

LEGISLATIVE COUNCIL

(Constituted under the British Guiana
(Constitution) (Temporary Provisions)
Order in Council, 1953)

THURSDAY, 27TH MAY, 1954.

The Council met at 2 p.m., His Honour the Speaker, Sir Eustace Woolford, O.B.E., Q.C., in the Chair.

PRESENT :

His Honour the Speaker, Sir Eustace Gordon Woolford, O.B.E., Q.C.

Ex-Officio Members:—

The Hon. the Chief Secretary, Mr. John Gutch, C.M.G., O.B.E.

The hon. the Attorney-General, Mr. G. M. Farnum (Acting).

The Hon. the Financial Secretary, Mr. W. O. Fraser, O.B.E.

Nominated Members of Executive Council:—

The Hon. Sir Frank McDavid, C.M.G., C.B.E. (Member for Agriculture, Forests, Lands and Mines).

The Hon. P. A. Cummings (Member for Labour, Health and Housing).

The Hon. W. O. R. Kendall (Member for Communications and Works).

The Hon. G. A. C. Farnum, O.B.E. (Member for Local Government, Social Welfare and Co-operative Development).

The Hon. R. B. Gajraj.

The Hon. R. C. Tello.

Nominated Officials:—

Mr. W. T. Lord, I.S.O.

Mr. J. I. Ramphal.

Nominated Unofficials:—

Mr. T. Lee

Mr. W. A. Phang.

Mr. W. A. Macnie, C.M.G., O.B.E.

Mr. C. A. Carter.

Mr. E. F. Correia.

Rev. D. C. J. Bobb.

Mr. H. Rahaman.

Miss Gertrude H. Collins.

Dr. H. A. Fraser.

Lt. Col. E. J. Haywood, M.B.E., T.D.

Mr. R. B. Jailal.

Mr. Sugrim Singh.

Clerk of the Legislature—

Mr. I. Crum Ewing.

Assistant Clerk of the Legislature—

Mr. I. R. King.

Absent:—

The Hon. G. H. Smellie—on leave.

Mr. W. J. Raatgever, C.B.E.
(Deputy Speaker)—Indisposed.

Mr. L. A. Luckhoo, Q.C.—on leave.

Mrs. Esther E. Dey—Indisposed.

The Speaker read prayers.

MINUTES

Mr. Speaker: There is an omission in the Minutes which should have been incorporated in them and I would ask Members for an opportunity to have this done.

Confirmation of the Minutes of the Meeting of the Council of Friday, 21st May, 1954, deferred.

ANNOUNCEMENTS

LEAVE OF ABSENCE

Mr. Speaker: Mr. Raatgever is indisposed and asks to be excused from this meeting, and I have just received a memorandum from Mr. Luckhoo who is engaged at an important meeting of the Georgetown Town Council and cannot be present. I have also received an excuse for absence from Mrs. Dey who met with a rather painful accident at her home and sustained a fracture of some kind. I am sure we are all sorry to learn of her indisposition. The hon. Mr. Smellie has applied for leave from the 22nd May to the 1st June to attend a Conference at the University College of the West Indies in Jamaica. These are all the excuses for absence.

REPORTS AND DOCUMENTS

The following documents were laid on the table:—

The Report of the Administrators of the Patoir Trust Fund for the year 1953 together with the Director of Audit's certificate and report thereon.—(**The Attorney-General.**)

The Annual Report and Statement of Accounts of the Demerara Electric Company, Limited, for the year ended December 31, 1953.—(**The Financial Secretary**)

Order in Council No. 28 of 1954 made by the Governor in Council under Section 16(2) of the Post and Telegraph Ordinance, as amended by Section 2 of the Post and Telegraph (Amendment) Ordinance, 1945, (No. 7 of 1945), on the 3rd May, 1954.—(**The Member for Communications and Works.**)

Sessional Paper No. 6/1954 on Housing under the Development Programme.—(**The Member for Labour, Health and Housing.**)

Mr. Cummings (Member for Labour, Health and Housing): With your permission, Sir, I feel I ought to place on record the sincere appreciation of Government for the assistance given us by the Housing Adviser in the preparation of this programme.

GOVERNMENT NOTICES

INTRODUCTION OF BILL

The Attorney-General (Mr. Farnum, acting) gave notice of the introduction and first reading of the following Bill intitled—

“An Ordinance further to amend the Supreme Court of Judicature Ordinance to vary the procedure relating to the publication of Draft Rules of Court”.

UNOFFICIAL NOTICES

DYNAMITING OF QUEEN VICTORIA STATUE

Mr. Bobb: I desire to give notice of motion and also of my intention to move the suspension of the Standing Orders, permission for which has been already obtained from His Excellency the Governor, in order to proceed with that motion today.

Mr. Speaker: I would be glad if the hon. Member would read his motion. I do not know if hon. Members have copies of it.

Mr. Bobb: I shall read it.

The Chief Secretary: I ask that the motion be now read.

Mr. Speaker: Would the hon. Member mind reading the text of the motion now?

Mr. Bobb: The motion reads:

Whereas there is sufficient evidence that some person or persons had designed to destroy the treasured statue of the late Queen Victoria;

And whereas for the past sixty years this statue has been for the people of this country an outstanding monument to their gratitude and affection for a sovereign whose exemplary life and rule have commanded the spontaneous admiration of people everywhere;

And whereas the people of this country have particularly valued this token inasmuch as it was during the reign of the late Queen and by means of her active participation far-reaching humanitarian Acts of Parliament have been passed, including the abolition of slavery which brought freedom to the fore-fathers of a major section of the population of this country;

Be it resolved:

That this Honourable Council places on record its unqualified disapproval of, and profound regret at, the partial destruction of this statue, and urges that vigorous steps be taken to bring to justice the perpetrators of this shameful deed;

And be it further resolved:

That the restoration of the statue be undertaken without delay at public expense.

Question put, and agreed to.

Relevant Standing Orders suspended.

Mr. Bobb: I beg, formally, to move the motion I have just read.

Mr. Sugrim Singh: I beg to second the motion moved by my hon. friend.

Mr. Speaker: Would the hon. Mover like to speak on the motion?

Mr. Bobb: I should like to do so, Sir.

Mr. Speaker: The hon. Member may do so.

Mr. Bobb: Everyone must, I think, feel a deep sense of regret that a motion of this nature has to be brought before this honourable Council. I daresay, one should speak of a motion like this even with a sense of shame, in that the fair name of British Guiana should be sullied by a deed of this nature. It may be a long time before the perpetrators of this foul act are known as the motion suggests, but it is hoped that very soon the arm of the law will catch up with the person or persons at whose feet the guilt ought to be laid. Nevertheless, one cannot help feeling that utter shame, especially at a time like this when the whole country is so anxious to move forward—when we are hoping for a better day and many are working assiduously towards it. I repeat that one cannot but feel a sense of utter shame that something of this kind should come upon the fair pages of Guiana's history.

It would appear, Sir, that we have been, for some time now, losing a great deal of our moral sense. In some respects, there has been a steady decline of integrity, of a sense of fair-play and of respect for others and, as this act has shown, of respect for the things that other people cherish dearly. I cannot think that there would be a single person in this country today whose memory is long enough to recall the stories told in the good old days, of those awful experiences that had been gone through by the forefathers of the Negro people, and of the sacrifices that were made by people of different races in order to put to an end

[Mr. Bobb]

what Queen Victoria succeeded in putting to an end by one Act of Parliament. When one thinks of the far-reaching influence of that Act of Parliament, I feel that there is no sentiment in saying — and I shudder to think it—that there should be in this country such a revulsion of good feeling and good sense, that people should want to shatter to bits a monument of that kind — a statue that was in every respect worthy of our admiration, since it served to remind us of everything that the late Queen Victoria stood for.

I do not think it is necessary for me to use many words in order to convey the deep sense of feeling with which this hon. Council and many people outside it, regard this occasion. I do desire to express the hope that this incident is going to be for all of us in this country a pointer stressing the need for a real stock-taking and an urgent application of all that is good and proper, in order to save this country from the worse that may come. I would have thought that many acts would have been possible for people to attempt—acts which may have been inspired by ill-will and done in the rush of temper—but I never dreamt that perhaps the most outstanding monument in this country would have been the object of such ill-will and vandalism as we have witnessed today.

In expressing my own feeling, as well as the feeling of the Member who has kindly consented to second this motion, I do say—bearing in mind that one section of this population has reason to feel very aggrieved over this act—this foul deed and the shame which it has entailed must be shared by everyone, and I trust, Sir, that it would not be long now before we see that very statue restored to its original dignity and

beauty, and regain once more the place of distinction and honour which it once held in this community. (Applause).

