

## LEGISLATIVE COUNCIL

The Hon. Dr. G. M. Gonsalves (Eastern Berbice).

Tuesday, 6th January, 1948.

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

### PRESENT.

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

The Hon. the Colonial Secretary, Mr. D. J. Parkinson (acting).

The Hon. the Attorney-General, Mr. E. M. Duke (acting).

The Hon. the Colonial Treasurer, Mr. E. F. McDavid, C.B.E.

The Hon. F. J. Seaford, C.B.E., (Nominated).

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

The Hon. H. N. Critchlow (Georgetown South).

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

The Hon. V. Roth (Nominated).

The Hon. T. T. Thompson (Nominated).

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

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

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

The Hon. J. Fernandes (Georgetown Central).

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

The Hon. W. O. R. Kendall (No. Amsterdam).

The Hon. C. A. McDoom (Nominated).

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

The Hon. W. A. Phang (No. Eastern District).

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

The Clerk read prayers.

The minutes of the previous meeting of the Council held on the 30th of December, 1947, as printed and circulated, were taken as read and confirmed.

### PAPERS LAID.

The COLONIAL SECRETARY, (Mr. D. J. Parkinson, acting) laid on the table the following documents:—

Despatch from the Secretary of State No. 216 of the 4th of December, 1947, regarding the Resolutions of the Conference on the Closer Association of the British West Indian Colonies held at Montego Bay, Jamaica, from the 11th to the 19th of September, 1947.

Speech by His Excellency Sir Charles Campbell Woolley, K.C.M.G., O.B.E., M.C., at the First Session of the Fourth Legislative Council on the 18th of December, 1947.

Report and accounts of the Wortmanville Housing Scheme for the period ended 30th June, 1947.

### GOVERNMENT NOTICES.

#### INTRODUCTION OF BILLS.

The ATTORNEY-GENERAL, (Mr. E. M. Duke, acting) gave notice of introduction and first reading of the following Bills:—

A Bill intituled "An Ordinance further to amend the Criminal Law (Procedure) Ordinance with respect to the qualification of Jurors, the preparation of the Jurors book, peremptory challenges, the pronouncing of the death sentence on young persons and in other respects."

Bill intituled "An Ordinance further to amend the Interpretation Ordinance with respect to the proper designation of the Legislative Council and with effect to the power of the Legislative Council to make regulations."

A Bill intituled "An Ordinance to provide for the partition of Lot No. 53 of the Union, Courentyne, Berbice, for the re-allotment of holdings therein, for the issue of titles thereto, and to render the occupation thereof more beneficial."

A Bill intituled "An Ordinance to incorporate the Executive Committee of the Methodist Lutheran Church in British Guiana for purposes connected there-

OFFICIAL NOTICES

ACOUSTICS OF COUNCIL CHAMBER

Mr. ROTH on behalf of Mr. FERREIRA gave notice of the following motion:—

WHEREAS frequent complaints are made regarding the poor acoustics of this Council Chamber, which often result in Honourable Members missing much of the debates;

BE IT RESOLVED that this Honourable Council request Government to take immediate steps towards installing a public address system or such other means as may enable the business of the House to be heard clearly by all concerned.

NOTICE OF QUESTIONS

LOANS MADE BY GOVERNMENT

Mr. ROTH gave notice of the following questions:—

With reference to Government's "Replies to Questions" No. 24, laid on the table on 3rd October, 1947, regarding certain loans made by Government to Messrs. A. M. Edun, D. M. Harper and H. J. M. Hubbard, which loans these gentlemen undertook to repay before the 31st day of December, 1947, will Government now state:—

1. Whether these undertakings have been honoured?
2. If the answer is in the negative, how much does each of the said gentlemen owe and
3. What steps does Government propose to take for the recovery of the amounts in question?

FREE GRANTS AND LOANS TO FARMERS

Mr. FERNANDES gave notice of the following questions:—

1. What was the total amount of money given to farmers and others as free grants by the Legislative Council Food Production Committee?
2. What was the total amount of money loaned to farmers and others by the same Committee?
3. What is the unpaid balance of these loans as at November 30, 1947?

ORDER OF THE DAY

BUDGET DEBATE

The PRESIDENT: Council will now proceed with the Order of the Day by resuming the debate on the motion standing in the name of the Colonial Treasurer. The motion reads:

"That, this Council approves the Estimates of Expenditure to be defrayed from Revenue during the year ending 31st December, 1948, which have been laid on the table."

Mr. SMELLIE: Sir, I think the hon. the Colonial Treasurer deserves congratulation for the Budget Statement which he has presented to this Council. I daresay that at a later stage there will be opposition to and criticism of certain parts of it, but it seems to me that it is a very prudent and sensible document. I would like to say that I am particularly glad to notice that it is the intention of Government to keep the Budget balanced not only on this occasion, but hereafter. The Treasurer did a service to the community in reminding them of the remarks made by Your Excellency in your address at the opening session of this Council, on the point relating to the raising of new loans in the future. It seems to me that the value and importance of the Colony's financial stability in this direction cannot be too often emphasized. I am not so happy over paragraph 15 of the Treasurer's Statement which deals with the accumulated surplus balances. I gather from this that it is the intention — or rather, I should say that the Main Development Committee agreed — that the hen roost, if I may call it so, should

be robbed to the extent of \$3,000,000 in order to assist in financing the development plans. Moreover, it would appear that the only reason why this allocation has been limited to \$3,000,000 is because the surplus balances are kept in the form of liquid funds and not readily realisable assets. It is with some diffidence that I question the wisdom of this policy which has been decided upon and outlined by the Main Development Committee sitting under the Chairmanship of the Economic Adviser, but I cannot help feeling that we ought to have something in reserve for the rainy day and I would like, with Your Excellency's permission, to quote the following extract from a recent London journal:—

“The probability is that within the next two years the world will be faced with a currency and credit shortage which will make the great depression of 1930 look like an inflationary orgy.”

