requisite for governing. From these guesses and hopes which we find besetting these Budget Speeches I am led to believe that those who are responsible for our fiscal and general policy would do better if they turned their skill to the poker table and

Appropriation Bill

Let me give the Government its due. There is a very sound suggestion in this Budget—the suggestion that we should give serious consideration to changing the financial year to some more appropriate period. I think that in certain instances and at certain points they do deserve a measure of praise, and this I willingly shower upon them so far as it pertains to the suggestion of a new financial year.

We note—at least so it is alleged that there was strict economy in expenditure during 1959, and as a result we made a saving on expenditure. But is that an appreciable amount? Is it really worthwhile mentioning? The mention of it in the circumstances which I shall examine, seems to suggest that the Government is seeking to pat itself on its shoulder wherever it possibly can. The saving under Public Debt was \$562,137 in an overall saving of \$776,899, but the saving under Public Debt was really a temporary one, as the amount has been transferred to this year's Estimate. But the picture that the Financial Secretary attempts to reveal is that there was a saving of \$776,899 in a Budget of \$47 million, when in fact it is a mere \$214,762.

We agree with the Government when, through its financial expert, it says:

"Taken as a whole 1959 must be regarded as a rather discouraging year from the Government revenue point of view, for total receipts will not have been very different from 1958."

We were told previously that we are merely at a standstill. In 1959 we were told that the figures proved that we were progressing. But I will continue quot-

"However, we had only budgeted for an increase of \$200,000, and from this point of view the result is reasonably satisfactory."

My comment is: poor consolation to the people of British Guiana.

There is not much that is really controversial or worthy of comment so far as the other section of the Budget Speech which deals with the General Revenue Balance is concerned, except that I look forward to hearing the Financial Secretary tell us what there is against Treasury bills for short-term borrowing for the day-to-day business of the Government—short-term borrowing which, in my humble opinion, Government would find enthusiastic support from the public who would have an opportunity to make a bit of profit very quickly and over a short period.

We come now to consider Government's proposals for expenditure in 1960. In paragraph 23 of his Budget Speech the Financial Secretary says:

"Honourable Members know by now that the Government's aim is to peg its recurrent expenditure where it can, in order that as much as possible can be applied to an investment programme which will strengthen the economy permanently as well as provide employment in the meantime. We have had perforce to strengthen this policy for the 1960 recurrent budget. It is obviously an inevitable concomitant to a large investment programme which is dependent to a high degree on borrowed money, that the annual debt service should increase. The rise of the Public Debt Head by \$1.4mn accounts for almost half the difference between the 1959 and the 1960 recurrent expenditure estimates. next largest increase is on the Education head which rises from about \$6.4mn in 1959 to over \$6.8mn in 1960."

Apologetically and sorrowfully we are told that the increased expenditure in 1960 as against that of 1959 is accounted

for by the rise in the Public Debt by \$1.4 million and a rise of \$.4 million under Education. There is no doubt that in the recurrent estimates there is an extra \$.4 million allocated to Education. There is no doubt also that this Government adopts a wrong attitude towards the spending of money on education. I have heard my hon. and learned Friend (Mr. Rai), speaking publicly at the Speech Day at Queen's College, and telling the public something to this effect—fortunately my friend writes his speeches; I do not share his good fortune—that so far as this Government is concerned it does not recognize the need for any extra expenditure on Education; that the emphasis is to put money into what may be called the productive sector of the country's economy. So that by inference and implication education is not productive so far as this Government is concerned.

The Minister of Community Development and Education (Mr. Rai): That is not correct. Unless my friend can bring some report of what I said to support such an inference, he is not entitled to draw such a conclusion.

Mr. Burnham: My friend is entitled to make a personal explanation. Are we to accept his *ipse dixit* that what I am saying is not correct? It is for the Speaker to decide, since the hon. Minister has not condescended to tell us what he did say. I am insisting that my conclusion was the only one that could be drawn, and it is borne out by the facts and figures contained not only in the Recurrent but also in the Development Estimates with respect to Education.

Mr. Speaker: Your inference may be either right or wrong.

Mr. Burnham: That is so, Mr. Speaker.

Mr. Rai: . . The premises are not right.

Mr. Burnham: I accuse this Government of propagating the fallacy that education is not productive, for while it spends millions of dollars on drainage and irrigation to grow rice under the Development Estimates, it spends about one-third of a million dollars, \$820,000. on Education. The old school of economists used to think that education was not productive because you could not sell it and make profit directly. But you can sell rice at a loss! In an underdeveloped country like this, in a country which at the moment is seeking constitutional advance, and quite rightly so; in a country that seeks to impress upon the world the fact of its nationhood; a country the leaders of which are clamouring for independence, are we going to neglect education? Who will run our industries? Who will run the Administration? One of the most productive sectors, I submit, is the sector of Education, and that cannot be overemphasized. I observe shaking of heads, but I see no increase of votes under the head Education.

Mr. Speaker: Time is going.

Mr. Burnham: During 1959 Government built no school—

Mr. Rai: That also is incorrect. I think the public and this Council are being given a wrong impression. Wrong statements are being attributed to the Government with no authority to back them up. The hon. Member does not support his statements with any document or report, and the public and the Council are being given a wrong impression.

Mr. Speaker: You will have an opportunity to correct that.

Mr. Burnham: Can the Minister of Education deny that not a single school was built by Government last year?

Mr. Rai: That statement is incorrect; schools were built last year.

have done this already.' But not a word. That is Government's attitude.

Mr. Burnham: Where are the schools? I know that the erection of six schools was started later in the year, and I know that a school was built at Strathcampbell, but it was not built by the Government. If the hon. Minister can give me a list of schools that were built, I will apologize immediately, I will do obeisance. What good has been this transfer to the Public Works Department of the building of schools? That they should start building in October?

Appropriation Bill

Mr. Speaker, this question of education runs further than building schools. Primary education is something towards which I think this Government has taken a parsimonious attitude. Schools are to be built. Teachers are to be trained. I hear schools are being built in 1960. I do not consider that they were being built in 1959. I hear teachers are being trained, but at what rate are these teachers being trained? Are they being trained at such a rate as to be able to take care of the loss? (The hon. Minister of Community Development and Education no doubt wants to speak twice, both from his chair and on his legs.) Secondary education: this is, in its broadest sense, and the sense which I am sure will find support from the hon. Minister, not merely secondary academic or classical education, but secondary technical and vocational. What plan have we for that?

I tabled in this Council over a year ago a Motion for an extensive scheme of training which would enable Guianese to take up all the higher posts in the administrative and technical branches of the Public Service. This Government should adumbrate a plan immediately to have Guianese trained to take over all administrative and technical posts in the higher brackets. I have not had the courtesy of having the Metion debated. At least, if you disagree with the Motion, come here and throw it out. If you have already implemented what I have said in the Motion, do me the courtesy of coming here and saying, 'You, the Member for Georgetown Central, are living in the past, for we

Cut the University vote. Spend a few more dollars on primary education, and pat yourselves on the back-"Because we have spent an extra \$400,000, we have done well." In public speeches you say that emphasis is laid on the developmental sector, the economic sector, the productive sector, and by implication you say that education is not a productive thing. You must have education to train your nationalists, unless you are going to depend upon people coming here, out of the largeness of their hearts. In Nigeria there was no far-sighted educational programme for training from top to bottom, and that country is going to be much more dependent upon administrative and technical staff from abroad than other territories which recently got their independence from the colonial yoke.

It is all right to talk about independence, to blow your trumpet about independence, but if it is going to be all right, you have to train intelligent, competent persons to take over. Ordinarily I would not have emphasized that so much, but it seems necessary in the present atmosphere.

Mr. Speaker, I submit that this Budget, the responsibility for which must be the Government's, the Majority Party's, expresses the Government's viewpoint. They have been in office since 1957, and they must have learned by now to see that the Financial Secretary does not recommend anything with which they do not agree. Therefore when the Financial Secretary comes here and says:

> "As Members know the Government has already agreed to pay a minimum wage of \$2.75 a day as against the former \$2.52 and to make adjustments in related daily and weekly wage rates and related 'B' and 'C' scales."

and goes on further to say,

"It is hoped to be able to make economies in most of the departments to accommodate this rise within the figures which are being presented to Members."

we must understand that he speaks for his Government, because it was only last night that we received the very gratifying information that their colleagues, all eight of them, got on well with each other. All eight of them, I would say, are brothers-in-arms for the suppression of workers in British Guiana. As I understand it from the newspapers here —and there was no denial by the Government—the minimum of \$2.75 per day was intended to be provisional. I remember that days before the dispute was settled Government did not want to put in that word. I would not say it was rascality; I would say that it arose from ignorance rather than rascality. I would prefer to put a more favourable construction upon it.

It is clear that the workers on the one side, through their representatives, accepted a minimum of \$2.75 on the condition that it would be discussed in Whitley Council and the other paraphernalia provided, but now I see Government has gone back upon its word, and does not mention "provisional" in its reference to this decision. There is no provision for any possible increases. The Government spokesman comes here and says that they have decided to give \$2.75 and no more. That is the Government that is pointing its finger at industry which is employing people at a minimum of \$3.12 a day.

Cries of "Not true!" and "Shame!"