Mr. Sugrim Singh: In seconding the motion so ably moved by my hon. Friend, I wish, first of all, to endorse the remarks made by him and to reiterate—and I say reiterate with all the vehemence at my command—that this shameful act—the destruction of the statue of Queen Victoria the Good—will long remain a dark spot in the history and political evolution of this country. I do not, Sir, share the view that this is the act of a stupid, reactionary group. On the contrary, Sir, I am of the unshaken belief that it was a planned attack by a dissatisfied group of people who are prepared to resort to acts of vandalism and hooliganism, perhaps, to carry out their objective. You will remember, Sir, that at almost the same time that this statue was destroyed in Georgetown, half of the statue which stands in the compound of the Colony House, New Amsterdam, was painted red. That happened about the same time—approximately 69 miles away.

Sir, we must bear in mind also that it was only a week ago my hon. Friend, Mr. Raatgever, quite appropriately tabled a motion taking exception to a statement made by the Chief Minister of Jamaica that the people in this Colony were anti-British. Recollecting these different things, Sir, I am wedded to the conviction that this act is a patent demonstration to overthrow the sentiments of this Council when it endorsed Mr. Raatgever's motion that there were people in British Guiana who were not anti-British. But, Sir, I want to say this in spite of how bitter we feel at the moment. I am also convinced that within this *peaceful* Col-

ony of ours, if there are people who are anti-British, they are very small and in a very small minority. And, Sir, I shall, if I may, through this Council, say to these same reactionary and misinformed people, that the Constitution of any country is always a growth and not a creation.

I think most Members will agree with me—it came out in the debates in Parliament—that we are, politically speaking, a young country. As such, we have to make our mistakes, we have our faults; but I do say that whatever those mistakes and whatever those faults, let us try to study and remedy them from within our own resources rather than resort to a foreign country and implement its ideology—which can bring us no good.

I wish with your permission, Sir, to read from a report of what Mr. Lyttelton said in the House of Commons on November 14, 1951 and which embodies the view of the Colonial Office with respect to the political advancement of Colonial peoples:

“Certain broad lines of policy are accepted by all sections of the House as being above party politics. These have been clearly stated by my predecessors from both the main parties.

Two of them are fundamental. First, we all aim at helping the colonial territories to attain self-government within the British Commonwealth. To that end we are seeking as rapidly as possible to build up in each territory the institutions which its circumstances require. Second, we are all determined to pursue the economic and social development of the colonial territories so that it keeps pace with their political development.”

Mr. Lyttelton went on:

“I should like to make it plain at the outset that His Majesty’s Government intend no change in these aims. We desire to see successful constitutional development both in those territories which are

less advanced towards self-government and in those with more advanced constitutions. His Majesty’s Government will do their utmost to help Colonial Governments and Legislatures to foster the health, wealth and happiness of the colonial peoples.”

We had a Constitution which, it was claimed, was the best in the British Caribbean. That Constitution was wrecked within six months. By whom? I leave the answer to my reactionary friends. They were given the wherewithal, a Constitution, which, if they had decided to work under it, would have brought great good and taken us a definite step farther towards the aim of the Colonial Office—self-government within the Commonwealth.

I must say, I feel ashamed of the act, and I am sure all loyal Guianese in this country feel likewise. Already we are suffering at the hands of responsible statesmen of the Caribbean abroad; our people are subjected to indignities of various sorts when they are travelling: such an act places us in an awkward position not only in our own Colony, but in the outside world.

Turning to another aspect, I know I may not get the support of certain Members of this Council in what I say, but I must express my views freely and frankly on the Civil Service. I have very good friends in the Civil Service and I know they are very hard working civil servants, but I am convinced that there are a few weak links in the chain, and that there are people who are getting their bread and butter from the taxpayers of this Colony who are not giving us a square deal. Some of these civil servants, it can be proved, belong to the highest Praesidiums — I do not know what the correct term is—and yet at the same time they hold key positions in this country, in departments of Government, dominating

[Mr. Sugrim Singh]

those within their reach. For how long will this be, Sir? I am not worrying about the masses and the peasantry. If I may borrow the language of Shakespeare in "The Tempest", I think these are the words, "I am still water—teach me to flow." The illiterate and the peasantry I put into this category of "still water"—the brains behind them teach them to flow. There are quite a few responsible persons in the Service who subtly, silently and indirectly give support to quite a few acts which, if known, would certainly not explain their position as members of the Service.

It is not the procedure in this Council to call names, but it is a noted fact that some of them have already been detected and perhaps dealt with. They asked for cost of living allowance and got it, they asked for increase in salary and got it retrospectively, they are given all they want, and they turn around to sabotage.

I cannot, while on this point, omit to mention the Police. Recently they had among them the biggest promotions in the history of the country, according to the newspapers. Again, I will call no names, but we are not getting full co-operation from all of them. It seems to me, we are doing our best to meet their demands and they are turning around to cut the ground from under the feet—

The Chief Secretary: Sir, I think that if this debate is going to degenerate into an attack on the Civil Service and the Police, many of the points will be missed.

Mr. Speaker: I tried myself to catch the speaker's eyes to speak to him. I realise the hon. Member is

feeling the strain of circumstances, but I would suggest that as the hon. the Chief Secretary has intervened that he make no further reference to any connections between the Civil Service and the late Government.

Mr. Singh: Very well, Sir. Without repeating myself, I think I voice the sentiments of all sober-minded Guianese when I say that as we move in and out of the Colony we will be called upon to answer for this mean shameful act of destruction. I am one of those who would like to see this Colony achieve self-government, but I would not sanction any means but the constitutional toward achieving it.

When the people of Guiana decided to put that statue in the Victoria Law Courts yard and a bust in the compound of Colony House, it was a patent expression of Colony-wide loyalty to a great Queen. To know of this greatness we have to read history. The last speaker (Mr. Bobb) mentioned abolition of slavery during the reign of that Queen. I wish to mention also the origin of the ballot, the Reform Laws, the Factory Acts and the great humanitarian movement out of which social legislation took form. It was a reign of 64 years full of events of which the people showed their appreciation when the statue was put up. And after this destruction, what next? In spite of all that has been done, all the newspapers have written, will they not stop? I am not satisfied that they will. They are in possession of quantities of this dynamite, and one never knows where their next target lies. I do not wish to exaggerate the position, but I am strongly of the view that something must be done before the situation gets out of control. These reactionary people are never to be satisfied.

I beg to second this motion asking that we place on record our disapproval of the shameful deed committed in the name of innocent and loyal Guianese in this country.

Mr. Lee: I sincerely hope that Government realises that the perpetrators of this foul deed represent a very small minority of the people of this Colony who flout the authority of law and order and have expressed a desire to go to prison. It is my view that people who break the Emergency Regulations should be kept in confinement in detention camps until they change their attitude. That should be the attitude of the Government. It has been suggested that this act of desecration was done by some person or persons in order to put the blame on those who are flouting law and order, but those who make that suggestion cannot point to any other group of people who would go to such an extreme. I would suggest that Government should offer a substantial reward to anyone who would come forward with information which would lead to the conviction of the perpetrators of this crime. By the use of dynamite they have destroyed the statue erected by the people of this country to the memory of a Queen who gave freedom to the slaves in this country. Is this foul act of desecration to be interpreted as a desire by this small group of people to return to slavery? If it were known that that is their policy I venture to say that their adherents would leave them immediately.

We must not overlook the fact that, if the newspaper reports are correct, about the same time an attempt was also made to desecrate the Queen Victoria statue at Colony House, New Amsterdam. There appears to be evidence of a plot by people of the same ideology. It is clear that they are anti-British,

and if they do not like the British way of life in this country they should clear out.

Lt.-Col. Haywood: I rise to support the motion. It is already clear that large numbers of our people have been genuinely horrified by the series of outrages which have occurred, and particularly by this last act. It is indeed tragic that the good name of British Guiana, which has been sullied so much by some of its people during the past year, should suffer again by what most of us consider to be a grievous insult to the Crown. There has just ended a most triumphant royal tour through many countries within the British Commonwealth, and everywhere there were almost overwhelming tributes of loyal affection. With the memories of those tributes so fresh in the minds of hundreds of thousands who were eye-witnesses, and fresh too in the minds of millions who read about them, or saw them on the cinema or on television, what is going to be said about British Guiana? Are we going to be condemned and branded as a disloyal people by the acts of a comparatively few fanatics who are either ignorant of, wilfully blind or defiant to the fact that Great Britain is trying to lead her Colonies towards self-government? Every outrage that occurs prolongs the time that must elapse before we get self-government. It would therefore be well for everyone in this Colony to grasp that simple fact.