The Treasurer, as he frankly admitted, was faced with considerable difficulty in estimating the yield from Customs revenue during the present year. I think it is a great pity that decision should have been so long delayed as regards importation and quotas for 1948. I am sure that the local Government is not to be blamed in this matter, but merchants and the commercial community are anxious to know exactly where they stand. After all, they have their own budgets to prepare. I read a report in the Press, recently, stating that it is not the intention of His Majesty's Government, to induce, persuade or compel Colonial territories to suffer austerity for austerity's sake, and while everyone is ready to make such sacrifices as are reasonable and necessary I hope that our Supplies Control Authorities would not condemn the people of this Colony to sacrifices which are neither necessary nor reasonable. It seems clear that in Britain a sufficiency of supplies is being made available for the export trade and many exporters are able to supply all the reasonable requirements of the sterling areas without impairing their ability to fill all orders from hard currency countries.

Turning now, Sir, to the proposals to bridge the estimated gap between expenditure and revenue which at the moment stands at \$616,889 and which, as

the Treasurer pointed out in the course of his speech, is subject to increases—one of which has to do, of course, with the all-important subject of food production—I would say that in so far as this measure is designed to make the largest contribution I do not think there is any reason for complaint. I refer to the proposed increased duty on malt, spirits, wine, tobacco and cigarettes, for in a sense these are luxury articles and the sort of luxury articles which, generally speaking, are regarded as good targets for Government ammunition. It should be borne in mind that the aim should not be placed too high, otherwise it would defeat its own purpose. However, Sir, I feel that the suggested increases are sufficiently moderate as not to cause any falling off in revenue.

Dr. SINGH: Sir, I have just received a copy of your speech, and before I proceed to make a few observations on the Budget Statement I desire to express my appreciation of the valuable address which you delivered at the opening session of this the Fourth Legislative Council. It is about 12½ years ago, Sir, that the last general elections took place under the old franchise and since then the Franchise Commission sat and reported, the result being that the franchise was reduced thereby affording an opportunity to the people of this Colony to become registered as voters and to exercise the franchise on a lower income qualification of \$10 per month. Unfortunately, Sir, owing to World War II, the general elections had to be deferred until November 24, 1947, and we know what are the results of those elections. Many of the Members of the Third Legislative Council who adorned the seats in this Chamber are no longer with us. Their places have been filled by new Members, and at this stage, Sir, I desire to offer appreciation of the valuable service they rendered to the Colony, especially during the time when the existence of the British Empire was being threatened. Through their initiative and experience they were able to assist Government in the many crises that arose during those years and I desire to express appreciation of those hon. Members who rendered invaluable service for the benefit of their country. I can only hope that that service would be recognized in a more tangible manner.

As regards the Budget Statement, Sir, I should like to say that I am very much interested in the 10-year Development Plan and I think that if the various schemes and projects are completed within reasonable estimates—within the amounts allocated to them—British Guiana will see the dawn of a new era and will be on the road to real prosperity. If the recommendations of the various sub-Committees—Public Health, Communication, Agriculture and so on—are carried out, backed by sincere and honest co-operation from the responsible Officers, I see no reason why they should not lead to a prosperous British Guiana. What I mean by “sincere and honest co-operation from the responsible Officers” is that the Officers who are put in charge of the various schemes and projects should regard it as their duty to keep an eye on expenditure and to see that the estimates are not exceeded. It has been my experience in this Council for the last 17½ years that estimates for schemes undertaken by Government are always greatly exceeded. We see the schemes coming up before us at certain figures, but the estimates are always exceeded and sometimes a scheme costs double the amount of the original estimate. I think it is time that care be taken to see that the expenditure on schemes undertaken does not exceed the amount estimated by experts. If I were a dictator I would know what to do when estimates are exceeded as are done at the present time. We are very much disturbed as Legislators to hear that a particular person—let us say Mr. A—has got rich overnight. We might not be able to prove anything against such a person but we want to know that our Officers are giving us proper service. As regards Agriculture, there is still a shortage of food all over the world and we should put forward our best efforts by intensifying our programme under this head. During the War, when we could not get certain supplies from abroad, the Grow More Food campaign was started with the result that we were able to meet the adverse conditions. I think, Sir, that if our agricultural schemes are properly organized we would be able to plan ahead in other directions and make our production self-sufficient at least. I remember that in 1946 when we were considering the Estimates for 1947, we were

faced with heavy commitments relating to such items as Colonial Emergency Measures, Subsidisation and so on, and were very much perplexed over the probability that at the end of 1947, we would be faced with a deficit. The majority of the Members were pessimistic, but I am glad to recall that one Member — the hon. Nominated Member, Mr. Raatgever—was very confident. He predicted that we would be able to balance our Budget and have a surplus at the end of the year, and I am sure he is pleased to know that his prediction has come true.

We are now planning for the present year and although we are faced with some of the same problems—Subsidisation, Colonial Emergency Measures and so on—our position appears to me to be more rosy than when we met here in 1946 to budget for 1947. I should like to state, Sir, that I am against further taxation of cigarettes and tobacco. Perhaps I will be told that there are other items which will also be taxed, but I will wait and see what is the feeling of this Council. Whilst it is our duty to look after the affairs of this country, I think we ought to be careful in imposing more taxation on those people who have to bear it without saying anything. We should ask ourselves what are we doing to raise their standard of living so that increased taxation would not be a terrible imposition on them. I think it is our duty to raise their standard of living, and once they get accustomed to living under better conditions I think they would acquire the habit of working harder — they would work with more vigour and energy—in order to maintain that higher standard of living. For that reason, Sir, I think it is the duty of this Council to appoint a Committee to consider the question of a minimum wage for labourers and also for the various types of craftsmen. I hope that steps would be taken in that direction at an early date. In conclusion, I have very great pleasure in expressing once again my appreciation of Your Excellency's speech and also of the Budget Statement.