Mr. Speaker: I rise again to attract Members' attention to the fact that the word "Shame" in the House is regarded as most unparliamentary. It was not my saying; it was recorded over and over, and I referred to it yesterday. I do hope Members will as far as possible desist from making remarks of the kind. I made an appeal at the beginning today because of something to which my attention was drawn and which I myself did not hear. I make another appeal to Members to let us maintain a high stand-

ard here and not resort to things which will descend to personalities or insults. I appeal to Members of this Council most earnestly, so that they all may maintain their good personal relationships.

Mr. Burnham: Mr. Speaker, I say it was publicly stated by the President of the Federation of Unions of Government Employees that the employees of sugar get \$3.12; the figure was not made up straight off like that, but taking into account the benefits which accrue to sugar workers it is calculated to amount to \$3.12. If I err, I err because of information put forward by the President of the F.U.G.E. It was not denied by anyone, neither by Government nor Sugar Producers. If I err, I prefer to err on the authority of the President of the F.U.G.E. rather than on the authority of those who know not and know not that they know not. I do not for one moment say that the figure of \$3.12, which I was told was the minimum, is a good or sufficient wage. I am not here to defend sugar.

I am here to make this point, that a Government, which never tires at pointing a finger at sugar and saying "you are exploiting people", is saying to its own workers, "\$2.75 and no more. On the waterfront \$3.36—

Mr. Benn: They are making profits.

Mr. Burnham: They are making profits, I hear, sotto voce. This is not a question whether you are making profit or not, but whether a man can live on that wage. I still recall that over the years, going back to the early fifties down to the last election campaign, members of the Majority Party were saying that the minimum wage of \$2.52 fixed in 1952 was seriously inadequate, and agreeing that \$4 should be the minimum. Those are the people who forget what they have said in the past and come here and say "\$2.75 and no more"; and then we are obliged to listen to some incoherent excuses and explanations from the hon. Member for Berbice River, who has turned spokesman for Government in this robbery of the workers.

Of course, some of the more sophisticated will put forward the argument that Government cannot afford it. Some of the more sophisticated will put forward the argument that if Government paid more than \$2.75 that it would cause the wage rates of other employers to go up. With respect to the first possible argument of the sophisticates—

Mr. Speaker: Time!

Mr. Kendall: I beg to move that the time be extended to the hon. Member for Central Georgetown by half an hour.

Mr. Campbell: I beg to second the Motion.

Question put, and agreed to.

Mr. Burnham: As I was saying: There are two possible arguments that may be put up against a higher minimum wage than \$2.75, which is only five cents more than that recommended by Mr. Gorsuch, which everyone considered inadequate. The two possible sensible arguments or apparently sensible arguments would be (1) that the Government cannot afford; and (2) that it would cause the wage rates in industries to rise.

But the first question to be decided would be whether or not, on the diet which had Government's authority and sanction prior to 1957, it is possible for a man, his wife and two children to live on \$2.75 per day? I am not here arguing their case because the trade unionists are their representatives; but the first answer must not be whether Government can afford. The first answer must be whether it is a decent wage. I do not know what the trade unionists are asking for, eventually, as their minimum. At least, I do not know as a legislator; and if, perchance, \$2.75 is insufficient, it is for Government to find ways and means of raising it.

However, I contend, with the extra amount of money in circulation at the disposal of the workers, if the minimum wage is to be carried up it would inspire a certain amount of spending. There would be, so to speak, a temporary or mild form of inflation, but for an economy like ours it is nothing wrong or nothing bad; and the services and commodities which will be purchased by the increased wages will, eventually, enure to the benefit of Government which collects the majority of revenue from imported duties. I cannot understand how the party that claims to be the working class party can come here and say 'we cannot afford.' That is the type of answer they would never have taken from the Interim Government. That is the type of answer which the Leader of the Majority Party told workers on the cricket ground not to accept. For it was in 1950 that that same party told the workers not to go back to work and encouraged the workers to threaten the physical well-being of their leaders.

There is no politics in this issue. It is a question of whether a man is entitled to a fair wage or not; and Government, I contend, must be the leader in this field to provide a decent wage for the people to live on. A minimum wage has been fixed by this Government in many industries, and unless my recollection is incorrect, there is not an industry in which they fixed as low as \$2.75 a day for workers.

Not only does Government mean to stick to \$2.75 a day. What is significant is that the Government does not even propose, as at present advised, to seek any supplementary votes because, says the hon. the Financial Secretary, "it is hoped to make economies in most of the departments to accommodate this rise"—that is the rise of \$2.75 which it is contended in many quarters as being insufficient. In other words, they say \$2.75 and \$2.75 only, no more. They go on further to say, even for that \$2.75 there are going to be economies. What does that mean? All it means is that there is

going to be retrenchment to accommodate the increase. Of course, Government has another answer coming up. The other answer which is sometimes given in reply to the workers' contention that \$2.75 is inadequate is that if more than \$2.75 were to be paid, other employers will have to pay much more or be forced out of business, and they cannot afford it.

As at present advised, there are very few big employers that pay as little as \$2.75 a day. Of course, there are employers who put on the envelope that you receive so much and you receive much less, as far as I understand; but I am talking about what they actually put in the envelope.

The workers, under this Budget, are in for a tough time. They are in for a terrible time. And what is more depressing is that those who have the power are those who have been dependent, in the past, on the workers' votes to get into power; but now they are in power they kick away the ladder, up the steps of which they climbed. If any other Government had done it—it would have been inhuman and immoral, but now that this Government has done it, it is difficult to find words in the dictionary properly to characterise Government's attitude.

But not only is the lonely worker faced with a gloomy future. What about the civil servants? We read in paragraph 24,

"That there are virtually no increases in establishment in the recurrent estimates thus continuing the process of stabilising the size of the Civil Service which has been going on now for several years."

Is that all we can hear or know of Government's attitude towards civil servants? In the past we have heard members of this Government saying, publicly, that the civil servants are instruments of imperialism; but we have heard now, the members of the Government paying tribute to the civil servants. It seems to be a New Year resolution.

There is, obviously, uncertainly in the Civil Service. There are talks of whether the leave passages are going to be taken away, etc. Cannot a decision be made which can be promulgated in this Council, or do we have to continue to hear of Government's attitude towards the civil servants over the radio or have to attend meetings at Windsor Forest on the West Coast of Demerara? The civil servants in this country, in the majority, are Guianese, and it is not sufficient for civil servants merely to render efficient service.

The civil servants, as I recognize in places like Jamaica and Trinidad, can be inspired to render more than efficient service. But how can you expect all this great efficiency, this great sacrifice, if the people's situation or position is uncertain? What have the civil servants of local origin to look forward to—creeping up to the top when their hairs begin to grow grey?

Back to the Motion which I tabled a year ago: What scheme is there, on the part of Government, that civil servants can, by training, qualify to hold the highest posts? When civil servants will have at their disposal, a planned training scheme that would qualify them in modern techniques, whether of administration or technology? It is my conviction that unless and until civil servants are made to understand that they are part of the community; that their interest is the Government's interest; and that there are new vistas opening to them, I am afraid that civil servants' efficiency would not be improved or increased. And if you do not have an enthusiastic and loyal Civil Service all your talk about independence, self-government or nationhood is mere sounding brass. Instead of telling us in this Budget Statement about economizing and stabilizing, let us hear what is your attitude on the important question of leave passages. Do not let us hear you going to Windsor Forest and saying that you are going to do this and that before you meet the representatives of civil servants.

Not only is there no dispensation for the Civil Service but there is also nothing to note with respect to Local Government; nothing is forecast in this Budget, by allocation of funds or otherwise, for the implementation of the Marshall Plan. I am not referring to the Sessional Paper which was circulated some months ago; I am talking about this Budget Statement of 24 pages which was read by the Financial Secretary. The Greater Georgetown Plan should have come into being long ago; the date is being changed from time to time. No legislation has been brought before this Council for the implementation of the Greater New Amsterdam Plan or for the Local Authorities which are to be set up under the Marshall Plan. All we have is the Valuation Bill which was passed long ago. Why is it? Is it that Government is no longer interested in what it has itself called a progressive plan? Is it that Government does not particularly want to implement the Greater Georgetown Plan before the General Election, because of certain psychological effects? Is it that Government is advised by incompetent legal advisers who cannot get out the necessary legislation? Is it that the draftsmen who were brought all the way from the United Kingdom are not drafting but doing something else? What is it?

Appropriation Bill

We should like to hear frankly from the Minister of Community Development and Education, because I know that he would tell us if there is inefficiency in certain places, and we shall join with him in castigating the inefficients. My contention is that nothing is foreshadowed, nothing is said. Even if they are inefficient and have not yet drafted the necessary legislation, why cannot provision be made to get the work done and, if necessary, ask for more money? This is one instance in which economy will not be sensible. To say the least, it would be criminal.

We are, of course, told about the revenue for 1960. That is an essential part of the Budget, but tell us something about the money to be raised, how it is going to be raised and where it is going to be raised. We understand that the

postal rates will go up-no quarrel with that. That does seem to be increased taxation, but there is no opposition to that from this side of the Table. But what concerns me somewhat is this statement with reference to the Post Office:

> "To meet part of the growing loss, the Government proposes to introduce certain increased postal charges, some of which could be well described as overdue. It is hoped to announce these shortly, but I may say that the most important one will be an increase in the internal letter rate from 4c. to 5c. which in itself, should produce additional revenue of \$60,000 in a full year."