As a Senior Officer of the Security Forces in this Colony it would be out of place for me in this Council to specify measures which should be taken for the protection of our citizens in the circumstances that now prevail. I am free, however, to give my opinion that there are far too many people in many walks of life who condemn these outrages, and who would help to bring the perpetra-

[Lt. Col. Haywood]

tors to justice but for the fact that they themselves have been intimidated by the political maniacs from whom we suffer. For the sake of those frightened people, and not only them but the whole country, I hope that the long period of kindly patience that has been shown towards those who are almost incurably disloyal will shortly come to an end, and that firmer measures will be taken against the few in order that the majority who wish to see British Guiana march forward to full self-government may do so by sane and traditional British methods. (*Applause*).

Miss Collins: I heartily associate myself with the views expressed by the previous speakers in condemnation of the outrage which has been committed. Despite the fact that it has been said that the people of this Colony are anti-British we know that there are thousands of people who deplore what has happened. I am convinced that the perpetrators of this act, and those who encourage them by showing utter disregard for law and order, are people who are possessed of a devil. It is our bounden duty, as Members of this Council, to co-operate with Government in whatever measures are adopted, and every right-thinking person should offer a solemn prayer to Almighty God who in His wisdom will bring the perpetrators of these evil deeds from darkness into light.

Mr. Ramphal: I rise to support most wholeheartedly the motion which has been so very ably moved by the hon. Member, but I think I would hardly be able to satisfy myself if I did not, like him, voice my utter detestation of this dastardly act. Perhaps it is well that we did not have this debate yesterday, because immediately after the foul act there was such feeling of anger that you, Mr. Speaker, might

have had to call some of us to order on many occasions. That anger has passed, but it has left us with a feeling of revulsion against such misdeeds. If we look back we would recall that the perpetrators of this and similar acts started out in simple ways of vandalism, by painting bridges, streets, houses and walls. Then they desecrated churches and temples, and now they have destroyed a monument which was highly treasured by the people of this country. I am not like other Members who feel that this shameful act was unexpected. It was expected from people who were out to destroy everything that is decent and honourable in the life of this country. It is not only an act of disloyalty to the Crown but an act of disloyalty to all the decent standards which we have inherited through the ages.

I wish to associate myself with the hope which has been expressed, that before very long that sacred monument will be restored in all its pristine splendour, and the statue of Her late Majesty be displayed once more in all its matronal and regal dignity; and to suggest that whatever the cost a more imperishable monument should be erected in its place.

I think this is an occasion which we could properly use to call our countrymen in every walk of life to reason logically, coldly and soberly, and to ask: where are all these acts of sabotage leading us? Not so long ago I was in another Colony in the Caribbean and I felt a sense of disgust when I found that even intelligent people were looking upon us in this country as being absolutely communistic and anti-British. I felt horrified about it. Shortly after we had Mr. Bustamante saying things about us, to which the hon. Member, Mr. Raatgever, took strong exception in the Council on the last occasion we met. I would like our people to ask our footballers

who recently went to Boa Vista, what was their experience, because from them they would learn of the indignity they suffered because of our so-called communist connection.

I am referring to these simple stories because it is such simple stories our people know and feel strongly about. I want our people just to ask themselves if acts of vandalism of this kind do not give more than evidence that what was said in the White Paper, and what sometimes we who live in this country wonder if they were true, was absolutely true. I want our people too, Sir, to know, as my hon. Friend said a short while ago, that the more of these acts the farther are we away from our return to constitutional government, government as we would like to see it, that is, a Government made up of representatives of the people, elected by the people. The more we continue with acts of this kind the farther we are away from that constitutional government which we are looking forward to, and I do not know one hon. Member of this Council who does not entertain the hope that the day is not far away when we will return to constitutional government.

Speaking now for myself, I had hopes that within my lifetime I would walk as an equal citizen with the other citizens of the Commonwealth of Nations. I had hopes after the last Constitution of April 1, 1953, was promulgated that I was soon to see that day. But, Sir, those hopes have begun to grow dim and to vanish, and now I have very little hope, unless we who are here begin now to take positive action, that we in our life time may become equal partners with the other great members of the Commonwealth of Nations. I wish, therefore, to use this opportunity to send out a call to our countrymen.

First I want to send out a call to the Teachers of the Colony. Having

been myself a teacher and having spent, perhaps, the best years of my life as such, I can talk to them and they will not misunderstand me. I send out a call to the Teachers to take positively active measures. We have been up to now negative in our approach to this question. They must take positive action so that the children who come under their guidance and control will realize the evil we have to fight, the enemy that is within our gates.

As President of the Civil Service Association I wish also to send out a call. I am sure it would satisfy the hon. Member who referred to the Civil Service and to the Police. I send out a call to them that the time has come when we have got to show our loyalty in a more positive fashion. We have to go all out and, even if it needs be, that we have to clean those who are unclean in our midst, do not hesitate to do so. I am positive that there are very very few civil servants who are not absolutely loyal to and praiseworthy of the Crown. In spite of that, I do send out a call to my colleagues, whether they hold stations high or low, to make this an occasion, a new starting point, and show their loyalty with greater vigour than they have done hitherto.

I send a call also to the ordinary man with whom it was my good luck and privilege to live and dwell nearly all through my life. To these ordinary peasant farmers and to the workmen on the wharves and in the shops and various other places I send out the call that, if we are going to make this country a decent country for all of us and our children to live in, the time has come when we must take positive action and set our faces against this evil and do everything possible to destroy it. We must shed ourselves now and henceforth of all negativism and take up the sword of positivism to destroy this evil in our midst.

Mr. Macnie: Mr. Speaker, I rise to support the motion so ably moved by the hon. Member, Rev. Mr. Bobb. During recent months and even during recent weeks there have been attacks on public property—a police station, a post office—attacks which, as the hon. Member who has just taken his seat reminded us, were broadcast during the unhappy days of October last. Even though some had not believed there was any truth in those broadcasts, those who were doubting now have all their doubts removed, the dark clouds removed from their eyes. Sir, I feel certain that the right-thinking people are in the majority in this country, and I also feel certain that every right-thinking man, woman and child in this country condemns utterly the outrageous act that was perpetrated not much more than 26 hours ago—an act which it is difficult to try hard to find words to describe other than saying it is outrageous. I am convinced that, as far as the majority of the inhabitants of this Colony are concerned, they are right-thinking, and I am satisfied that the majority are good thinking.

Sir, it may well be that what has been done so recently is not the end. That may well be the case. In fact I do not know whether anyone has reason to believe this is the culmination and end. Personally I have no reason to believe that. I would submit, Sir, that it is the duty of every Member of this Honourable Council and of the majority of the inhabitants of the Colony who, as I said, are all right-thinking and good-thinking people, to do everything in their power to assist the Government *Department* responsible for bringing to justice those who committed this felony. I go further and say that it is the duty of all of us, whether we are in this Chamber or not, to give His Excellency the Governor our fullest and utmost support to the last word in any measure,

no matter how drastic it may be, to put an end to this sort of thing in our country.

The Chief Secretary (Mr. Gutch): I would just like to add a word to the end of the debate on this resolution. I did not intend to speak because I regarded this as essentially a matter for the people of this country, for it is the people belonging to this country who have perpetrated this outrage. I am afraid that I myself find it difficult to speak temperately of it, but it is some consolation to me to have heard what hon. Members have said in deploring the outrage which has taken place. I have sat in this Council Chamber and have heard a Member of the late House of Assembly—a Minister of the Crown—state that he would proudly bear the appellation of “terrorist”. It seems to me that some of his colleagues have taken his exhortation to heart and are carrying out what he advocated in this Chamber.

The hon. Member, who has just spoken, has encouraged me to get on my feet to make one particular point. The motion urges that vigorous steps be taken to bring the perpetrators of this outrage to justice. Every effort has been made and will be made by the Police to catch those who did this and have done other acts of sabotage and bring them to justice. But there is one thing without which the Police can do very little, and that is information. The Police rely on information from the public, evidence produced by members of the public, in order to catch the perpetrators. I realize that some people in these days perhaps, as the hon. Member, Col. Haywood, has said, are somewhat intimidated, but I would like to emphasize that it is their duty to come forward and give any piece of information, even suspicion which may come to their notice, to the Police because without much information the Police can do very little. Those people who do these things are members of this com-

munity; they live amongst us here; they move amongst us. There must be places in which their weapons and the dynamite with which they carry out these acts are collected. There must be people living near them who feel that everything is not right. Their duty is to come forward and tell the Police of their suspicion.