Dr. NICHOLSON: Sir, it is not my intention to make a speech or to delay the business of this Council, but I crave your indulgence to make a short statement with regard to the Budget and the

export duty on gold. This export duty, as Honourable Members may be aware, is levied at the rate of 1½% *ad valorem* or 25% of the excess in value over \$35 per ounce, whichever may be the higher. Quite frankly, this proposed tax on gold produced and not exported (but retained for domestic use) is designed not so much as a revenue measure but as a means of increasing the quantity of gold exported and sold for U.S.A. dollars. It is assumed that the tax would ultimately be passed on to the domestic user of gold, in other words, that it would be borne by the consumer and not the producer, and it therefore has the character of a luxury tax."

It is my considered opinion that such a tax would kill the pork-knocking industry of the goldfields. The tributors or gold diggers have borne the burden and heat of the day; they have been the pioneers of the gold industry in this Colony, and I think they should be given every consideration by this Council. I have some figures here which I would like to put before the Council. At Arakaka gold is bought by the shopkeeper at \$35 per oz. from the pork-knocker, and in the Puruni I am told that as much as \$38 per oz. is paid. The shopkeeper sends the gold to Georgetown where royalty of 50 cents per oz. is collected by the Department of Lands and Mines. The freight on gold from the various districts to Georgetown is about 20 cents per oz., therefore the cost to the shopkeeper is say \$38.70 per oz. The gold dealer in Georgetown buys from the shopkeeper at between \$40 and \$42 per oz., and in turn sells to goldsmiths, dentists, and other users of gold at between \$43 and \$45 per oz. Everybody is happy, because in each case a small profit is made.

Let us look at the position from the point of view of the gold dealer in Georgetown who exports gold. Before it is shipped the raw gold has to be smelted, and he is a fortunate man if he gets 90 ozs. of smelted gold out of every 100 ozs. of raw gold. Assuming that he gets 90 ozs. of smelted gold, that amount is further reduced at the Mint when smelted again for the removal of impurities and other metals. The Mint pays \$35 per oz., for every 100 ozs. of raw gold purchased here by the gold dealer at say \$40 per oz. He pays \$4,000, but when he ships that gold away he gets 90 ozs. of fine gold at \$35 per oz. American currency, which

is equivalent to \$41.63 local currency. For the 90 ozs. of fine gold he therefore gets \$3,746.70 local currency, from which must be deducted shipping expenses, insurance, and Bank charges amounting to \$2 per oz., leaving \$3,566.70 per 100 ozs. of raw gold, which works out at \$35.66 per oz. of raw gold. It is therefore obvious that the gold dealer cannot buy gold from the shopkeepers at \$40 and \$42 per oz. if he only gets 35.66 per oz. when he ships that gold away. The result is that I am told by one of the largest gold dealers that in

\$30 per oz. for raw gold. The shopkeeper in turn will probably buy gold from the pork-knocker at \$27 or \$28 per oz. That would mean a reduction of \$10 per oz. to the pork-knocker, which I think would kill the pork-knocking industry.

The COLONIAL TREASURER: May I intervene to ask for an explanation? The tax we propose to levy is on gold used for local consumption. Gold for export will be free of tax. If it is paid it would be refunded. I am not sure of the hon. Member's point.

Mr. PHANG: The gold dealer in Georgetown is going to tell the shopkeeper that the gold he is buying will be exported, and that he will only get \$35.66 per oz. in return. In that case he will probably only pay \$30 per oz. for raw gold, which will mean that the pork-knocker will suffer.

Mr. SEAFORD: Before dealing with the Budget itself I would like to congratulate the hon. the Colonial Treasurer on the very lucid manner in which he presented his Statement to this Council. It is never a very pleasant duty to have to extract taxes from the people of the Colony, and I do not think it is a very popular one, but the Treasurer has done it in such a very nice manner that he makes you feel that he is doing you a favour when he is taking the last cent out of your pocket. I do not propose here and now to deal with the various points in the Estimates of the various Departments, as I think the correct time to do so will be when we go into Committee to deal with the Estimate itself. Nor do I propose to go into the various taxation proposals, as we will have an opportunity to

do that when we are dealing with the Bills to amend the Tax and Customs Ordinances. I would like to say, however, that for the present at any rate, I accept the Treasurer's estimate that he has to find additional revenue to the extent of \$850,000. I agree that it is wise not to touch the accumulated surplus balance which I think is about 5½ million dollars, and should be retained and used, if necessary, for development work. In the future we will have to obtain our revenue and maintain our standard by development, as I feel that it is only by investing that money and securing further income that we will be able to carry on as we are doing to-day.

I agree in the main with the proposals for taxation. There may, of course, be certain modifications and further suggestions may be put forward for increased taxation, but I accept the proposals in general because I feel that the right outlook has been taken. For instance I feel that it is correct that a luxury tax should be imposed. A luxury is something that can bear increased taxation, and those who want luxuries should pay for them, but I wish to warn Government that there is such a thing as a saturation point, and if that is reached it would mean that any additional taxation would reduce rather than increase revenue. I also think Government has been wise in not interfering with income tax. I say that because it is well known that if income tax is increased beyond a certain limit it strangles expansion, and if there is on thing we need most in this Colony it is expansion and development.

I agree also with the proposal for the relief of taxation on what the Treasurer calls development enterprises. I do so because I think we should offer every inducement we can to large companies to invest money in this Colony. Development is essential to this Colony; it is the only means by which we would be able to secure sufficient revenue to improve or extend our present standard of living here. I am wondering whether Government has gone quite far enough in its so-called relief of development enterprises, and whether it should not also give relief to expansion of existing enterprises. In certain cases expansion and

development are synonymous terms. We have industries which, by expansion, would increase the revenue of the Colony. On the other hand there are industries which may be started and may require assistance at a later stage for expansion, and it would be wise for Government to assist such industries because it would mean increased revenue.