I would like to have an explanation from the Financial Secretary why in January, 1960, he cannot tell us what the proposed increased rates are, and what they will fall on. Unless there is a very good technical reason, like international agreements or things like that, I say that the Financial Secretary has been unfair to this Council. But since I am not sure I shall merely mention that I require information on this particular subject. It would be unfair to blame him if he has a proper excuse and explanation.

Then we hear the hopefulness of the Government again as the Financial Secretary says:

"As I have already said, the revenue position in 1960 still does not appear too encouraging".

Towards the end of his statement he looks forward —

"The economic outlook for 1960 is brighter than retrospection to 1959 reveals.'

Let us examine the revenue he hopes to raise during 1960, and how it is going to be raised. The Financial Secretary says:

"As far as customs and excise duty is concerned, the import duty figure has been put slightly higher than the approved estimate for 1959 and \$1.3mn more than the likely receipts for 1959."

I am no economist, I am no statistician. I am a simple man with a modicum of

commonsense. In 1958 you overestimate customs and excise duty, in 1959 you over-estimate again, but for 1960 you hope, without increased prosperity, to obtain \$1.3 million more than the likely receipts for 1959. In other circumstances I would have accepted the estimate of this Government, but experience has proved that its estimates in this field cannot be relied upon, and are only rosy pictures painted in January which cannot be seen in December. I am sure that 8 per cent. increase is a reasonable estimate. Financial Secretary hopes for increased circulation of money in 1960, but what in this Budget indicates that things are going to be better in 1960? What uncertain policy is shown here?

There is some belated anxiety shown in the estimate of revenue to be obtained from rum which is \$300,000 less than the estimate for 1959 but \$100,000 more than the actual receipts in 1959. To wind up on Customs and Excise we hear that the estimate is \$24.7 million, which is about \$260,000 less than the original estimate for 1959, but \$1.7 million more than the actual receipts in 1959. This Government continues to live in the ethereal regions of faith, hope and charity. Year after year you under-estimate, but year after year you hope to get what you have not planned for.

Income tax, we are told, is more realistically estimated this year than it has been for a number of years, but may I observe here that for years one has heard disscusions about the P.A.Y.E. system. Year after year it is mentioned, and in the year 1960, after a number of years, we hear nothing about Government's plans to introduce P. A. Y. E. As I understand it, and subject to what the experts have to say — and some of them have spoken to me on the subject — the P. A. Y. E. system will make your collection of income tax more evenly divided over the year, and there-

fore there will not be the difficulty which is experienced at the moment. It has been pointed out by the Financial Secretary over and over again that there are difficulties sometimes about the middle of the year with respect to the day-to-day expenditure of the Government, because the Company tax comes in late and income tax also comes in late, because one does not pay until the end of the year, if at all. But if the P.A.Y.E. system were introduced income tax would be collected early, thus saving Government expenditure on short-term loans.

There is a discussion of the 1960 surplus by the Financial Secretary—

Mr. Jackson: I beg to move that the hon. Member for Georgetown Central's speaking time be extended by half an hour.

Mr. Speaker: The hon. Member has had two hours already. I do not know if we can extend the time further.

Mr. Kendall: I beg to second the Motion.

Mr. Benn: I beg to move an Amendment, that the time be extended by 10 minutes.

Mr. Rai: I wish to second the Amendment.

Mr. Speaker: I shall have to put the original Motion because, under Standing Order 35(2) a Motion for the extension of time should be passed without amendment. The question is, that the time be extended to provide the Member for Georgetown Central with half an hour more.

Question put, and agreed to.

Mr. Burnham: Mr. Speaker, in dealing with the estimated 1960 surplus the hon. the Financial Secretary has to rely on his estimates in fields like

imports, excise, telephone rents, and so on, and therefore I cannot quarrel with him and I cannot dispute his estimated surplus. I can only note that his failure to take fully into account, as he himself admits, "the minimum and related wage increases agreed in 1959" or "the effect of the revision of transport allowances to civil servants made late in 1959" leads him to believe that the 1960 surplus will be less than he expects.

That is a thing of the future; the future will be there to prove how inaccurate this Government has been once more in estimating its revenue and the surplus which it hopes to have. The Government has estimated \$3 million per year, and in 1960 we find that the allocation from the revenue surplus is much less than \$3 million.

In dealing with the Development Estimates (Paragraph 43) the Financial Secretary seems to have some fear as to whether or not the \$110 million originally proposed for the Programme over the five-year period will be raised. I shall not at this stage say his fears are justified — for fears they are — because as far as I can see, it is proposed to raise the greater part of that sum by borrowing internationally and locally, and it is hoped no doubt that the Colonial Development and Welfare Fund will come to assist in raising \$110 million.

It is true that the Development Programme for 1960-1964 was passed by this Council — nothing else was expected but that it would be passed. But I would like to know this: where is Professor Berrill's report, on which we understand this Programme is based? What is all this secrecy about this Berrill Report? No doubt we will hear from Government if it is worth anything, if it has been scrapped and if it will be published, but from certain information at my disposal, I understand that the Berrill Report is not worthy of the paper it is written on. But I would prefer to rely upon my own judgment. That is why I ask the Government to put the Report out, so that we can see it for ourselves.

The emphasis is placed on drainage and irrigation. If we were to be assured, either that we are certain of the markets or the prices for our rice, I would offer no criticism; or if drainage and irrigation were planned in addition to industries other than rice, I would have offered no criticism. If, indeed, Mr. Speaker, we had some evidence from the Government that it was really planning to do something for British Guiana as a whole, I would have offered no criticism.

— Budget Debate

May I return to the question of the absence of planning units in this country —and I believe this is the stage where I shall deal with it fully. Why can't the Financial Secretary, who will no doubt wind up this debate, tell us why? Why? Is it that the Elected Ministers believe that they can do without competent economists and statisticians? For what purpose do they travel to places like Jamaica, Puerto Rico and Surinam? To come back as empty as they went? Why is it that three years after this Government went into office we can hear nothing of planning units? What hope is there for the future generation? We have heard a homily about Communism. I am calling no one a Communist—I am not God to judge a man's heart now, or ever.

What I am saying is, instead of paying lip service to private investment, local and foreign, let us have a definitive attitude, let us have planning units, let us have proper research carried out, so we can advertise our wares as Jamaica, Surinam and Puerto Rico are able to do. As I said before, it is no sense sitting and waiting and hoping for people to come along.

Last year, in dealing with the revenue and public debt position, and the general revenue balance, the Financial Secretary in his Budget Speech criticized those who predicted that we would borrow more in 1959 than we would ever repay, and he went on to say:

"I do not know how seriously meant this was, not too seriously I imagine, but

it is the sort of humour which cannot possibly help in the quest, which is as difficult or more difficult even for us than for others."

I am reminded of the local saying, "If houri tell you trench bottom got plimpla, you must believe um." Here is the Financial Secretary, a close colleague of the Elected Ministers, saying that the raising of money outside is a very difficult thing, more difficult for us than for others. What conclusion must we be left with?

Without attempting to categorize the political persuasions of the Government, I would submit that they have run into this difficulty: they have no clear policy with respect to foreign investors; they have not made it clear by word, action or deed that investments will be perfectly safe; they have not made it clear that when concessions are granted they will not be taken back circuitously.

There is this investor who is now in Barbados with the wood factory. I am not saying he was acting logically when, because of the increase of the excise on Banks, he said he decided to go to Barbados instead of investing in British Guiana. I am not saying he was acting rationally, but I am saying his action, however irrational it may be is the type of action we sometimes find among people whom we are seeking here to help develop our country. There is no doubt that Government borrowing cannot develop this country. The Financial Secretary has said so and the Ministers have said so. Well, if you consider that, the best thing is to prepare the atmosphere to invite foreign investors. When I speak of encouraging foreign investors, I do not envisage circumstances where all the wealth will be placed at their disposal and the right given to them to take out all they want without leaving anything, or for them to pay the workers less than subsistence wages. There are other countries where workers did not get subsistence wages and investment benefited the countries. I have made reference to those countries already.

I must deplore the attitude of Government to housing. As far as I can see, \$5 million will be spent on housing over the next five years—I mean \$1 million per year over the next five years. I believe that the difficulty into which this Government has got itself with regard to housing is the difficulty which flows from the fallacy that housing is not a productive sector. We have it on the authority of Miss O'Loughlin who examined the economy of British Guiana — and we need not go to Miss O'Loughlin. It is obvious that if you spend money on housing you generate employment directly on housing; you generate employment on the materials which you need to get for the houses — you use local materials and local products. The furnishings on the houses also cause you to use up materials, either local or imported, and when you sell those houses to creditworthy persons you are increasing their savings. And if, furthermore, we were to do, in this country, what was suggested by the Secretary of State for the Colonies, that is, keep a revolving sum for housing, you will see that we will be able not only to provide social services in terms of 'freeness', but social services in terms of the fact that it is a social amenity houses for people to live in. We will be injecting capital into the economy and will be finding employment for people.