The hon. Member, Mr. Lee, made the suggestion that a reward should be offered for such information. That has already been suggested and will be considered, but I do not consider myself that it should need the offer of a monetary reward to encourage people to come forward and give evidence.

The hon. Member, Mr. Macnie, said he was convinced that the right-minded people of this country were in the majority. I am quite sure myself that he is completely right, but it is not enough to be right-minded and right-thinking. It is not enough to pass resolutions in this Council condemning such outrages. As the hon. Member, Mr. Ramphal, said, we must be more positive in our attitude, and every member of the community who does not agree with these things must be positive and take what positive action he can. It is no good saying that the Government ought to do something about it, why don't they use the troops. why don't they impose martial law? And so on. Such measures are not going to achieve stability in this country, are not going to remove sabotage, unless every member of the community who does not agree with such acts, works in a positive way to ensure that they do not occur.

Mr. Speaker: I propose to put the motion. It says (in the second resolution)—

“And be it further resolved that the restoration of the statue be undertaken without delay at public expense”.

I suggest, however, that these words be amended to read:—

“And be it further resolved that this Council recommends to Government that the restoration of the statue be undertaken without delay at public expense”.

Mr. Bobb: I accept the amendment, Sir.

Mr. Speaker: The motion, as amended, will be put in that form. I think the words “at public expense” will be accepted by members of this Council, and this would imply any expense undertaken by Government towards the restoration of the statue as I saw it up to a day or two ago, if not an exact replacement of the statue as it was originally. The expression would also imply any expenditure incurred by the Mayor and Town Council if that body felt it was their duty to do so.

Motion put and agreed to.

PRIVATE MEETING WITH MEMBERS

Mr. Speaker: I should like to have a meeting with hon. members some time tomorrow in connection with certain private matters, and I propose to adjourn the Council some time before 5 o'clock tomorrow. I shall be glad if members will consider what should be done with regard to these matters, as the time for doing so is already late and we must do something about them.

ORDER OF THE DAY

FIRE PREVENTION BILL, 1954

The Chief Secretary : I beg to move the first reading of a Bill intituled:

“An Ordinance to provide for the inspection of certain premises in the city of Georgetown, the town of New Amsterdam, Kitty and Alexanderville Village District and certain other areas in the Colony; to provide for the elimination of fire hazards in connection with such buildings; and for purposes connected with the matters aforesaid”.

The Attorney-General seconded.

Question put and agreed to.

Bill read a first time.

CONVICTS' LICENCES & REMOVAL
OF PRISONERS BILL

The Chief Secretary : I beg to move the first reading of a Bill intituled:

"An Ordinance to confer on the Commissioner of Local Government certain functions in respect of convicts' licences and the removal of prisoners presently exercisable by the Chief Secretary."

The Attorney-General seconded.

Question put and agreed to.

Bill read a first time.

INTOXICATING LIQUOR LICENSING
(AMENDMENT) BILL

The Attorney-General : I beg to move the first reading of a Bill intituled:

"An Ordinance further to amend the Intoxicating Liquor Licensing Ordinance."

The Financial Secretary seconded.

Question put and agreed to.

Bill read a first time.

FRIENDLY SOCIETIES BILL DEFERRED

The Chief Secretary : The next item on the Order Paper is for the consideration in Committee of the Friendly Societies Bill, 1954, but I notice that the hon. Member for Agriculture, Forests, Lands and Mines (Sir Frank McDavid) has a Bill of great urgency to deal with—the British Guiana Credit Corporation Bill—and I would prefer to wait until that is finished, especially as Members might wish to consult persons connected with friendly societies in this matter.

Mr. Speaker: With the consent of hon. Members that can be done and the Credit Corporation Bill—item 7—can be proceeded with.

Sir Frank McDavid: I indicated, Sir, that I would ask for priority for this particular Bill, and I hope to be able to take it now.

Mr. Cummings (Minister of Labour, Health and Housing): I take it, Mr. Speaker, that you will deal with item 6 (which calls for the second reading of the Registration of Births and Deaths (Amendment) Bill) in a similar manner. That is, that this Bill will be deferred also.

Mr. Speaker: Yes; with the consent of hon. Members. In other words items 4 and 6 are being deferred.

B.G. CREDIT CORPORATION BILL

Sir Frank McDavid: I beg to move the second reading of the Bill intituled:

"An Ordinance to provide for the establishment, constitution, powers, duties and functions of the British Guiana Credit Corporation and for purposes connected with the matters aforesaid".

In doing so, I want to say that I am very pleased indeed to have the privilege of introducing into Council this long-awaited and very important measure. In speaking in March last on the motion which sought and secured Council's approval of the Two-Year Development Programme for the years 1954 and 1955, I indicated an important element of change in emphasis and direction since the formulation and adoption of the original Ten-Year Development Plan in 1949. I referred then, Sir, to Government's strong desire to stimulate and encourage private enterprise by the individual, and more particularly by the small man, through the provision of adequate credit facilities. I further expressed the view that the proposal to establish a British Guiana Credit Corporation was a feature of the Two-Year Development Programme which had caught and fired public imagination and had secured the widest popular appeal. As hon. Members know, this aspect of our Programme has the sincere and active support of His Excellency the Governor.

I do not propose to engage the time of Members in presenting a

detailed historical review of the events and circumstances which have led up to the introduction of this draft legislation which is now before Council for their consideration. However, I think it is desirable that I should not omit reference to an earlier decision, in 1952, by the Fourth Legislative Council and the Government of that period in respect of this particular matter.

The establishment of a Central Agricultural Bank had for many years been an objective of successive Administrations, but notwithstanding the work of several special and Departmental committees, it remained no more than an ideal—lack of adequate capital resources and, perhaps, an unwillingness to undertake the undoubtedly heavy financial risks involved, being perhaps the principal obstacles. In the result, expedients of various kinds were adopted, and thus it came about that the organization of the Co-operative Credit Banks was used as the machinery for extending and administering such credits as Government felt compelled and able to grant as the circumstances and conditions of the moment dictated. However, in 1952 the Government came to a definite decision to set up a new organization to be styled the "Agricultural and General Loan Bank" to take over the Co-operative Credit Banks and expand their functions in that new organization.

This decision was accepted and endorsed by the Fourth Legislative Council on the initiative of Mr. C. V. Wight whose motion recommending the immediate incorporation of such a bank was accepted by the Fourth Legislative Council in Resolution No. 32 of 1952. It was later decided to postpone action pending examination of the subject by the International Bank Mission and receipt of the Bank's recommendations. The Mission emphasised in their report as well as in their discussions while they were in the Colony, that there was

an urgent need for the establishment of an institution which will not only embrace the original idea of setting up an agricultural bank, but will also be a Governmental agency and instrument for promoting investment and private enterprise in a variety of agricultural and industrial fields in the Colony.

For the sake of the record therefore, I wish to state that the draft bill now before the Council has been framed in the light of recommendations of the report of the Mission of the International Bank for Reconstruction and Development. The relevant portions of the report are contained in Section III B on pages 37 to 39 of Chapter 3, and Section VI on pages 213 to 218 of Chapter 14 of that report. References to credit through the Credit Corporation are also made on pages 322 and 327 of Chapter 23, and 326 of Chapter 24.

The Bill provides for the establishment of the Corporation with the necessary enabling powers to give effect to this recommendation of the Mission. The proposal by the Mission that an Agricultural Bank should be set up as a department of the Corporation has not been adopted in that form, but under the Bill the Corporation's powers are comprehensive and embrace all forms of credit.

I should like to note, for the sake of the record also that the Bill has been modelled on certain existing legislation, as follows: Jamaica: The Industrial Development Law, 1952 (No. 13 of 1952); Trinidad: The Agricultural Credit Bank Ordinance, Chapter 23, No. 5 Volume III; British Guiana: The Co-operative Credit Banks Ordinance, 1944 (No. 16)—which we all know—The Rice Marketing Ordinance, 1946 (No. 5) and the Rice Producers' Association Ordinance, 1946 (No. 7). Various clauses have been modelled on sections taken from these Ordinances to which I have referred.

[Sir Frank McDavid]

The Bill, as hon. Members probably have noted, is in four parts. Provisions relating to the administration of the Corporation are found in Part I. Part II sets out the functions and duties of the Corporation. Part III deals with matters of finance, while Part IV contains a number of miscellaneous provisions. There is also a Schedule to the Bill which contains prescribed fees, duties and charges in respect of mortgages and the execution of instruments.

I am now going to invite Members to join me in a survey of the various clauses of this Bill in order that the underlying principles may be clear, and, I hope, be adopted by the unanimous acceptance of the motion for the second reading.