I regard 1947 as having been an unfortunate year for this Colony. I feel that the financial position of the Colony is not roseate, as has been said by a Member of this Council. In fact I consider it quite the reverse. I say that 1947 was an unfortunate year because, although our revenue from imports was very buoyant and exceeded our estimate by 3 million dollars, I cannot help feeling that had Government known that revenue was not likely to be as buoyant as it has been, our expenditure would not have increased in the way it has increased. We have increased our revenue from Customs duties by 3 million dollars, and in his Budget Statement the Treasurer pointed out that our total volume of trade was \$73 million — imports \$40 million and exports \$33 million. Our imports exceeded our exports by \$7 million, and if that continues it means that we are heading towards bankruptcy, but it cannot continue because, on account of the dollar crisis and the austerity position we heard about just now, we are not likely to get anything like that volume of imports this year. I take it that within the first three months of the year our revenue from imports will be somewhat buoyant, and then there is going to be a slump. With all due deference to the hon. Member for Central Demerara (Dr. Jagan) I consider that instead of underestimating revenue from Customs I believe the Treasurer has over-estimated it. I regard the financial future of the Colony as being anything but roseate. As he pointed out, there was an increase of 100 per cent. in goods imported from the United States, and 50 per cent. on those from Canada. The hon. Member made the point that we should not lose that revenue; we should be allowed to get all we can from the United States. I give the hon. Member credit for honesty of purpose, but he is misinformed, as he has shown in many of his statements here to-day. We in this

Colony have not got the dollars to buy those goods from the United States. Are we to go to the Mother Country and say we want to buy American goods in order to maintain our revenue from imports? The Mother Country herself has not sufficient dollars to buy anything at all. If the hon. Member knew the position I do not think he would have tried to make out the case he did.

The hon. Member also referred to the two million dollar loan made by this Colony to the United Kingdom during the war. The money is still there and, as the Colonial Treasurer has pointed out, we can get it at any time. Other countries of the Empire not only made loans to the Mother Country but very large grants indeed. The interest which we waived on that two million dollars is a mere pittance, and a very small price to pay for the benefits we got from the Mother Country during the war. Has the hon. Member forgotten what happened to numerous ships during the submarine campaign? Would we have got any supplies if we had not been defended by the Mother Country? I think that a loan of two million dollars free of interest is a very small price to pay for all we got out of the Mother Country, and I think it is regrettable that it should be thrown in her face at this time. May I remind the hon. Member of the conditions that existed in the neighbouring Colony of Dutch Guiana during the war?

As regards the suggestion that we are being controlled in regard to our development schemes, the hon. Member is unaware that we are allowed to buy freely such things as tractors and ploughs. Permits have been issued by Government, and the purchase of supplies has been allowed by the Imperial Government.

I am not happy about the economic situation, and I think it is much more serious than we in this Colony can appreciate at the moment. We have to remember that it is not only on account of the crisis through which we are passing at present, but our income depends greatly on the prices of imported foreign goods which may fluctuate at any moment and to any degree, and when prices fluctuate our Customs revenue also fluctuates. Therefore I feel that we

should always be on the safe side. As has been pointed out by our Economic Adviser, our expenditure is very rigid while our revenue is very vulnerable to any decline in price levels. That means that our expenditure has risen to a figure in the neighbourhood of \$70 million, and while our revenue has risen it may drop very quickly, but our expenditure is not likely to drop. We know from experience that once our expenditure has been raised to a certain level it is very difficult to bring it down again. I feel, therefore, that we have to look ahead. How does Government propose to meet the unfortunate economic situation? There is only one way to do it, and that is by production, and more production. We have to increase our exports and bring more money into the country. Again, if I may quote our Economic Adviser's figures, he says in his report:

"An energetic campaign for increased production in existing industries will be required, involving more capital, improved techniques, and increased output per man-day."

We have at the moment a lot of capital. We are getting improved technique, and we must therefore get increased output per man-days. An increase in wages alone is not going to do that; it never has been able to do it. As the late Chancellor of the Exchequer, Mr. Dalton, said in February last year, increased income for any class or any Nation without increased production is worse than useless, as it only increases so-called inflationary pressure. And that becomes worse and worse where we run short of consumer goods. When we run short of consumer goods it leads to inflation, and not only inflation but to the blackmarket, which is one thing that must be avoided in this Colony, if it can be done.

The short-term policy is expansion of existing industries. The sugar industry has placed large orders for machinery to improve efficiency, to increase expansion, and in order to increase its output. One snag is the shortage of fertilizers in the world to-day, but I think Government is using its best endeavours to have that put right.

As regards the rice industry, that is

doing the same thing. The Rice Marketing Board is, I know, anxious to expand the industry, and is putting aside large sums of money for improved machinery. Improved efficiency and increased expansion is the policy that Government must try to pursue this year. That is what I call a short-term policy. The long-term policy is slightly different; it is production, and more production, but that production will have to come through development of new industries in the Colony. It is essential that we get new industries; not only because we require them in order to maintain or improve our standard of living, but because we have to export more. Our statistical figures show that within the next 15 years the population of this Colony should have increased by about 30 per cent. That is wealth in itself, if that wealth can be properly used, and we must find means of employing that manpower. We must face the situation, and I would ask Government as the first move in its development plan, to do its utmost to push on experimental work and investigation of the possibilities of hydro-electric power. One of our great bugbears in the matter of development in this Colony and the starting of new industries is expensive power. Our fuel bill for the railway works out at about \$35 to \$40 per ton on the Coast.