I might have put it rather ineptly or in a layman's way, but this is what Miss O'Loughlin says in the "Social and Economic Studies", Vol. 8 No. 1, March, 1959, in her study of "The Economy of British Guiana 1952-56", at page 83:

"Although housing loans are often considered as non-productive capital, they can, to some extent, contribute to the expansion of income. So long as there is a flow of credit-worthy applicants for housing loans, the fund will continue to revolve, employment in house-building and repair will at least be maintained, if not increased, and local saving will be stimulated. Thus in the first thirty years, if the fund revolves three times, the initial grant will have been matched by approximately twice as much of local saving. It is not entirely true that the capital resulting is non-productive, as apart from direct incomes being created by letting, 287

house ownership releases more of the personal income for other expenditure which may stimulate other local industries. The increase in land values arising out of expansion in building, moreover, may lead to concentrations of wealth and expansion of domestic saving."

I can do no more than to repeat and adopt the arguments in that particular paragraph; and I make the point, perhaps without quarrelling with the Government for the expenditure of \$5 million, overall. And I cannot, for the life of me, see why Government is going to use only approximately \$1 million a year. There are some persons who would say that there may be political reasons for not accelerating the housing programme. I am not, at the moment and from this place, prepared to say so. I mentioned it only to dismiss it. But what I am saying is this: That Government's allocation of that small amount per annum leads me to believe that they do not consider housing a productive sector, and they consider it merely a social service which has to be subsidized.

The general emphasis of this Development Programme is in the agricultural sector. Where is the plan for the towns, and where is the plan even for the villages? Yes, you will grow a lot of rice, but do not all the rice producers live in the villages? What happens to the decaying villages? But if I were to attempt to re-read Goldsmith on the "Deserted Village", I would not pay tribute to the Government for developing wealth because this Government is throwing money here and there for social and political motives. No industry for the villages; no plan to get an industrial area and see whether it is possible for Government to erect factories. If this Government were to get down to it; if this Government, instead of spending its time talking about confiscating small rice mills, or Land Bonds Bill —

The Minister of Natural Resources (Mr. Benn): Like Jamaica!

Mr. Burnham: My opposition to a particular section of the Land Bonds

Bill is well-known — the section which gives power to the Government to declare a land settlement scheme even if the greater part of the acreage is productively occupied. If this Government were to stop worrying about leasehold and freehold; if this Government were to get down to the business of governing; if this Government were to show that it is not made up of a number of pseudo-experts; if this Government were to allocate substantial sums for planning and research as was done in the Surinam Budget—in Surinam, I understand, it is 10 million guilders—if this Government would realize it is not a Government of part of the country but it is a Government of the whole of the country and that employment cannot be stimulated and the problem of unemployment cannot be solved unless there are more industries; if they would realize that no amount of money spent on drainage and irrigation in the rural areas would help the people in the township; if this Government were to learn its lesson from other under-developed countries now developing apace, I would say that this Government would be good for the country for, then, its word can be relied upon. Then and only then its word can be relied upon. There will be no question of ideological clearances or else.

Too often, from the other side of the Table, there has been the talk about co-operation, and the necessity for co-operation. As I understand it in the democratic system, the greatest measure of co-operation which an Opposition can give a Government is to criticize its programme or its absence of programme or policy. But I am afraid that those who 'yell' most for co-operation too frequently behave like *prima donnas* and too frequently interpret criticism as hostility.

This Government must understand that it does not know all and can never know all. I believe that that is one of its weaknesses—a combination of conceit and frivolity—and I would wish that the criticisms which we have made on this Budget may be understood. I wish they

may understand that we, on this side of the Table who have been born here, are interested in the progress of our country. We may have different ideas, but I would plead with this Government to tell me what are their ideas. What are their plans?

Appropriation Bill

May I, at the risk of being repetitious, just refer to rice once more. You lay all the emphasis on rice. There is a price stabilization fund for sugar. What have you done about a price stabilization fund for rice? It is unfair to the country. It is unfair to the rice growers. This Budget will be passed because it is a democratic practice that those who have the majority will carry what they want, but I do hope that this Government will learn from the errors of its past and do something which will enure to the benefit of the people of British Guiana.

Mr. Jai Narine Singh: This is a colonial Budget, because this is still a colony in which we are being directed from Great Britain how we should run the business of our country. The finances of our country over the past decade, except for two or three years, were in the hands of Guianese, but they are back in the hands of Great Britain. It is the development of this country that we are interested in. We have a Five-Year Development Programme of \$110 million —\$22 million a year—which is to be financed by borrowed money for which we have to provide \$11.8 million as interest and sinking fund charges, so that our Budget of \$50 million must provide for the payment of \$12 million out of the sum we will have for the development of this country. There was an interim period in which money was spent wildly with no intention of its providing any return with which to repay the loans obtained. We are called upon to repay a little less than \$20 million today in capital and interest charges on money which has gone down the drain.

Demands have been made for increased wages by workers employed by Government whose minimum wage has been increased from \$2.52 to \$2.75 per day which cannot keep body and soul together. In the present state of our civilization that is an accepted fact, but when compared with what sugar workers get—I am not here to defend sugar as others have done, like the hon. Member for Georgetown Central.

To a point of Mr. Burnham: correction! I never defended sugar. I stated categorically what I have learned from the President of the Federated Unions of Government Employees at a public meeting, and it was published in the Press—that the sugar workers' minimum wage was \$3.12 per day when you take into account all the benefits they receive. That is all I said.

Mr. Jai Narine Singh: I defy the Sugar Producers' Association to show me that sugar workers, or more than 25 per cent. of them, received \$15 per week in the month of December working in the fields, and that more than 10 per cent. of them received \$18 per week About 75 per cent. of sugar workers, when they are not cutting cane, earn between \$9 and \$10 per week. They are given two or three days' work per week. When it is said that sugar workers earn \$3.12 per day it may be for 12 hours' work per day.

I must join issue with the hon. Attorney-General when he says that the "Opposition" has not been keeping the Government on its toes. Between the hon. Member for Georgetown Central (Mr. Burnham) and myself we have between 28 and 30 Motions still waiting to be debated, and among them is one for the fixing of a minimum wage and an 8-hour day for sugar workers. The economy of this country must improve when workers are paid decent wages. In the U.S.A. the average worker gets \$2, \$3 and \$4 per hour, or between \$35 and \$40 (B.W.I.) per day. He has a car and a refrigerator in his home, and he can afford to send his son or daughter to a university. We are not in that fortunate position in this country. I have tabled a Motion recommending that the United Kingdom Government be asked to convert the loan of \$20 million into an outright grant to this Government, because the previous loan granted to this country was wasted by the Interim Government.

Appropriation Bill

It is something which should be considered by this Government which would be able to pay its workers better wages, but the workers themselves, whether they are unclassified civil servants or unskilled workers, must realize that this country belongs to them and they must pull their weight if it is to progress. There must be no "go slow" tactics which members of the public grouse about. Whether we borrow money from abroad or raise internal loans we must assume financial responsibility as an independent country and nation.

Much has been said in the matter of our agricultural development. There is a tremendous increase in the world population. In the Far East the rate of increase is 25 million a year; in British Guiana there has been an increase of between 3 and 3½ per cent. It is not only that the world is facing an increase of its population but that people are moving into the urban areas, and it is the responsibility of the Government of every country to take them into the areas where they can find employment. Consequently Government has a sacred responsibility to the community to develop the interior and other areas of the country which require drainage and irrigation. In countries in the Far East, like Siam, there are exactly the same problems which have been tackled by a co-operative system whereby agricultural workers and general workers are settled in areas on a 50-50 basis. Of the 50 per cent. of the urban population settled in those areas about 25 per cent. return to the urban areas, but some progress is still made in solving the unemployment problem.

I think this Government is still reaping benefits from the Interim Govern-

ment in carrying out drainage and irrigation schemes at Black Bush, Torani, Boerasirie and Tapacooma which were started long before it came into power. I see thousands of acres of land under bush awaiting the plough and human hands to make it produce. The Boerasirie scheme is completed but Government is still dilly-dallying about settling people on the land or giving them land. When the hon. Member for Eastern Demerara was Minister of Natural Resources he made trips to the Boerasirie Extension Scheme and saw land which Government said it was willing to give to the people.

We heard so much this afternoon about experts. We find that the sugar estate authorities have been able to use lands six miles aback, but the present Government is not willing to settle people on land two miles from the public road because it is said that the soil is pegasse and incapable of producing. Can it be said that the sugar people do not know what they are doing when they are producing sugar cane in three feet of pegasse soil at Uitvlugt? In the Pomeroon district we have coffee being grown on pegasse land. Where are the experts who are advising this Government? Why is Government not taking steps to settle people on the land?

I am concerned to see this country prosper, but it cannot get a move on unless there is some dynamic force driving it forward. The hon. Member for Georgetown Central laid stress on the emphasis being put on the production of rice. I have read that it is estimated that the world population will reach 30 billion by the end of the present century. It is such a fantastic figure that the entire world is amazed at the prospect, but in this country we have nothing to worry about so far as rice is concerned. Venezuela is willing to buy 25,000 tons of our padi at \$9.50 per bag.