If hon. Members will turn to the Bill, I will endeavour to be as brief as I can in this survey of the clauses. In Clause 1 which contains the short title and commencement Members will see that the Ordinance is to come into operation by proclamation of the Governor on some fixed date. That, of course, is very necessary because certain action will have to be taken before the Ordinance can be brought into effect. Clause 2 contains the usual definition of terms, and there is nothing in that clause to which I need draw attention or make reference.

Clause 3 is a declaratory clause, dealing with the constitution of the Corporation and also requires no particular reference. Clause 4 is important because it defines the constitution of the Corporation—that is to say, membership of the body. Members will see that the body is to be made up of one official member and of such other members, their number being not less than seven, as the Governor may from time to time determine. An official member is defined as a “public officer”. Important provisions appear in the

sub-clauses, the chief being the qualifications for appointment as members of the Corporation. Members will see an unusual condition in sub-clause (2) that persons to be appointed as Members must appear to the Governor to be qualified “by reason of their experience of, and capacity in, matters relating to agriculture, industry, trade, finance, science, or administration to undertake the duties appertaining to members of the Corporation”.

This is a somewhat unusual provision in local legislation, but I think it is extremely necessary in a Bill of this sort, because I am sure everyone will wish the Corporation to have the guidance of men of character—I do not only mean personal character — who could hold office on that body. Specific insertion of these qualifications is all the more necessary because, as Members will observe in sub-clause (3), a person is disqualified from being appointed or being a member so long as he is an unofficial member of the Legislature. That means no elected member of the Legislature is qualified to be appointed to the Credit Corporation. I do not know if Members have any strong feelings about this particular sub-clause, but I myself think they should welcome it.

There are good reasons, of course, for a clause of this nature. Members will no doubt wish to be saved the embarrassment of being a member of the Legislature as well as a member of a loan organization of this nature, because—as Members know—they will be exposed to, shall I say, a good deal of pressure in their constituencies. And here I am not thinking of the Legislature as at present constituted, but of the future, when as I said this afternoon, the constitutional privilege of electing Members to the Legislature will again be ours. There is, of course, no need to make it clearer that political influence on the Corporation is to

be avoided. So, there are two features about it: one to save embarrassment, and the other to remove the possibility of political influence in the management of the affairs of the Corporation. This particular provision appears in the Jamaica Industrial Development Law, and I think it is a very desirable one. I hope it will be accepted by Members of this Legislature.

The only other points in the sub-clauses of this Clause 4, to which I would invite attention is the power of the Governor to appoint a Chairman and a Deputy Chairman, neither of whom is to be an official member. It will also be seen that appointments to the Corporation are not to be for more than three years although members are to be eligible for re-appointment.

We pass on to Clause 5, which provides for remuneration and allowances for members of the Corporation. The rates of remuneration are to be determined by the Governor in Council, and it is also to be seen that the Chairman and the Deputy Chairman may receive additional remuneration over and above the fees fixed for them at ordinary levels.

Clause 6 deals with the power of the Governor to appoint a General Manager, Secretary and other necessary officers. There is a proviso in that Clause which prescribes that no salary in excess of \$4,800 per year is to be accorded to any of the officers of the Corporation except with the approval of the Governor in Council. Sub-clause (2) of Clause 6 contains a provision which prevents the Corporation from granting pensions or gratuities or other like benefits to its officers without the prior approval of the Governor in Council. But, I would at once refer to another Clause—14 (5) which provides for the pensionable status of any public officer who may be transferred from the Public Service to the service of the Corporation. I should like also to draw Members' attention to

sub-clause (4) of Clause 6 which contains the disqualification of any person being appointed or being the General Manager or Secretary or any other officer in the Corporation so long as he is a Member of the Legislature. So, we have a Member of the Legislature ineligible to be a member of the Board or to be an officer of the Corporation.

I do not think I need draw attention to any of the other sub-clauses, except sub-clause (9) which gives the Corporation power to co-opt any one or more persons to attend any particular meeting of the Corporation at which they are dealing with the needs of a particular industry. The Corporation would thus be able to invite persons, specially skilled in some particular aspect with which they are dealing, to join them at a meeting and give them advice without their giving the person so attending the right to vote. Subject to all these restrictions in this clause the Corporation will have the power, under sub-clause (10), to regulate their own proceedings.

Let us pass to clause 9 which is very important indeed. Members will see that sub-clause (1) prescribes that the members and the officers of the Corporation are to regard and deal with as secret and confidential all information, documents and matters which come to their knowledge in connection with their duties in the Corporation. That is an extremely necessary provision. Quite obviously, the Corporation, whose principal business will be to make loans, will, in the course of the exercise of its functions, come into possession of extremely secret and confidential information in connection with a business, firm or individual, and this provision is intended to make it quite clear that information so obtained has to be kept and regarded as secret. Indeed the Bill goes further and provides that the members of the Corporation and its officers shall subscribe

[Sir Frank McDavid]

before a Commissioner of Oaths or Justice of the Peace to a statutory declaration within this clause. There is, of course, a very severe penalty for infringement of this particular rule. Sub-clause (4) is a saving provision in that the members of the Corporation are allowed, with the consent of an applicant, to make such enquiries as they deem fit in connection with an application for a loan.

Clause 10 is another very important provision dealing with the conduct of members of the Corporation. The marginal note reads:

“Disclosure by members of Corporation of interest in transaction with Corporation, and disqualification.”

I do not wish to say more than to emphasize that any member of the Corporation is, under this clause, compelled to disclose to the Corporation his interest in any application which is brought before it. If he himself is either directly or indirectly connected with an application it would be his duty under this clause to disclose it at the meeting to his colleagues and, of course, to take precautions not to vote. Indeed, under this clause his vote cannot be counted, and also, if he is present at the meeting he cannot be counted in the quorum if a matter with which he is closely connected is under consideration. Some Members may feel that we are going to very great lengths in putting these precautionary provisions in this Bill, but I can assure the Council that in dealing with matters of this sort it is absolutely essential that there should be confidence in the members of the Corporation, and those two provisions are intended to ensure that confidence, and to ensure the proper conduct of the members of the Corporation and of its officers.

Clause 11 deals with the establishment of branch offices or agencies in any part of the Colony to be managed in accordance with such rules and directions as may from time to time be made by the Corporation. Clause 12 provides for the sub-division of the Colony into districts in which those branch offices or agencies will be established. I do not want to anticipate what I propose to say a little later on about the Co-operative Credit Banks, but the intention at the moment is that the location of the existing Banks should be the districts for the time being which the Corporation will use as branch offices. That is to say, the offices of the existing Co-operative Credit Banks will become branch offices of the Corporation.

The appointment of District Committees is also provided for under clause 12. The Corporation may set up District Committees to assist them in the management of those offices, and I think that Members already know that the intention is to use, as much as possible, the services of the existing Regional Development Committees and the Area Sub-Committees which have already been appointed. That is to say, if it is possible the Corporation will not set up independent Committees but will make use of those which have already been appointed in connection with the Development Programme. I need not refer to clause 13 which merely prescribes rules for the execution of documents.

We now come to Part II of the Bill which deals with the general functions and duties of the Corporation, and I think it would be well if I quote completely clause 14, because enshrined in that clause is the main objective of the Corporation which we intend to set up. It says:

"14. (1) It shall be the duty of the Corporation to promote the economic development of the Colony and with that object to provide financial credits where necessary and desirable and to stimulate and facilitate private investment in the Colony by local and external capital."

That is a pretty tall order, and if the Corporation does take that objective seriously into view then we shall have done something indeed to promote the economic development of this country. It is quite possible that, given the necessary financial backing, the Corporation will be able to do these things. We have never had an institution of that sort, dedicated, shall I say, to the promotion of investment by the small man and the large man, and here at last is an institution being set up with this declared intention. In sub-clause (2) is set out what the Corporation has to do in pursuance of the discharge of its duties to provide credits for agriculture, industry, rural and urban housing, and utilities both of a public and private character, and other undertakings of a like nature. I do not propose to read all the phrases in sub-clause (3); I only want to refer to paragraphs (a) and (b). Paragraph (a) declares that the Corporation has to take over all the credit activities of the Government except the lending of money by Government to public officers on account of salary, or the lending of money to Local Authorities under the Local Government Ordinance. Those are the only two lending activities of the Government which will be done directly by the Treasury. All other lending will be done through the Credit Corporation.

Paragraph (b) provides that the Corporation shall

"provide agricultural and industrial credits to Co-operative Societies registered under the Co-operative Societies Ordinance, 1948."