You will appreciate, Sir, what that means when it has to be taken to the interior. If we can produce cheap hydro-electric power in this Colony, I am satisfied that the development of industries would go ahead apace, and I would ask Government to spare no pains and no money to get the very best information and to push ahead the development of hydro-electric power in this Colony. We have heard some remarks made as regards bauxite, but I think the bauxite industry has done a wonderful job in and has proved to be a very great asset to this Colony. It has been stated that the price of everything has gone up, but the price of bauxite instead of going up has gone down. I should like to inform Members of this Council that there are two different companies connected with the mining of bauxite in this Colony at the present time. The company operating in the Demerara River district is the Aluminium

Company of Canada and the other is the Aluminium Company of America. The reason why the price of bauxite has not risen is because the price of aluminium has not risen. As a matter of fact, the price of aluminium in the world market has gone down and not up. If we are going to improve our collection of revenue we have to increase our exports by developing and expanding our industries. Here again, Sir, if I may refer to the Economic Adviser once more, he stated in his report that unless there is a substantial increase in the present low national income and output per head it would be impossible for the Colony from its own resources to raise and maintain public and social services to a level which would be regarded as adequate in welfare communities. I have already stated that we have to increase our exports and also endeavour to reduce our imports. It is a fact that every country in the world has the same object in view. I am no economist and I am not going to attempt to find out how it works because the whole world cannot export more than it imports, and for the same reason we have to go ahead as quickly as we can. We should win all the markets that we can get at the present time, for once one gets into a market it becomes very much easier to hold it than to push someone else out of it.

In 1942, when Dr. Benham was in this Colony, he got out some comparative figures as regards budget revenue and national incomes, and they showed that in this Colony our budget revenue was 20.1% of our national income, while in Jamaica it was 12.6%, in Barbados 14.3%, in Grenada 12.4%, and in St. Vincent 13.3%. The Jamaica figure is understood to have risen since 1942 to about 26% of the national income, but when these figures were prepared British Guiana was about 10% higher than any other Colony and since 1942 our figures have gone up from 20% to about 25%. The Economic Adviser (Col. Spencer) has taken the figure of 20.1% for the period 1942-47 but I believe it is going to be higher than that for the next couple of years. If our expenditure remains as high as it is, our budget revenue would be over 29% of our national income, which sum I do not think any country can stand. We have

got either to reduce expenditure—a thing which we are going to find practically impossible to do—or increase our national income, and it is the latter that we have to do. The only hope for the future as I see it is for every single individual to put his shoulder to the wheel and do his share. We have had enough during the recent general elections of the cry of Capital vs. Labour, and we have to bury that forever if we are going to develop our resources and do anything further along the lines of progress. It is well known that Capital cannot go ahead without Labour, or Labour without Capital. I feel that the year 1947 has presented a picture of revenue which we are not likely to see for a long, long time to come unless we produce more in this Colony. I say, therefore, that production and more production should be our motto for 1948 and future years, and it is the duty and privilege of every Member of this Council—if he has the interest of the Colony and its people at heart—to do his share in that work.

Dr. GONSALVES: I wish, very briefly, to make a few remarks with respect to the Budget Statement and would refer particularly to page 14 where reference is made to gold. First of all, however, I would like to add my mead of praise for the hon. the Colonial Treasurer by saying I believe that the report is a wonderful one and reflects outstanding ability on the part of this Officer. As regards the question of luxury tax, however, I would say that although we are out to encourage the investment of capital in the development of this Colony I do not agree with the proposal to remove the export tax on gold and to place a tax on gold used in the Colony. I think that is going to be a bit hard on the people of the Colony, and while it is true that those who indulge in this luxury should be prepared to pay for it I think the rate of the proposed tax is too high. Further, I would say that even though we wish to encourage capital to come into this Colony I do not believe the export tax on gold should be removed altogether. I hope to have an opportunity of saying a little more on the subject when we get into Committee to discuss the Estimates.

Mr. DEBIDIN: As a new Member of

this Council, I desire to express my gratitude to Your Excellency for the very illuminating and inspiring address you delivered at the opening session of this Council. I must also say the same thing about the Budget Statement which has been presented by the hon. the Col. Treasurer, since it is a very lucid document which has enabled us to understand the Colony's financial position within a very short time. I may say that I am particularly interested in the development of the Colony and that as a Guianese I have always been anxious to see the development of this Colony take shape as early as possible. Since I was a boy at school, I have been hearing of the great possibilities and potentialities of this Colony, but until to-day I have been unable to see to any great extent what those possibilities and potentialities are. Apart from certain industries—sugar, rice, coconut and a few others which can be counted on the fingers of one hand—nothing has been done to develop the resources of this country to any great extent. I think I can say with a certain amount of justification that some of these industries were being preserved and protected all these years, and when I read the report of the Main Development Committee along with Your Excellency's address, I could not help feeling that there is now a strong desire on the part of Government and the other parties who assisted in planning the schemes to go forward with the development of the Colony. I must say that I certainly share Your Excellency's confidence in predicting a bright future for British Guiana. At the same time, I must express dissatisfaction over the fact that there has not been any real attempt to develop this country along industrial lines. For instance, if we take the amount allocated to development schemes and compare it with the amounts spent on general welfare schemes we would find that it shows a very small proportion indeed. We have been merely experimenting in the past, and I hope we would not be beating about the bush for another 10 years or more before we begin to see any real development.

I am entirely in agreement with the view expressed by the hon. Nominated Member (Mr. Seaford) when he stated

that this Colony is in need of industrial development and that there should be more and more production. I know that with the natural increase in population which is taking place there is going to be an annual increase in the turn out of educated youths—boys and girls from secondary schools—and unless there is industrial development in the Colony to absorb them they are going to face a situation which would not make their future a happy one. I certainly feel that apart from the plans already put forward for development we should open our doors in other directions and encourage capital to come in for investment. I think we should give priority to capital from Great Britain and next in turn from the Dominions, and then from the United States of America and other foreign countries. I do not think we should adopt a dog in the manger policy any longer as regards our resources.