But where are we? We are not producing. We are only talking in the negative, when we should be talking in

[Mr. Jai Narine Singh]

Let us be sure where we the positive. are going-every man, woman and child.

Appropriation Bill

I must criticize Government for its attitude to the Boerasirie scheme, which is in an area well known to me. I see there a tremendous amount of land owned not by Government but by peasant proprietors still waiting on Government for assistance to use it. Government has spent \$12,500,000. What is the use of that unless something is being produced? These people do not want Government to do everything for them. They are only hoping that Government will give them a helping hand and finance them through a period, so that they can produce crops like coffee and pineapple.

The experts have advised against settling people at the back of the Boerasirie project. If that is so, then some other practical steps should be taken to encourage farming communities. Experts coming here have often been unable to tell us exactly what should be done. One expert came here from the United Kingdom, and when he saw the beautiful fields of rice he said he thought they were a beautiful form of grass growing. In the technical sense rice belongs to the grass family, but this expert was not able to differentiate.

Mr. Speaker: Are you winding up?

Mr. Jai Narine Singh: No, Sir.

Mr. Speaker: I think we ought to adjourn, now. This sitting is now suspended until eight o'clock tonight. I shall be grateful if Members will endeavour to let us have a quorum punctually at eight.

APPROPRIATION BILL **BUDGET DEBATE**

RESUMPTION

Council, at 8 p.m., resumed the debate on the Financial Secretary's Motion for the Second Reading of the Bill intituled

"An Ordinance to appropriate the supplies granted in the current Session of the Legislative Council."

Mr. Jai Narine Singh: Mr. Speaker, in order to set the record straight, and in answer to the Attorney-General who said that the "Opposition" only wakes up at Budget time, I wish to remind Members that there are 13 Motions still standing in my name for the year 1959. These I have renewed in the year 1960, and for this new year I have already handed in two new Motions. I may also mention that I was so disgusted with what, the Government did with one of the Motions that I withdrew it. For the purpose of the record, I wish to read them, because the Attorney-General may not be familiar with them, and may be wondering-

Mr. Speaker: Do you propose to read all those Motions?

Mr. Jai Narine Singh: For the purpose of the record, and because the Attorney-General does not seem to be aware of them.

Mr. Speaker: I think it is sufficient for you to mention them, because they are on record already.

Mr. Jai Narine Singh: I wanted to charge them on his memory, in case he did not believe me. I would have Aone him a good turn on this occasion.

I shall now turn to rice. Experts who come to this country for a few mornings become great experts and Government is involved in a terrific way. That is what happened in this country during the time of the Interim Government. Every three or four days experts came, and we should have accomplished many things, but that is not the case.

A Member: Venezuela.

Mr. Jai Narine Singh: I am going to answer him.



Mr. Speaker: From my experience, these interventions do not help. They set Members off on a tangent and they prolong the debate.

Mr. Jai Narine Singh: The whole country was going to be supplied with electricity. I look at my copy of the Development Programme, and I do not see that rural electrification occupies an important place in it.

Mr. Benn: No money, no money.

Mr. Jai Narine Singh: I hear from the Government side shouts of "no money". It is important for us to remember that we may be able to have some things done by long-term planning, and assistance from countries like the United States, the United Kingdom and Venezuela. If we do not have the cash, then we have the credit-worthiness. But we are a Colony, and as such we are incapable of bargaining for ourselves. At international conferences it is Great Britain that represents British Guiana, and Britain's interests come first, second and last, and Guianese interests not at all.

In the next five years this country has to raise \$110 million from different sources for developmental purposes. If we were not controlled by Britain, could we raise it? I say we could raise not \$110 million but \$500 million. There is the International Monetary Fund, and the Inter-American Development Bank has been formed with the capital of American countries.

British Guiana is bigger in size, and its potentialities, natural and human resources are greater than many Western countries which are independent. India has become an independent nation with 15% or 16% of its people literate, Ghana with 20%, but in British Guiana it is 80%. The hon. Member for New Amsterdam feels that we must be taught for 150 years before we can run our affairs. He is a member of the People's National Congress and that is how he feels. I suppose every person is entitled to his own opinion. There may be conservatives, radicals and others, but there is always some goal at which a country aims in spite of politics. We must aim at becoming an independent nation and country. If there is a river you must cross, you must jump in. Why stand on the bank? Sink or swim, get in there! Ghana became an independent country, and Ghana does not owe one penny. From the latest reports \$600 million (U.S.) will be invested in Ghana.

Since her independence Ghana has been able to show the light in bettering the conditions of the people. Today every colonial country in Africa is struggling to become independent, because it is known that with such a status the standard of living can be raised.

While we are struggling for our independence there are those who sit around this horse-shoe Table and say that we are not yet mature for independence.

I want to touch on the Departments where legal matters are dealt with. It appears that Government has refused to accept the very legal advice of its Law Officers Department as to whether people should have more wages or not. If the Legal Department is not functioning properly, then Government should dismiss the persons concerned and place there competent people on whom Government can rely. It is a shame that Government does not believe in the advice tendered by the Legal Department. Thousands of people suffer because a certain section of the Government does not accept the advice given. It is a serious matter, and the Government should consider that once they go to the Legal Department and obtain advice, either they accept that advice or fire the staff, and whoever is responsible for their appointment relieved of that power.

It seems to me that the plight of people walking the streets barefoot, with no food in their homes, is very bad and

[MR. JAI NARINE SINGH]

297

Government should consider well its actions. The Attorney-General knows about this, and I think Ministers of the Government know about it too. I see the Attorney-General lifts his head and watches me. It is time that some attention be paid to these matters.

I go on to another little matter: the administration of justice as practised in British Guiana is in its most chaotic state. As I told the Chief Secretary, sooner or later magistrates will be giving their judgments under trees. If so, it might even be in better accommodation than they have now. I would ask Members to go and see the conditions under which the staff of the Magistrate's Court work; how they fall one upon the other, and I think it is time that Government should take a note of it.

We have cases lying in the judiciary for five, six, seven years. Witnesses die, and cases are not heard. That is not the proper way. I am not saying this is a recurrent problem.

The Attorney-General: If the Member makes allegations that cases have been unheard for five, six or seven years, it is a very serious matter. Perhaps he will wish to satisfy a number of people who will be most anxious about it by substantiating his case.

Mr. Jai Narine Singh: I am certain of what I say. A 1948 case is still on the list. This is a department with which I am conversant, and I am making the statement knowing the facts fully. If the Attorney-General wishes to know, I am sure the Registrar of the Supreme Court will tell him. There are six or seven hundred cases, but this is no reflection on the judges because they are doing their best to have them heard. I want to make it clear that there is no corruption. But it is impossible, in the circumstances, for justice to be done because justice delayed is justice denied. I think that is an old maxim. I have raised this matter now because I had raised it in the Finance Committee and it seemed to have fallen on deaf ears.

I wish to turn now to a knotty problem—the Medical Department. There is a serious matter which has taken place. at the Georgetown Hospital. There is a conflict of interest in the doctors and specialists in the carrying out of their work. There is a prescribed form on which the Minister of Labour, Health and Housing and the specialists have agreed; but this is what happens: A "Mrs. X" takes her daughter 15 or 16 years old to be treated. There are private patients who are also there for treatment. After waiting for 2½ hours this patient is told that she can be seen at the doctor's surgery after a certain time or, if she agrees, she can return in the evening. But the scorn and contempt with which this non-paying patient is treated, causes that patient to feel that she is unwanted, and there is where the difficulty lies.

Government has worked out a plan in which there is great conflict of interest. If they have to be paid specialist fees, I feel that all fees paid at the hospital should go to the Government. Certainly, charge those who can afford to pay, but let it go into Government's revenue and then we shall have things running in the way they should be run. I think every member of the "Opposition" somehow feels that all is not well in the Specialists' Department at the Georgetown Hospital because of the specialist fees the doctors are allowed to charge.

I have looked carefully into the Estimates for 1960; I have looked carefully into the Development Estimates, and I see we are lagging on this question of roads and communications. The hon. Minister knows my views on this question of roads. The obvious answer is that they have not got the money. But many countries have not got money. If the Elected Government has not got the authority, then they should seek it from Britain so that the people of British Guiana could benefit from having good roads.

If I have to go to New Amsterdam I think it over one hundred times. If I have to go to Trinidad, I am happy happy, not tired or bored, and my system is intact. I have no dislocation of the knee or arm, but when I think of going to Skeldon, I dread it. I have relatives on the Corentyne but I fear going to the Corentyne—and I have a good car.

Whilst I was in the United States of America I had the pleasure of travelling by road to Washington. I can tell you this: At so many miles we paid a toll. Who would not like to pay a toll in British Guiana if there were good roads? I feel that something similar should be done in British Guiana. If the Government has not got the finance or capacity to do it, then get some financing company abroad to do it. I do not know if the Mitchell Engineering Group can do it.

Last year the East Coast railway lost \$740,000 and the West Coast railway lost \$161,000—nearly \$1 million. If that is the position, is it not time for us to begin to take note of what is happening around us? If we are going to be an attraction for tourists: if the people of Georgetown would be occupied in some tourist business, we have to begin to think in these terms.

We have to begin to think of a deep harbour. When I was in the United States of America I consulted engineering scientists and after I told them of British Guiana's difficulty of this silting, they said: "Build your harbour out. Take your harbour eight miles out."