Members know that we have started and have already met with a

great deal of success in the promotion and establishment of Credit Societies under the Co-operative Societies Ordinance. I think everyone agrees that the Director of the Co-operative Societies movement has done an extremely good job. I myself am surprised to hear that there are already in existence some 120 lending and thrift societies spread throughout the coastlands of the Colony. They are small but I believe they are very active, and the intention is that the Credit Corporation shall finance them to the extent desirable in order to extend the lending activities of those credit societies. Indeed I take it that the Corporation will encourage the creation of a greater number of such societies spread throughout the coastlands.

As the hon. the Financial Secretary indicated in his last statement on the Development Budget, the intention is that as much short-term lending as possible—as much of the crop loans, the planting and rearing loans which the Government has been making through the existing Co-operative Credit Banks; as much of that sort of lending as possible will be concentrated in those lending societies. So this specific duty is set out here that the Corporation shall provide credit to all those credit societies. I regard that as a very important provision in this Bill. In Trinidad the Agricultural Credit Bank does a very large business indeed through a number of credit societies, and I think we should be very lucky if we succeeded in catching up with them. We shall try.

Sub-clause (4) of clause 14 gives the Corporation general powers to carry on all kinds of activities which are consistent with its duties under the previous sub-clauses. Members will see that the Corporation will have power to establish or promote the establishment or expansion of other bodies to carry out activities either under the control

[Sir Frank McDavid]

or partial control of the Corporation, or independently. It follows, therefore, that the Corporation could take a very special interest in a particular industry. It need not only lend money but could actually take part, to some extent, in the actual promotion of the industry itself.

Sub-clause (5) is the provision to which I previously referred in connection with public officers. Members probably have already gathered the idea that those public officers who are now engaged in the supervision of the existing Co-operative Credit Banks will be taken over into the Corporation as officers of the Corporation, and the intention of this sub-clause is to protect their pension rights. Indeed it will protect the pension rights of any public officer who is transferred to the service of the Corporation. It is conceivable that we may find some public officer whose experience in the Service fits him for employment in the particular function, and this provision would permit his transfer without interfering in any way with his pension rights in the Public Service.

I should like to refer now to clause 16 which gives the Corporation power to appoint a Committee of the Corporation to examine and report to them on any matter whatsoever arising out of or connected with any of their powers and duties. Sub-clause (2) gives the Corporation power to appoint such Committees consisting of any two of their number, together with such other persons, whether members of the Corporation or not, whose assistance or advice the Corporation may desire. The Corporation may either accept or reject the report of the Committee.

Clause 18 sets out various provisions by which the Corporation will appoint valuers and inspectors. Valuation, hon.

Members would realize, is going to be one of the most important duties of the Corporation. It is no use any organization lending money unless it is going to inspect and value and see from time to time what the borrower does with the money loaned him. Indeed this Corporation would have to place a great deal of reliance on that, and clause 18 provides for such appointments and also permits the entry by inspectors and valuers on property in respect of which a loan has been made. It is an offence under the clause for anyone to obstruct an inspector or valuer properly appointed by the Corporation who goes out to carry out his duties under the direction of the Corporation.

Clause 19 is, perhaps, the meat of the financial foundation of this Corporation. It says:

“(1) It shall be the duty of the Corporation so to exercise and perform their functions as to secure that their revenues are not less than sufficient to meet all sums properly chargeable to their revenue account taking one year with another.”

That, Sir, is a legal phraseology which might perhaps be much more simply expressed in these words “The Corporation must pay its way”. Consequently the existence of this clause serves notice on everyone that the Corporation is not going to be a charitable institution: it is not going to dispense charity. It is going to be a body which will try to promote economic industry and economic agriculture. If it lends money, the purposes for which the money is lent are to be economic, in the sense that the loan must be applied for such purposes, and it must also pay its way. I am not saying that the Corporation will not take risks. Indeed that is one of the chief ideas behind it. The Corporation is to take risks in lending loans. But, nevertheless, the general policy behind its foundation is that it shall pay its way. I wish to emphasize that over and over again, because I do

feel there has been, perhaps, some idea in the minds of some people that here is to be a source of free money. The Corporation has to pay interest on its capital and, therefore, it must collect interest on its loans as it must pay its way. A little later on when we come to clause 51, it will be seen that the Corporation is also compelled to pay Income Tax. So I can assure hon. Members about that.

May I now pass on to Part III of the Bill which deals with the financial provisions. Hon. Members would see in clause 20 is set out the various sources from which the Corporation will obtain its capital. The only one which we need concern ourselves with is the sum to be voted by the Legislature annually from revenue or allocated from the proceeds of loans raised by the Colony or from grants and loans made to the Colony by H.M. Government under the Colonial Development and Welfare Acts. As hon. Members know, steps have already been taken in advance of the enactment of this Bill to provide funds for the capital of the Corporation. No less a sum than \$3,700,000 was passed at our last meeting for that purpose. In the Development Estimates was this sum of money for which I would like to repeat—

Agricultural Credits ..	1,000,000
Credits and Technical Assistance to Industries ..	500,000
Rural and Urban Housing Credits	1,000,000
Housing Loans for Public Officers	1,000,000
Organisational and Operational Expenses	200,000
	<hr/>
	\$3,700,000

This Council has already approved of this so that the Corporation can have the initial capital which is necessary to start it on its way. There is a provision in clause 21 to which I wish to draw the attention of the Council. It provides that the Corporation can borrow money but it has to get the ap-

proval of the Governor-in-Council, and the Governor-in-Council in giving that approval also sanctions the source of borrowing. The reason is quite clear. It is to ensure that the Corporation should not compete with the Government in the loan market and, if it does, it must be with the specific sanction of the Governor-in-Council. The Corporation is thus entitled to borrow money by the issue of public loans, but only if it obtains the sanction of the Governor-in-Council.

Clause 23 deals with the general power of the Corporation to lend money, and clause 24 contains the provisions which enable the Corporation to use its funds for paying its expenses and for acquiring assets. Hon. Members would see that the Corporation has power to pay expenses, purchase plant, equipment stores and any other materials, acquire land, erect buildings and to carry out any other works and undertakings out of its funds. We come to clause 25 which gives general power to the Corporation to charge such rate of interest as the Corporation deems fit in any particular case. I know that some Members would be glad if they could examine the policy of the Corporation with respect to the grant of loans, the different types of loans and the rates of interest. I am sorry I shall not be able to reply to any questions on these lines for the simple reason that that is a matter for the Corporation. I assume that the policy of the Corporation will be determined as soon as the Board meets. I cannot, therefore, at this stage say anything as to the details of the policy of the Corporation in making loans and also with regard to the rate of interest. That is a matter for the Board to determine, and it cannot do so in advance of the actual setting up of the Corporation.

[Sir Frank McDavid]

Clauses 26 and 27 give specific power to the Corporation to make loans with terms and conditions and to exact repayment in accordance with such terms and conditions, and also to postpone the repayment of loans and to extend the period for repayment and the interest on loans. Clause 28 is interesting to lawyers. It gives power to the Corporation to accept payment of the whole or part of the amount representing the principal of a loan and interest thereon before the time when such payment is due. It seems to me that lawyers always like such specific powers to be in an Ordinance. I should imagine that the provisions of the Common Law do not preclude the Corporation taking in advance payment of a loan before such payment is due.

Mr. Speaker : The interest still has to be paid in the case of mortgages.

Sir Frank McDavid : Clause 29 gives the Corporation power to make loans for the cultivation of crops and the expenses of reaping, marketing of crops, etc., and to direct where those crops should be disposed of. It may be necessary for me to move a small amendment in sub-clause (1) to limit its scope, and I will deal with that more fully when we go into Committee. I should like to call attention to the very serious penalty in sub-clause (3) for the offence of anyone entrusted with the disposal of produce in respect of which a loan was made failing to carry out strictly the conditions and terms of what has been subscribed to. He shall be guilty of an offence and on summary conviction shall be liable to a fine not exceeding \$500 or to imprisonment for a term not exceeding six months.

I am not going to touch on clauses 30 and 31 because they are self-explanatory, but I would like to refer to

clause 32 which gives the Corporation power, where any sum being the whole or any part of a loan has not been applied for the purposes for which the loan was made, to order that any such sum be within the time mentioned in the order applied to such purposes or that such sum together with any interest due thereon on the date of the order be repaid to the Corporation. This power is to ensure that the Corporation has the right to enforce the application of the money of a loan for the purposes for which it has been lent. All the succeeding clauses in Part III deal with powers of the Corporation to see that any money loaned is properly expended. I need not refer to them in any detail.