This Colony must be developed and we must have capital from outside for that purpose. Consequently, a certain amount of safeguard should be given to any capital — British or foreign — that is brought in for investment. We do not want to hear any longer that paper pulp, plywood and other things can be manufactured in this Colony but there is no possibility of starting those industries with local capital, much less to develop others. I think something should be done—not merely by way of advertisement—to attract attention in the outer world and encourage people to come in and invest money in the Colony, and it is along these lines that we should give consideration to the Budget. I have little to say about the Budget at the moment, except to support the view that we are fast approaching insolvency and unless we take immediate steps to increase production it would be difficult for us to balance our budget. Much as we are grateful for the financial assistance being received from the Colonial Development and Welfare Fund—assistance which would help our national income by way of production and so on—I can see that after those funds have been expended we are going to be left with some unfinished schemes and huge costs by way of maintenance for others. In other words, our recurrent expenditure will soar so high from year to

year as to make the size of our budget very alarming indeed. As I have already stated, we should not lose any more time in developing other industries so that if there is any failure or setback on the part of the present ones we would have others to rely on.

As regards production, I desire to make one observation at least with respect to the constituency I represent—Eastern Demerara. It is one of the largest agricultural areas in the Colony and includes three rivers—the Mahaica, the Mahaicony and the Abary—in the last two of which the rice expansion scheme is being carried out. I think, however, that better facilities should be provided for peasant farming in these districts as well as in other parts of the Colony. I have already stated that in the past certain industries were allowed to develop at the cost of others and I can say with some amount of justification that lands in these river districts which could have been used by peasants for the greater production of rice, milk, edible oil and so on, were allowed to decay, and in some cases they recall the lines in the *Deserted Village*. It is noteworthy that Mr. G. O. Case, our expert on drainage and irrigation, made it perfectly clear in one of his reports that he did not consider the lands in these river districts to be of such importance as to be given protection over the sugar estates, and the result is that thousands of acres of land in these rivers and creeks have been left without any protection whatever. If we are thinking seriously about development and more production we should make it possible for residents in the country districts to occupy more of the lands which could be beneficially occupied in these areas and so produce a great deal more for local consumption as well as for export. I certainly appreciate Government's desire to assist Great Britain in her present difficulties, since I feel that this Colony should contribute its share towards overcoming the dollar crisis. There is no doubt about it that we have to increase our exports and try to cut expenditure in hard currency areas so that every dollar saved would help to rehabilitate sterling, and if certain industries are going to be allowed to import large quantities of machinery for their own maintenance and preservation I think

the poor people—the peasant farmers—should be allowed to do likewise, even if it means importing from hard currency areas. There has been much talk about encouraging peasant farmers in this Colony and I think every facility should be given to these people. For instance, many people have come to me and complained that they are tired asking for supplies of barbed wire with the result that they cannot empolder their lands or go in for cattle farming. I think that the importation of barbed wire and other things required by farmers and other residents in the rural areas should be permitted as a means of ensuring greater production among these people.

Mr. SEAFORD: To a point of information: I can assure the hon. Member that Government has been trying to get nails and barbed wire from all over the world and that there is no restriction on the importation of these articles from any source where they are available. The fact is that they are exceedingly difficult to get from anywhere.

Mr. DEBIDIN: I am exceedingly grateful to the hon. Member for the information.

The PRESIDENT: That information is certainly correct. I have spent a great deal of my time since I have been here trying to get barbed wire and nails. The position is a very difficult one, but I hope the hon. Member would understand that Government is doing everything possible to try and get them and I shall not cease to make representations until we get them.

Mr. DEBIDIN: I desire to thank Your Excellency. I have been given a bit of information, but how true it is I cannot say. I am told that a little before the dollar crisis began a certain local importer could have got all the nails this Colony wanted but was not allowed to do so. He is reported to have placed his order and everything else, but at the last moment it was turned down.

Mr. SEAFORD: May I explain that two or three importers had put in for those nails but before they were shipped

it was found that they were not ordinary nails, but mixed nails which were unsuitable for local use. It was a chance certain people abroad were taking to get rid of nails they did not want and these included only a small amount of ordinary nails. Even to-day there is someone trying to get rid of nails of that kind; we were offered about 2,000 or 3,000 tons.

Mr. DEBIDIN: I did not know of those details; all I heard was that a considerable amount could have been obtained. However, I would repeat that in spite of our desire to assist in the rehabilitation of sterling we should not deprive the people of this Colony of all their requirements, especially those intended for the benefit of the peasant proprietors. I know that in Trinidad many requirements were imported from dollar areas before the crisis came, and if we had done the same thing in British Guiana we would not have been in this position. As regards the question of Excess Profits Tax, I would like to make one statement and that is, if we are making a genuine effort to balance our budget I do not think the tax should be removed. I have seen that Excess Profits Tax not only produced a considerable amount of revenue during the years it has been in existence, but helped to bolster our economy. It seems to me that business houses should not complain if it is re-introduced since, if what I have been hearing is true, some of them have been very fortunate as regards quotas for the importation of goods, and have made considerable profits.

Your Excellency referred in the course of your opening address to buoyancy of revenue in this respect and I have no doubt that several large orders arrived in the Colony together so that the firms concerned made considerable profits. I think that the renewal of Excess Profits Tax would be one of the most useful correctives for the situation and that those business houses which were fortunate as regards quotas should not complain, since the small men would not complain. This Colony needs revenue very badly and I do not think the big firms should complain if Excess Profits Tax is re-imposed this year. After all, why should there be milk and honey on the one side, and on the other people

who are feeling the pinch. It seems to me that the principle has always been to get as much revenue as possible from sources where it is available in order to meet expenditure. The cost of Administration in this Colony is fairly high, and while I do not begrudge those Government employees who are receiving a cost of living allowance—even though some people feel they should not get as much as they are getting—I think early consideration should be given to the position of those poor workers on estates and other places who are earning low wages. The Civil Servant who gets a salary of even \$40 per month has something with which he can “cut and contrive”, but in the case of these low-paid workers, they cannot find it possible to budget for the increased cost of living. He has something to play with and to thrive on, but the man who earns 10/- a week or not more than \$10 or \$15 a month just has enough to meet bare living expenses. Any increase of 40 or 60 per cent. to him does not mean the same thing as 40 per cent. increase to the Civil Servant. If we are going to give consideration to the Government Servants in spite of our difficult times, I am going to ask that the same consideration, whether we legislate for it or not, be given to the other so that the low wage-earner throughout the Colony may have a living wage as well at least. I would say that in so far as I am concerned, I am prepared to give every assistance and co-operation in the balancing of the Budget which, when the time comes, is going to give us some amount of headache. I feel sure that Members will give every assistance to Government in its projects for the benefit of the Colony as a whole.