Another matter in which British Guiana is lagging behind places like Trinidad and Britain is in the handling of aircraft. B.W.I.A. have been given the monopoly to control the movement of passengers to and from British Guiana and that is a terrific hindrance to us. Trinidad, which is just next door to us, has a 'plane leaving every 10, 15 or 20 minutes. Why is not the same thing being done in British Guiana? Is it because the people in British Guiana are docile and peace-loving? What about the airport building? Trinidad has improved on its building, and when I was passing through New York I saw they had condemned the old building and had put up a new building. What has gone wrong with our people or country? Nothing is wrong with the people or the country. It is the management. It is the "overlords'. Certainly they direct their policy without showing their hands. When I spoke to the hon. Minister of Communications and Works I said, "We have a derelict building at the airport", and he said, "We'll use the old one" a building eaten by wood ants. That is the place we have. When I was in Panama they were removing mountains and preparing for the jet age. It is unfortunate! We want men of vision who are capable of thinking for their country; not just to think and forget.

This country has certain obvious difficulties which we must, sooner or later, overcome if we are going to become a great country; and this country certainly has greatness which awaits it. It has human and natural resources. Its agricultural and mineral resources are tremendous, it cannot be denied. My friend speaks of drainage and irrigation. When I was 10 years old I heard Mr. Eleazer, the legislator, speak of drainage and irrigation—that was since I was a boy—and I believe that would be the theme even when I am gone to the Great Beyond. There is no place in this world where man can live and strive unless he tills the land. In the United Kingdom 20 per cent. of the population live on the farms in a highly industrialized country. British Guiana cannot be an exception. We have not even started to industrialize our country and cannot think of divorcing ourselves from the land. Let us not be mistaken; our problems are simple compared with those of other countries. In other countries they have had to clear mountains; our fight against the ocean is nothing in comparison.

Agriculture is the mainstay of any country, and it must be that of British

[Mr. Jai Narine Singh]

Guiana. When I speak of agriculture I do not mean the primitive method which has been practised in this country for generations. In the U.S.A. agriculture is looked upon as a means of living which has finance behind it. There a farmer and his family with the aid of machines manage between 300 and 500 acres of land. He has three motor cars in his garage, and several refrigerators, and sends his children to the best universities. In British Guiana we think of a farmer as barefooted, with patched clothes and under-nourished. It is Government's responsibility to assist the farmers in this country, and to do so it will have to change its views and policies in some respects.

It is not only the policy of the present Government but an old British system of leasehold. The Majority Party has adopted that system which is not in the interest of the people of this country. We do not need \$50 million but hundreds of millions, but Government will have to provide conditions under which people would be able to pay for their lands. Fragmentation is not an insurmountable problem; legislation can be provided to control it. Egypt has had to adopt strong measures against fragmentation, and we can do the same if it becomes necessary.

There has been continuous agitation among civil servants and other Government employees for more pay. Rumours have been circulating that leave passage conditions are to be modified, but no statement has been made by the Financial Secretary or any Member of the Government on the subject. The result of the rumours has been a rush by Government officers for leave passages to the United Kingdom in 1958. The expenditure on leave passages was \$580,000 in 1958 as compared with \$225,000 in 1959 and estimated for this year—almost double the amount. There is a strong opinion that our civil servants are definitely going slow; that three men are doing one man's job. The sooner civil servants of this

country realize that they will some day have to assume responsibility for the running of this country the better for all concerned. It is time that even civil servants take note of their responsibilities. I feel that economy in the administration of the country is as important as economy in other departments. We heard the hon. Member for Georgetown Central remark about Government wishing to exercise economy. There is nothing wrong about that. The sugar producers have instituted a plan of economy in which bulldozers and draglines have taken the place of human hands, for where 50 men toiled a single dragline or bulldozer now operates.

— Budget Debate

If human hands are available they must be used to produce. One of the problems which this Government is not facing squarely is the problem of overpopulation in the urban areas. It is a problem not only in British Guiana but in the world—the flooding into the cities of the rural population. It is the duty of the Government to work out some plan by which these people can be provided with gainful employment. As I see it, the industrial development of this country within the next 5 or 10 years will not be sufficient to absorb the growth of the population of unemployed people. I am one of those who believe in organized production. Government must teach the people how to produce and when to produce. It is no use having agricultural officers and drainage and irrigation engineers passing through villages in cars. Men with technical knowledge must work with those with practical experience.

Mr. Speaker: You have only six minutes more.

Mr. Jai Narine Singh: I am very grateful to you, Sir. I feel that we should work out our own economic plan and forget what other countries can do or cannot do. The hon. Member for Georgetown Central said that Nigeria was not prepared when she was given her independence. I say that neither was India prepared. Russia imported

Americans, Germans, Englishmen and Frenchmen and paid them high salaries to teach her people. India did the same and Ghana is now doing the same thing. Nigeria will do it tomorrow. The International Co-operation Administration has sent several technicians to this country to assist in our development plans, but there is some conflict of opinions between the British and American experts, as a result of which the Americans twiddle their thumbs in disgust. This is not hearsay; it was told to me by at least two of the experts who were here. One was concerned with soil and the other with roads. I will not mention their names. They left British Guiana in disgust because their advice was not accepted, and their co-operation was not even sought. As a matter of fact they came with wonderful plans and a lot of money which they could not even spend in this poverty-stricken land of ours because of the lack of co-operation.

Mr. Speaker, I see that you are looking at your watch. I thank you for your indulgence.

The Minister of Community Development and Education (Mr. Rai): I do not propose to indulge in any sophistry or rhetoric in defence of the Budget. Both the Budget Speech and the Budget are excellent in themselves and commend themselves very readily to anyone who is familiar with Government financing. I think the Government ought to be congratulated for producing, by means of careful husbanding of its resources and by wise expenditure, a tax-free Budget.

I would like, however, to allay the fears and remove the misconceptions, as well as correct some of the statements of Members of this Council in respect of Departments which fall within my Ministry. In paragraph 23 of the Budget Speech, it is stated:

"It is most difficult to sustain the ever increasing cost of primary education much less the growing needs of secondary education. However, the Government sees no alternative to providing more money for primary education as the population continues to grow. It does make it difficult, however, to find additional money for increases in public expenditure for education at university level".

This statement seems to have caused real doubts in the minds of certain Members as to whether the Government is spending as much money as it ought to spend on university education, and I think this matter was first raised by the hon. Nominated Member, Mr. Tasker. I wish to assure Members that Government in planning its expenditure on education did so with regard to the Budget as a whole—Recurrent and Development. I can further assure them that Government will only be justified in spending more money on education as the needs of the community demand it.

First of all, it is the statutory obligation of Government to provide free primary education for the children of this country.

Secondly, Government is providing aid to secondary education where a few years ago none was forthcoming. In fact, this year Government is spending \$7 million on education—primary, secondary, and at university level—as part of the Recurrent Budget, and that is 15% of \$50 million.

This is a very poor country, and I would ask hon. Members who have not done so to go into the implications of an increase in the allocations to education at university level. On page 75 of the Recurrent Estimates it will be seen that \$510,000 is allocated for the upkeep of the University College of the West Indies. That shows that the Government has not broken faith with its obligations and its contribution has not decreased. There is a note to sub-head No. 11 at the bottom of the same page 75, which states:

"Contributions to the University College and Teaching Hospital including capital expenditure in respect of the proposed extension of the Teaching Hospital Provision for arrears contribution in 1959 Estimates deleted."

[MR. RAI]

That represents an amount which was provided for in 1959, and there is no decrease actually for 1960. In addition, there is our contribution of \$13,805 to the U.C.W.I. Exhibition Fund—British Guiana makes available every year two exhibitions, along with another for the Diploma in Education, tenable at the U.C.W.I. There is also the contribution to students at the Imperial College of Tropical Agriculture—\$5,760, and page 107 of the Recurrent Estimates also shows the amount of \$80,000 allocated for loans to University students. By means of this fund many students who would not otherwise have had the means to attend a university, either inside or outside the Commonwealth, are able to do so—apart from the opportunities offered by private business firms. Additionally, there appears in the Estimates some \$200,000 for scholarships and training schemes for persons in the Civil Service, to assist them to fill administrative and technical positions. It is with these figures that I seek to allay the fears of which I spoke.

Appropriation Bill

We cannot go on producing graduates for whose services there is no demand. These problems arise in underdeveloped countries. It has happened in India, where M.A.s and Ph.D.s were knocking on doors for jobs.

The sum of \$274,000 will also be there for aid to secondary schools, and over the next five years Government will be helping to equip laboratories at an annual cost of \$80,000.

I therefore cannot see any justification in the charges that Government is not showing an active interest in university education needs.

Of course, there has been very little comment on the vast increases which Government has been called upon to meet in respect of primary education. The Member for Georgetown Central observed that I said in effect that education was not a productive thing and I would not

attach any importance to education in the national scheme of things. I shall quote the relevant passage in my speech:

"I fully realise the importance of education as an indispensable element of national development—both human and our physical resources. I also realise the importance of education in creating a national personality and in enriching the lives of individuals. I would plead, however, for an understanding of the vast economic and other social problems facing the people and government of this country which make it incumbent upon us all, in assessing priorities with our limited resources, to have first regard to our physical and economic problems thus laying a secure base on which the educational and cultural superstructure of the state can be firmly built."