We now come to Part IV—Miscellaneous. I will not refer to the main clauses—37 and 38—because of certain recommendations which have been made. The Legal Department is now engaged in redrafting those clauses. I think the lawyers around this table would know and realize that clause 37 is extremely important in relation to the operation of our mortgage laws in British Guiana, and when we are in Committee I will be able to make a statement both in regard to clauses 37 and 38. Clauses 39 and 40 deal with offences in respect of loans and false statements and provide the necessary penalties.

Clause 42 deals with the jurisdiction to which proceedings may be taken, and I would like to draw special attention to clauses 43 and 44 which provide that proceedings can be taken in relation to offences within five years from the date on which the offence is committed, and that the Attorney-General's fiat must be obtained before any proceedings can be brought in respect of penal offences committed under the Ordinance.

I would like to draw attention to clause 49 which gives the Corporation power with the approval of the Governor-in-Council to make Regulations prescribing various matters. Clause 50 deals with the Schedule where the Corporation is allowed to apply certain special fees and stamp duties to the execution of documents. Those concessions are equivalent to the concessions now applied to operations under the Co-operative Credit Banks Loan Ordinance. They are indeed the same. Clause 52 compels the Corporation to keep proper accounts and to submit its annual report to the Governor-in-Council and to publish in the *Gazette* a copy of the report together with a copy of the auditor's report.

Another very important clause is clause 54. I shall read it:

"The Governor-in-Council, may after consultation with the chairman, give to the Corporation directions of a general character as to the policy to be followed in the exercise and performance of their functions in relation to matters appearing to him to concern the public interest, and the Corporation shall give effect to any such directions."

There is a positive implication as well as a negative one. It says that the Corporation can be directed as to policy by the Governor-in-Council after consultation between the Governor and the Chairman. The obvious negative implication which is also true is that the Corporation is an independent entity and, except in so far as policy directions of the nature anticipated by this clause, acts completely and independently of Governmental influence and legislative influence and political influence. I hope that is clear to hon. Members. The whole object of setting up a corporation such as this is to give it complete independence in the application of its powers as is so necessary. But here in this case is the sole exception, that in matters of policy which concern public interest the Governor after consultation with

the Chairman may give directions to the Corporation, and having given the Corporation such directions the Corporation shall give effect to them. Such policy must be of the highest character and must be definitely in the public interest. It does not imply to illustrate what I mean—the Governor-in-Council could suddenly decide to lend \$15,000 to somebody and call the Chairman of the Corporation and say to him "You had better lend this man or firm \$15,000". It is nothing like that. General policy directions only are to be given to the Corporation by the Governor-in-Council.

I come now, Sir, to the connection between the Credit Corporation and the existing Co-operative Credit Banks which form the subject of clauses 55 to 60. I think most of us have now appreciated that the object of this Bill, if it is passed into law, is that the Corporation should absorb all the existing Co-operative Credit Banks. The Corporation will take over all the assets and liabilities of these banks when it comes into being and, as consideration for that transfer, the Corporation will, first of all, pay to every shareholder of every bank the par value of his shares. For each dollar share every member will get one dollar. That payment is to be made within six months of the coming into force of this Ordinance, and I have every reason to believe that it will be made almost immediately.

Secondly, the Corporation has to pay every shareholder, *pro rata* the full value of the reserve and the undistributed profits of every bank, as disclosed by the audited Balance Sheet on December 31, 1953. It follows, therefore, that the shareholders of these credit banks will get back, in full, the value of their shares, and they will get back the whole of the net surplus accruing from the operation of the banks during the whole of their exist-

[Sir Frank McDavid]

ence. I think Members will agree that that is only fair where action is being taken of an arbitrary nature. These banks have been established by law and are now being liquidated by law. The shareholders should therefore get the full value of the net surplus shown at the end of the period, even though these banks have been operated very largely by Government loan capital. I think the proportion of members' capital to Government capital is in the vicinity of one to seven, so that the decision to pay to the shareholders the whole of the profits is extremely equitable.

The next thing is that since the Credit Corporation is going to take over all the assets and liabilities of the credit banks, it is also necessary that they should take over the business of the banks as a going concern. Each bank will become an agency of the Corporation and, so far as the customers are concerned, the sign-board will be changed and, for instance, instead of saying "The Leguan Co-operative Credit Bank", we will say "The Leguan Branch Office of the B.G. Credit Corporation", and business will go on exactly as before.

Sir, I think there is some concern as regards the employees of the Co-operative Credit Banks. When the Corporation takes over these banks as a going concern, they will also take over the employees. I cannot say that any Corporation of this kind will continue to employ people who are found to be inefficient but, since the business must go on, it is very likely that quite a large number of the employees will continue in the employ of the Corporation. It will be some time before the Corporation examines the whole of its staff to see who is efficient and who is inefficient, but the Corporation will take over the whole of the staff of the

Credit Banks and business will go on as before. The Ordinance, when it is passed into law, will automatically repeal the existing enactment by which the Co-operative Credit Banks function. There are, however, certain priorities which will remain in force, notwithstanding the repeal of this enactment. I shall also propose a certain amendment in Committee which will permit each bank to hold an annual meeting to provide, if it sees fit, for the payment of honoraria to its staff. This amendment which is being prepared by the Legal Department will permit of the holding of a special general meeting within a specified time, to allow any bank, if it sees fit, to pass a resolution authorising the payment of an honorarium. If such a resolution is passed, the money will be taken from the undistributed profits and, in that respect, the shareholders will get less.

I believe that hon. Members would wish to know what the position is with regard to some of these banks. I, personally, have always thought that the Co-operative Credit Banks have done a good job in British Guiana. It is true that they were criticized some years ago because they were not truly co-operative, but I do not accept that myself, because I think they are the machinery which Government has used, very satisfactorily indeed, for the purpose of injecting capital into the rural areas of this country. They have done an extremely good job. Now, the time has come for a larger organization which will do more than the credit banks did. I think it is a little sad that they will pass. I would like to put on record my personal appreciation of the good work done by these banks, and my congratulations to the members of the Boards and the Committees which served on them.

To go back to what I have said, it is very good to know that at least five banks not only have the money to pay par value for their

shares, but an amount in reserve and undistributed profits which will enable 100 per cent dividends to be paid. Let us take for example the Essequibo Bank. It has a capital of \$12,419; a General Reserve of \$7,000,000 and undistributed profits in the sum of \$5,598. Therefore, the shareholders will get a dollar for each dollar share they own, and will also share in another 100 per cent dividend from the reserve and the undistributed profits with respect to this liquidation. The position is the same with respect to the new Leguan, the Plaisance-Spriendaam, and the Victoria-Belfield banks. With regard to several of these banks, the Corporation will be able to pay not only par value for their shares, but in some cases as high as 80 per cent as dividends. I think it is an extremely good thing to know that all of these banks are solvent and that all of them have money to their credit, either on General Reserve or in undistributed profits.

I had hoped to pay visits to the country districts in order to meet the Committees of these banks and to explain a portion of this particular section of the Bill—the reason for it and so on. I am sorry to say that I have been unable to do so. As hon. Members know, I have had some difficulty with this Bill. We had to send it to the Colonial Office for the approval of the Secretary of State, and the final approval arrived only a fortnight ago. As it is necessary that the Bill should be passed in this Council as early as possible, I had to omit the visits I intended to pay to the country districts in order to meet the Committees and explain things to them. However, the Co-operative Credit Banks Board has sent out circulars explaining what would happen with regard to the institution of the Corporation and the winding up of these banks.

I hope I have covered enough ground to enable Members to accept the principles of this Bill. After all, in the second reading we are only to deal with principles. In this case, as in very many others, it is quite impossible for one to cover all the principles of the Bill, except one makes a comprehensive survey of the various clauses. I hope hon. Members will forgive me for having wearied them with so much detail instead of stating merely what I consider to be the underlying reasons for this Bill. I commend the Bill to the consideration of this Council. As I have said, it is a long-awaited measure and it is a feature of the Development Programme which has won the widest popular appeal. I think that everyone looks forward to the day when this Bill will be published as an Ordinance, and when the British Guiana Credit Corporation will open its doors. We have not been idle in the meantime and, although it was nobody's particular business to do so, action has been taken in advance to secure offices and equipment for the Corporation. The headquarters staff will be taken over immediately this Ordinance is published and proclaimed, and the Corporation will be ready to open its doors. I think everyone would like to welcome that day. I do commend this Bill to the consideration of hon. Members, and beg to move that it be now read a second time.

The Financial Secretary seconded

Mr. Speaker: Does any other Member wish to express his views on the policy of this Bill?