Mr. FERNANDES: With your permission, Sir, I would like to say a few words on your speech and on the hon. the Colonial Treasurer's Budget Statement. Your speech was very enlightening to me and has shown to me in a very large way how Government feels in regard to quite a few important issues. I am going to refer to just two of them. One is “Co-operatives”. I would like to congratulate Government on the statement that it is going to support “Co-operatives” and to use your own words—I quote:

“I have at various times referred publicly to the importance which I attach to the development on sound lines of the Co-operative Movement in this Colony....”

The next one is Government's policy as regards Trade Unions and Trade Unionism. Here again I quote:

“The Government's policy has been and will continue to be not only to recognise Trades Unions, but to foster their healthy growth and to provide by law the machinery to facilitate the settlement of disputes and in a manner securing to both parties a square deal.”

On those two points I would like to assure you that Government will have my maximum co-operation, as I feel exactly the same way as Government feels on those two points. As regards the hon. the Colonial Treasurer's Budget Statement proposing increases in taxation, I would like to congratulate him first for the very simple way in which he explained everything. It has been very easy to follow it very carefully and to follow the effects it is going to have. I am very pleased that he selected very largely luxury items for taxation. While he has left out a few other luxury items which he could very well have taxed, I am sure they will not be left out for a very long time. I am not going to comment on the various items because this is not the time for that. I am very fortunate in being here to represent a constituency that is loyal to Great Britain and, therefore, I know that they will back me up in everything I do to support Great Britain in her time of trial. I am also very happy in having put before my constituency at election time the inadvisability of the reintroduction of the Excess Profits Tax. I was able to convince them by producing the absolute truth and nothing but the truth that had Government kept that tax on it was going to cost a loss to the taxpayers of British Guiana—the tax as it was at the time it was removed. I was very fortunate in being able to produce to them documentary evidence of the fact that even when Government had revised the tax, one firm was able to recover every penny of Excess Profits Tax paid under the revised system of that law.

Listening to previous speakers I

wonder if they have examined the law and paid particular attention to the revised clauses in that law. I am pretty sure I can convince anyone of them at any time that Government was correct in repealing the law at the time it did, and in doing so Government saved the taxpayers quite a lot of money. Of course I always look very carefully into my facts before I say anything. Some Members seem to forget that when Government removed that tax it increased Income tax. — Companies were made to pay more — because from the discussion which took place here this afternoon it would give one the impression that this Excess Profits is not a tax at all — to take 40 cents out of every dollar made by any company in British Guiana. The Excess Profits we hear about are taxable. At this stage I would make the statement that I have never paid Excess Profits tax and, therefore, I am speaking unbiassed, and if it is introduced again I am pretty sure my business would not be in a position to make any excess profits. I want to give the assurance that I am going to do everything possible to help Government to face the very serious situation in which British Guiana finds herself and to help in every possible way to better conditions in the Colony. I am going to promise you I shall speak very little but work very hard. (applause)

Mr. THOMPSON: Sir, I much prefer to be a listener throughout, but I am forced to rise and say very little as I have always done. My first duty is to offer heartiest congratulations to Your Excellency for that excellent speech and so too to the hon. the Colonial Treasurer for unravelling so nicely what we have to face. I am here, perhaps, to take an introspective view. I think this is the time for it. Capital may come from outside and we may welcome everything and anything, but I think our duty is to examine very carefully the things that are just at our doors. I have been travelling throughout the country a good deal, having to reside in the remote areas, and I have always kept in full touch with the problems that concern those areas. I can assure you, Sir, that we are prepared to pull our weight to the fullest. We have realized fully the need for increased production, and already we have

set ourselves to the task. When we take the question of Agriculture, we find that there are one or two things that do not appeal to us. I have seen here in the Estimates provision for one Economic Botanist in substitution for the Rice Officer. If that Officer is the gentleman I have in mind, I regret very much that the necessity had arisen for the departure of that gentleman. He had studied the rice projects internally and externally. He is both a theoretical and a practical man and, I do not think, when we have such officers within our grasp we should not allow them to go.

This is an agricultural country, and it is useless for us to give our children or allow them to take education along lines that will not be of service to them. We have reached the stage when, I think, we should have homesteads. Let the children get there and cultivate a love for that kind of work. It is useless to let a child get an academical training and think that child will settle down to the farm; it will have no taste for the farm. My point is when they start young they are able to make good in later years by using their intelligence to make themselves better farmers, or carpenters, or workers. Our boys have rushed to the Colours and they have come back, many of them doing what? They have taken courses that will benefit them in no way when they get here. Could not Government find it possible to drain lands and let them go there and make themselves useful citizens? That, I think, would be very advantageous to us if they find something suitable to do in that direction. Give them well drained lands and encourage them to do farming, and they will become producing people. Much is said about the cost of Education and that it should be kept a certain way. That is impossible. So long as we have the population rising we are bound to have increases in that direction. What we are doing really is we are moulding them and laying the foundation with the three Rs", instead of waiting until they have passed their youth to bring in a literacy campaign. Give them that start and foundation that will benefit them all the more in later life. I think there should be a few more scholarships. That will be of advantage

in helping our girls. Those are some of the things I am prepared to take up.