That is what I said, and I stand by it. It does not say that I do not attach importance to education or that I give it a subsidiary position in the life of this country. I was merely pointing out the vast problems facing the country and the fact that we must first agree to the physical solution of those problems. The term 'productive' was used in the economic sense—services productive of wealth.

Some mention has been made of the dual control of primary schools in this country. I wish to assure Members that there has been no change in the policy of the control of schools. Under the present system, recognized Denominational Bodies may, if they put up schools approved by Government, have a grant towards the payment of teachers' salaries. That system will continue for the time being. It has not been changed in the Education Code; the employment, payment, transfer, promotion, and termination of employment of teachers rest with Government bodies, subject to the approval of the Director of Education. This system has, however, outlived its usefulness and needs revision. At the moment I am having discussions with cepresentatives Denominational of Schools. I would not like to say more now since it is under discussion, except to say that it is in fact a system that is highly discriminatory.

On the question of Local Government, it seems as though my hon. Friend, the Member for Georgetown Central, since he has lost his Mayoral seat, has lost interest in the Marshall reforms. There is a provision in the Development Estimates for the continuation of the Local Government Re-organization section. There is also provision for the appointment of Valuation Officers under the Valuation Ordinance passed in this Council in 1959, so that his statement is entirely erroneous.

My hon. Friend also said that there were no schools built during 1959, in this country, and that if any schools had been built he would apologize for this statement. I do not see him in his seat, but I can assure you that four schools were built last year—St. Mary's Anglican at Goed Fortuin, West Bank, Demerara; Christianburg Church of Scotland, Demerara River; Waramuri Anglican, Moruca, North West District; and Strathcampbell Methodist, Mahaicony, East Coast, Demerara.

In addition to those schools, other buildings were put up as extensions to the following existing schools: Crabwood Creek C.M. School, Crabwood Creek, Corentyne, Berbice; Cumberland Methodist, Canje, Berbice; St. Paul's Anglican School. Zeelandia. Wakenaam: and Campbellville Government School, Campbellville, East Coast, Demerara. Here again we find my hon. Friend misleading the Council and giving the Council and the public wrong impressions.

There had been charges made by the hon. Member for New Amsterdam that Government has not voted enough moneys to provide more school accommodation. Under the Development Estimates the sum of \$500,000 would be spent yearly to provide school places and school buildings for children over the next five years. I do not think he had seen this when he made that statement. He has also criticized the Department of Public Works and the Department of Education in connection with the school-building programme.

The school-building programme, before last year, was the responsibility of the Department of Education, but during last year it was transferred to the Public Works Department for very good reasons. First of all, the Department of Education does not have a building section. It does not have any architects, any quantity surveyors or technical staff to supervise the building of these schools and that is why the building of schools has been transferred to the Public Works Department. The Public Works Department is also the department which is charged with supervising maintenance of Government buildings, and it is thought best that this department, being the central department, should be responsible for the building of schools and that there should be no duplication of its work.

I see that some Members are annoyed because no taxes would be levied this year. If taxes were to be levied Members would be annoyed and they would have had all sorts of things to say. But, as I said before, I think the Government ought to be congratulated because it could only have done this as a result of wise planning. Many Members had been critical of the Government about what it is doing and what it is going to do, but the Development Budget must be considered in conjunction with the Recurrent Budget.

The Development Budget, I can assure Members, will introduce a new decade in this country, a new spirit, and new blood; and Members must not only judge the activities of this Government merely on the Recurrent Budget. Government is not concerned with profits, as some Members say. Government is concerned with the welfare of the people of this country and not to make profits. That is the distinction between Government and private enterprise and that is one of the reasons why the railway is still being maintained by the Government. It is being run at a loss to employ people. Other services are actually subsidized by this Government. Government is not in

[Mr. Rai]

business; it has regard for the welfare of the people.

I have heard, here, that had there not been an increase in the excise duty on beer the revenue would not have fallen. The price of beer before the increase of excise duty was 25 cents per bottle; and I can assure hon. Members who are interested in the price of beer that they can get as much beer to drink as they wish at 24 cents per bottle. So I do not see that the increase in the excise duty on beer had anything to do with the fall in the revenue. We have proposed a national programme and we ask for national support. It is true we cannot make very much progress unless this country is free. We are working towards that freedom and in order to reach that freedom I would ask Members to support this Government in the plans put forward.

Mr. Saffee: I wish, first of all, to congratulate the hon. the Financial Secretary, like other Members, for having done a very excellent job in presenting the Budget for 1960. When one thinks of the time through which we are passing and of the strenuous events that face British Guiana, one feels that he has done a very, very good job. If we are to look at some of the figures in our recurrent budget we would readily see how difficult it is to plan a budget for British Guiana at this time May I quote from the Estimates?

If you look at the Head, Education, you will see that provision is made for the sum of \$6,840,985. That is a very enormous figure when taking into consideration the economies of British Guiana and the sources from which it gets its revenue. When you look under the Head, Medical, you will see that the sum of \$6,008,803 is provided for the Medical Department. If you look at Pensions and Gratuities you will see that \$2,118,073 is provided under that Head. If you look at Police you will see that \$3,482,473 is provided under that Head.

If you look at Public Debt you will see that \$6,133,400 is provided under that Head. In 1958, the provision under that Head was \$3,973,105. In 1960, it is \$6,133,400. Under the Head, Social Assistance, \$1,860,426 is provided. Under the Head, Transport and Harbours, \$1,800,000 is provided.

My hon. Colleague just mentioned that we are partly subsidizing the Transport and Harbours Department to the tune of \$1,800,000 so as not to put people out of employment. If you look at those Heads to which I have referred you can readily see that they absorb a great part of our revenue, for a country like this, and I think, under the circumstances, nothing better can be done to improve the possibilities here. If you look at the revenue side, you will see under Customs and Excise—import duties—that \$18.12 million is estimated; excise duty on rum is estimated at \$4.6 million; and income tax at \$16.5 mil-These are the three biggest sources of revenue-earning. It is a known fact that this country depends, substantially, on income from certain sources as sugar, rice and bauxite. the circumstances I think the Financial Secretary has done his best to present a Budget in which he hopes to save a little over one million dollars in 1960.

I would like to comment on some of the statements made by the hon. Member for Georgetown Central. He tried to persuade this Council that the money earmarked for drainage and irrigation is intended for the cultivation of rice on land drained and irrigated. I think he is mistaken there, for reference to the Development Budget will show that there is provision not only for rice but for the cultivation of other crops, such as cocoa, coffee, coconuts, etc. The hon. Member suggested that too much money was being spent on drainage and irrigation, but out of the sum of \$24,679,718 allocated to the Development Programme it is only proposed to spend \$7 million on drainage and irrigation.

312

The hon. Member also said that the planning was bad; that Government is blundering and is inefficient. I am sorry he is not in his seat, but I would like to remind him that this new Fiveyear Development Programme was planned by an economic expert who came here some time ago, and I think the programme for 1960 is based on his recommendations. In other words the hon. Member was telling this Council that the economic expert did not know what he was doing, and that he was incapable of advising this Government. 1 do not know where we should seek advice. During the Budget debate last year there was a suggestion that we should get an economic expert to do our planning. Government has done that, but today we are told that the Government's plan is no good, and that it is incapable of carrying out its plan. hon. Member also said that Government is planning to produce more rice without any certainty of being able to sell it. On the other hand the hon. Member for Georgetown South said that we are not producing sufficient rice because there is an abundant market for rice in other countries. I do not know who is right.

Appropriation Bill

The hon. Member for Demerara River, who is not here tonight, said that this country is saddled with an enormous public debt at the moment. I would like to quote what the Financial Secretary said on the subject on page 11 of his Budget Speech:

> "The public debt at the end of 1959 is therefore \$89.9 million, less a small amount of capital repayment in the annuities for the Exchequer Loan, towards which we shall have sinking funds of about \$11.8 million.

My friend suggested that our indebtedness has reached a very alarming figure, but I do not share his anxiety. I agree that our public debt is mounting rapidly, and that there does not seem to be any great prospect of creating a greater sinking fund for its liquidation, but I would like to remind this Council that a great lot of loan funds was spent during the period of the Interim Govern-

ment, and a great deal of that money was squandered, with the result that we are saddled with this tremendous debt today. Had that money been properly utilized during that period I am certain that there would have been a substantial increase in our revenue, and we would have been able to provide more employment for the unemployed. The hon. Member missed that point. He did not mention that, but I would like to remind the Council that that is a fact.

I agree that our public debt is mounting rapidly, but I would like to invite the hon. Member, who is not here, and other Members on the other side of the Table, to let us join hands together and ask the British Government to provide us with loans at a cheaper rate of interest. Are those Members willing to join hands with Members of the Majority Party in the interest of our country? That is the challenge. I know that many of them babble and talk quite a lot, but when the time comes for action they backslide. Let us send a joint delegation to the United Kingdom to appeal to the British Government to view our financial position seriously and to grant us loans at a cheaper rate of interest. That is a suggestion which every sincere and honest member of our community should not fail to accept.