Mr. Macnie: I feel sure we all wish to thank the hon. Mover for his clear explanation of the clauses of the Bill and their purposes. Those of us who go around the country know the very great truth in what the hon. mover has said about the popular appeal and considerable interest among people in

[Mr. Macnie]

the country areas in regard to the formation of this Credit Corporation. In fact, some of us are rather pestered with questions as to when we are going to get ahead with the establishment of it. I hope I am correct in saying that as I understand the position, very soon after the passage of this Bill the new Credit Corporation will not only take over the Credit Banks, but will be pretty well ready to open doors for business. I would be lacking in my duty if I did not say that there is enormous interest and anxiety about when it is going to start business.

Sir Frank McDavid: I would like to repeat that there is every reason to expect that when this Bill is passed His Excellency will assent to it as quickly as possible; that he will issue a proclamation as soon as possible thereafter, and that the Corporation will, so to speak, throw open its doors. I am more justified in saying that, because I understand that the Chairman-designate, Dr. Duthie is on his way by air back to British Guiana, and it is also possible that someone who has been selected for appointment as General Manager may be accompanying him. That being the case, one can reasonably expect that as soon as legal powers are conferred the Corporation will—indeed it must—open its doors.

Mr. Bobb: I do not wish to delay the business of this Council. The hon. mover in his own style and wonderful approach moved this motion, and I congratulate him for his achievement. But I want to refer to one aspect of the Corporation which rather affects policy. I gather from reading the Bill as well as the elucidation of it by the hon. mover that the Corporation will remain available to small investors to invest in it, and in respect of this I think the exact clause of the Bill is 14

(3) (f): That is very interesting from the point of view of the smaller people in the country. I have already been asked by several members of the Co-operative Credit Banks whether on the establishment of the Credit Corporation the present shareholders in the Co-operative Credit Banks will have the opportunity of continuing their interest in the form of shares in the Credit Corporation.

Sir Frank McDavid: The hon. Member is ahead of me, because I did not deal with that point. The funds and resources of the Corporation will consist of the item set out in Clause 20 subclause (1). The Corporation is not going to issue shares. It is going to be financed entirely by capital subscribed by Government, by revenues, Development and Welfare funds, loan funds, and so on. But I did say that the power of the Corporation to issue loans will be with the permission of the Governor in Council. There is no intention of issuing shares in the Corporation to small investors. I take it, that is what the hon. Member is trying to get me to answer—whether there is scope for investment in the Credit Corporation for the small investor.

Mr. Bobb: The hon. Member has made it so clear, that there is no doubt about what I was trying to verify. I raised the point because it was brought up by several persons outside. Apart from that, the general shareholder is interested in the larger powers of the Corporation which will afford them borrowing large sums of money to invest in a bigger way.

I think this Bill is going to meet with a great deal of success, and I trust that the utmost speed will be exercised in getting it through all its stages.

Mr. Lee: I would like publicity to be given to how much this Bill yields to the possibilities for loans for housing, who will be given preference for loans, and whether loans will be made through Regional Development Committees or through the Corporation itself. I would like an explanation now in regard to those points, after which, with Your Honour's permission I will say a few words on the Bill itself.

Mr. Speaker: I do not quite follow what the hon. Member means. Is it in respect of the policy of the Board towards loans for repairing or erecting houses?

Mr. Lee: Both. You see, the public are looking to the Government for assistance in the shortage of housing. As hon. Members are aware Government gave priority to the claims of Leguan concerning the erection of houses. The question is, now that the people have acquired the lands, how can they get the loans? Will Government build the houses for them and rent it out on a hire-purchase system? Apart from that, there is the question of repairs. As the hon. mover knows, in housing experiments in Essequibo a policy had been advocated which the people never took the advantage of. What will be the attitude of the Corporation in respect of applications for loans to repair houses?

Sir Frank McDavid: The question is somewhat involved, but I can tell what the hon. Member is thinking. So far as the Board is concerned, its functions and duties, as set out in Clause 14, provide for credits for private or mixed private and public investment in rural and urban housing. So that one of the duties of the Corporation is to lend money for housing. So far, so good. Then the Legislature with the previous approval of the Finance Committee has provided \$1 million for loans for rural and urban housing.

So I take it that \$1 million will be lent out in connection with housing.

The hon. Member wanted to know what machinery is there by which people would get a loan to build a house. Well, that rather encroaches upon the field of the hon. Member on my right (Mr. Cummings) who only today tabled a memorandum on housing. From that memorandum the hon. Member (Mr. Lee) will see that provision is made for the actual construction of houses in select rural areas for the lowest income group, and such houses are to be for hire-purchase. So far as the Corporation is concerned money will be lent to the ordinary individual regardless of his income group. It is very difficult to advertise, in the way it should be advertised, this particular aspect of the Corporation's policy. All we can say is that there is provision in the Bill, and it is one of the duties of the Corporation to let the public know what it is prepared to do and how it is going to do it. I do not think it is for me or the Legislature to go into details about the machinery for lending money for housing. All we can say now is that that is the intention, and the facilities are there. I hope that the Corporation will, as soon as possible, let everyone know how they can get money, how much interest they have to pay, and so forth.

Mr. Lee: I thank the hon. Member for his explanation and I sincerely hope the newspapers will publish it as he has put it. I appreciate that the Corporation will absorb the existing Co-operative Credit Banks and I hope its policy will be such as to gain the confidence of the public. Borrowers from the Co-operative Credit Banks fear that the inducements being offered are designed to draw them into the net of the Credit Corporation, and that they may not be granted the same facilities as they are afforded by the Co-opera-

[Mr. Lee]

tive Credit Banks. They would like an assurance from Government, or from the hon. mover of the Bill, that should that arise at any time they could approach Government for a resuscitation of the Co-operative Credit Banks. I am only saying what has been brought to my knowledge, and perhaps the hon. Member will receive a memorandum from one of the Co-operative Credit Banks on the subject.

Mr. Speaker: Isn't it plain on the face of it that the position of the borrower from the Co-operative Credit Banks will be much improved? He will not have to subscribe to any fund; he has not to be a member at all, before he can obtain a loan. The facilities will be much greater. Why should anyone wish to resuscitate the Co-operative Credit Banks?

Mr. Lee: I admit that but I am only telling the hon. mover that perhaps within a week he will receive a copy of a resolution from one of the Co-operative Credit Banks asking for an assurance from Government that they would enjoy the same facilities from the Credit Corporation as they are getting now from the Co-operative Credit Banks.

Mr. Speaker : The Co-operative Credit Banks will *ipso facto* become extinct. They will not exist, and all their rights will cease. No assurance can be given; the Co-operative Credit Banks are being wiped out.

Mr. Lee: I am only drawing the hon. mover's attention to it. There is another point. One of the Co-operative Credit Banks invested in Government bonds for which the shareholders of the Bank would not obtain the par value if the bonds were sold now. Will the hon. Member say whether the Credit Corporation will take over those bonds

at their par value for distribution of the proceeds to the shareholders of the Credit Bank?

Mr. Speaker: They would get the market value of the bonds.

Mr. Lee: There is one other point. Will the hon. mover tell us whether the sum of \$3 million will be sufficient to provide the short-term agricultural loans which will be applied for? I am sure that when the public gets to know of these facilities more money will be required.

Mr. Speaker: There may be more applications than the funds available for loans. Can the hon. Member not anticipate what the fate of some applications will be?

Mr. Lee: I think we should pass this Bill as early as possible.

Mr. Ramphal: I would like to raise a matter of principle but I was wondering whether you would adjourn now, Mr. Speaker.

Mr. Speaker: Will the hon. Member be able to conclude his remarks by 5 o'clock?

Sir Frank McDavid: I think the hon. Member will agree that his point should be raised in the Committee stage. It is much better for all concerned to tie one's remarks to some clause in the Committee stage.

Mr. Speaker : If the hon. Member wishes to discuss a matter of policy the hon. mover might have to reply and at the present moment he does not propose to do so unless the hon. Member has some vital point. Is it anything that the hon. Member cannot raise in Committee?

Mr. Ramphal: I will raise the point under the relevant clause in the Committee stage.

Mr. Speaker: Would the hon. mover like to go into the Committee stage tomorrow?

Sir Frank McDavid: I would like to have the second reading passed this afternoon.

Mr. Carter: I suggest that the adjournment be taken now, Sir.

Mr. Ramphal: I am perfectly happy to wait until tomorrow and raise the point in Committee.

Mr. Speaker: I will now put the question "That the Bill be read a second time."

Question put, and agreed to.

Bill read a second time.

Council was then adjourned until 2 p.m. the following day.