My friend went on to say that Government had committed many sins, and I think one of those sins is that it had failed to propose additional taxation for 1960. He said it was done deliberately, because Members of the Government are thinking of the General Election in 1961. It is the duty and the responsibility of any Government to impose taxation whenever necessary, and to decide what to tax and when to tax. This year Government does not propose any increased taxation, yet we hear some Members saying that Government has committed a sin. Apparently it is a sin to tax and a sin not to tax. It is easy to criticize and to find fault. Our economy is so frail and so dependent upon a few sources of revenue that our Finan[Mr. SAFFEE]

cial Secretary must have had a hard time making two ends meet.

The hon. Nominated Member, Mr. Tasker, remarked that due to a lack of proper administration and supervision in some Government Departments there was bad relationship with the public. I wish to endorse what he said, but I am sorry he did not say at what time those relations were adversely affected. I take it that it was long before the Majority Party came into office. I can say that the Majority Party has explored every possibility of improving these relationships. While it has been doing so, there have been other elements trying to destroy the good work. That is a very sad affair for this country. Some of us pretend to be patriotic by words and not deeds. In his New Year Message the Leader of the Majority Party asked the Guianese public, including the civil servants, to join hands in an effort to move out of the difficult period in which we find ourselves.

I think there is a challenge facing the trade union leaders of this country. They owe a responsibility to the community, and they should display a responsible attitude in this matter of improving the relationship between the Administration and the public.

The Member for Georgetown North said that the Government was the only employer to experience a strike of employees during the past three years but he did not say that he was one of the prominent figures who, as an advocate of the strike, played a very important part in it. There is dissatisfaction in every branch of the public service, I agree. Those who are employed are dissatisfied, those who are under-employed are dissatisfied, and those who are unemployed are dissatisfied. What is the cause of this dissatisfaction? Mainly it is that men and women need jobs. Whose fault is it? The fault of the present Government? It is not, Sir.

Unfortunately, some of our friends on the other side want to crucify us for such circumstances, and for the wrongs and misdeeds of others. The Majority Party is doing its best to improve the situation.

The hon. Nominated Member, Mr. Fredericks, said that Government had not done enough to create a climate that would attract the investment of capital. I would say that Government has done everything possible to attract the investment of capital, but while the Government was doing so, the "Opposition" and our daily newspapers were doing everything possible to destroy those efforts. The charges they make are unfair, unjust and unreasonable. I hope they will realize very soon that the more responsible and patriotic they behave, the better it will be for all Guianese.

I will touch on one point raised by the hon. Member for Eastern Demerara. His amazing statement was that if one word were mentioned, capital would flow into British Guiana. There are people all over the world with different ideological convictions, and all the great statesmen realize that it is not possible to destroy one another's ideologies. The Russians realize that they cannot destroy the ideology of the Americans, and vice versa. But today we see these people, in spite of their differing ideologies, trying to come closer and closer together.

The people of British Guiana will decide what type of Government they want and also what kind of economic system they want. Some people say, "I am not a Minister", but some people's ideas are outdated. With those few words I would like to conclude, and add that it is with very great hopes that British Guiana faces a very prosperous 1960.

Mr. Benn: In listening to the debate on this 1960 Budget, I was very pleased over a statement and an incident. Firstly, that the hon. Member for Georgetown Central had for the first time at-

tempted to study a Budget presented in this Council. Secondly, the statement by the hon. Member for Georgetown South, at the beginning of his speech, "this is a Colony". When one listens to the fulminations of certain Members on the opposite side of this Table, one wonders how patriotic they are, and whether they realize that British Guiana still is a Colony.

Appropriation Bill

We have heard statements in this Council that Government had some ulterior motive in presenting a Budget without taxation. The hon. Member for Georgetown North, I believe, suggested that it shows Government's lack of imagination, that it was safe to conclude that the Government had failed to demonstrate. its ability to govern. The hon. Member for Demerara River regarded it as political stunting with an eye on the next General Elections, and now we are in this dilemma. We had considerable noises, speeches and parades last year because taxation was proposed. that no taxation has been proposed, it has been done because of ulterior motives. That statement reminds me of a parable of some little children sitting in the marketplace which said: 'We moaned at you and you did not weep; we piped onto you and you did not dance.' I think the person who related that parable ended by saying: 'but wisdom is justified of all her works.' think that Government's confidence in this Budget and the beginning, this year, of the new Development Programme will go a far way, inspite of the statements of certain Members, in improving the lot of every person living in this country.

We have heard reference made to the fact that Government had not, in the Budget, made arrangements for an increase or possible increase in the salaries and wages of certain Government employees. We have heard suggestions that Government was a bad employer and that Government was paying worse than the Demerara Bauxite Company. One person was so ridiculous as to suggest, worse than the sugar industry: but as the hon. Minister of Community Development and Education said, Government is not in business in the sense that it is not run for profit. Government runs certain services for the benefit of the people. It subsidizes the Milk Pasteurisation Plant at a loss.

I am sorry that the hon. Member for Eastern Demerara, the businessman, is not here to be told that since I have taken over the Ministry both the Milk Pasteurisation Plant and the Bacon Factory have reduced their losses. We have heard the hon. Member say: 'if you are not a businessman you will starve'; and have heard Government being compared with the bauxite and sugar industries. I am no economist, but I know that bauxite makes a higher profit than sugar and needs more technical staff, and bauxite should be able to pay sufficient wages to keep its employees alive. So I do not see how Members can suggest that Government can be associated with the bauxite industry in the payment of salaries. But the question is: Have those Members who are shouting about increases of wages of the workers suddenly awakened to the fact that Government employees are being paid lower wages than the bauxite company? The hon. Nominated Member, Mr. Tello, was a member of the Interim Government.

Mr. Tello: Actually, what I said was that, fortunately, private enterprise has no intention of freezing wages and it was demonstrated by the negotiations just completed between the bauxite company and the union concerned; and likewise, the sugar producers entered into a progressive agreement with the union catering for the employees in the sugar industry.

Mr. Benn: The hon. Nominated Member, Mr. Tello, is not the only Member who had spoken in this strain. I said that the hon. Member was a member of the Interim Government when the wages being paid to Govern-

[Mr. Benn]

317

ment employees were lower than the bauxite company. Why did he not get up then and demand that Government pay wages similar to the wages paid by the Demerara Bauxite Company? Every year they are increasing wages at the Demerara Bauxite Company. Every year these things are put in the newspapers. Have they suddenly awakened to the fact that Government employees are being paid lower wages than the bauxite company's?

One hon. Member speaking about wage freezing referred to George Meany. He is it who said that there is no such thing as proletariat in the United States of America. What a leader! One or two hon. Members who are associated with the trade union movement mentioned the sugar industry and seemed to suggest that even the sugar industry was better than Government. One hon. Member said that it was not the intention of the trade unions to consistently fight the employers. How can we expect that? Do we expect them to bite the hand that feeds them? It is public knowledge that many of the trade unions were subsidized to carry out certain demonstrations last year. It is public knowledge that certain trade unionists drew money from big business to go gallivanting around the world. How can they ever attack those from whom they get aid? We do not expect it. But the workers of this country have awakened to these facts. It is true that some of them hold the sway today, but the time will come when the axe will be put at the root of this irresponsible tree.

Before going to the other aspects of the hon. Member's speech I should like to refer to one or two statements which suggested that the whole picture in British Guiana is gloomy; that Government is doing nothing at all with regard to employment; that there is crime — terrible crime — in this country (somebody mentioned jail); and that the Heavens were falling. One hon. Member, who did not take the trouble

to speak on the Development Programme, had the temerity to say that the Government did not have a plan, but if the hon. Member did not read the Programme then, he has now started to do some reading.

- Budget Debate

What is the position with regard to the progress of Government over the past year? Let us look at the things and see (1) if there is no improvement done to the land; and (2) if Government has not made any effort to improve the unemployment situation. I was looking at the agricultural production, and although the figures have been given which showed that sugar has suffered in production during last year, it is true that rice, which one or two Members referred to in a very derogatory manner, has increased in production to the highest level in the history of the country — 105,000 tons; that milk production expanded and that purchases at the Pasteurisation Plant were the highest in its history, although losses went down amounting to \$480,000. Also, as a result of the activities in fisheries very many people have got employment and the exports of fisheries increased from \$1,500 in 1958 to nearly \$500,000 in 1959. People had to work to get these things exported. There had to be some activity. But, of course, nothing has been done!

Beef-by-air rose about 100,000 pounds over the previous year. What about the new exports of plantains to Trinidad, thus providing a market for the produce of many of our farmers. The amount of plantains exported to Trinidad was 1,050 pounds in 1959. But then, the Government has not been marking time in agricultural development? Over 300 new acres of cocoa were put under cultivation and the Department of Agriculture has distributed sufficient cocoa seedlings to plant 1,000 acres in 1960. Everyone knows British Guiana's position with regard to Fryol at this time. One or two Members have suggested that there is little diversification.

319

ADJOURNMENT
Mr. Speaker: Perhaps this may
be a convenient time to adjourn. I did not wish to interrupt the hon. Minister —

Mr. Tello: I crave Your Honour's special indulgence to mention a matter. Council is adjourned until 2 p.m. tomorrow. Coun-