We come now to Irrigation and Drainage. I am happy to find that my suggestions from 1943 are now bearing fruit. I have always urged that no drainage work should be undertaken until the people concerned have been conferred with, as they would have no cause to say they do not know. Let them meet in conference with the Engineers and let them know just what is to be done and what to expect the scheme will cost. It is useless rushing the matter and giving a scheme which in the end the people can say they know nothing about it. Government is now discussing with them before any scheme is undertaken, and I am in hearty agreement with that. I would certainly like to see more harmony existing between the Village Authorities and the Drainage Boards. The Village Authorities are the people who know the ins and outs of the districts, and it is futile for the Engineers to put down works without giving the Authorities an opportunity to give advice. They know the season to force the channels; they know what is necessary for the districts. If that is allowed, I am sure we would have better results from these drainage problems that face us. I have had to do with several of them. I have gone to districts and found the rice industry progressing and expanding. But what is happening? There are some districts which depend entirely on rainfall for their crops, where the people have mulcted themselves in hundreds of dollars expense to get not a grain of rice in return. They planted largely, and the result has been pauperism. I have heard that in some places they are happy. There is a district I have in mind where for three years they have not been able to meet their commitments; they have involved themselves in various ways. Suggestions have been put forward to benefit those areas but they are still lying there. If these things are taken up seriously, I am sure we would get better results. It is useless talking about more industries and the people are living in abject poverty. I know in many cases people have planted for food and when there is much rain at any time they do not know what to do. We should examine things internally. Let us have a proper

start so as not to throw away money.

As you are aware I have always been an ardent supporter of the view that Subsidisation has no economic value and carries the problem no further. If that same amount spent on Subsidisation is invested locally you would have something to fall back on. When I speak about the Pilot Mill and the setting up of the people on their own resources, I wonder why our surplus crops are not turned to better account, why they are thrown away or used to feed pigs when we should have mills to turn them into flour. Those are things I think, would benefit the country if we try to industrialize in a simple way. Instead of throwing \$2,000,000 in Subsidisation use the money here. The Pilot Mill has been there for some time and the Marketing Officer has made some use of it and to a considerable extent has reduced the deficiency of the Government Produce Depot, I am happy to say. There again that has been achieved by the insight of the Marketing Officer, and I pay him here a meed of praise because I happen to know what good he has done.

Let us take the Lands and Mines Department. We talk about rearing cattle and people are going to get lands. One set of people are taking up all the lands. We have not enough Forest Rangers and the result is that many people are crowded out while one man holds the whole lot of lands. A disturbance is created and the place is put up for sale when the man with money goes and buys. The poor cattle owners cannot obtain grazing rights. I hope that matter will be taken up seriously. I have had a good deal of worry in that respect and still do. One man takes land for agricultural purposes and his neighbour too, but he puts in cattle and destroys his neighbour's cultivation. There is confusion and disturbance, and I would be very glad to find that the number of Forest Rangers is increased. I see you have Wardens but I am referring to Creek Lands—lands that are very valuable and can give us all the milk we want and cattle and rice. I sincerely hope that in the near future these little things will be attended to for the benefit of this country. There are several other things which I will take up when we come to

the various items and I will be able to say more. Last but not least, I would like to see the poor man enjoy his smoke, and if the tax on tobacco can be reduced so that when he comes from work he can get behind his pipe and get a little whiff, I would be very glad.

Mr. MCDOOM: I would like to speak on the points raised here, but I am afraid the time is short and so I prefer to speak on Rice only. I have heard the hon. the First Nominated Member speak on what is the best thing to do in this country, and he has said that we must produce and produce. The two things in this country which we can profitably produce and which we are producing to a large extent are Sugar and Rice. I would like to go a little further and say we should produce more Ground Provisions. We are exporting to a very small extent Ground Provisions, and I personally do not see any reason why we should not be able to do much more exporting of the produce of the ground and so help ourselves. There is a good deal of talk outside—I have heard it—about the reduction of the importation of Flour. I personally feel that the less Flour we import the better it would be not only for this Colony but for the Mother Country and for the West Indies to whom we are exporting Rice. I will not go into details, but I will just say — and I am sure all the Members of this Council will appreciate it as well as I do—that for every bag of flour that we import less in this country it means that we will have to produce one bag of rice more. In other words, a bag of rice can replace for home consumption a bag of flour. That being so, Sir, I feel — and I do so very strongly — that we should endeavour and do our best to help the Mother Country in the Hard Currency situation but also the West Indies that we have contracted to supply with Rice by importing less Flour. The inhabitants of this Colony will benefit by—I am not too sure— about \$20 for every bag of flour we do not import and it is replaced by a bag of rice. The figure I have just quoted has been given to me by a very responsible Officer in this country, and I am not in a position to doubt it. A bag of flour will cost in this Colony \$30, and we can all appreciate very easily what it means to a family who instead of consuming a bag

of flour consumed a bag of rice. They will be able to effect a saving of \$20. I do not know to what extent we are subsidising Flour — probably in the near future I will know—but I certainly do know that this country will benefit and the people will benefit. Therefore for that reason I am very much in favour of reducing as much as we can the importation of foodstuffs from abroad and increasing the production of foodstuffs in this Colony.

Rice, as we all know, is the second largest industry of this Colony, but I say without fear of contradiction that to-day it is of the most vital importance not only to this Colony, but to the Colonies with whom we have contracted to supply them with Rice. I am not in any way attempting to decry the part that Sugar has played in this Colony and will continue to play for some time and that, I hope for a long time. But I certainly do claim the Rice Industry can be developed in this country. I have seen symptoms of it in the action taken by Government and a Government Department to mechanise the Rice Industry. That is the only way in which I feel—and I am sure hon. Members of this Council feel so too—that Rice production can be increased in this Colony and increased economically. I would like to see the day, which I hope is not far distant, when the ploughing of land by oxen would be a thing of the past. I have already seen symptoms of that in the sending away of a certain gentleman from this country to the U.S.A., to see what machinery can be acquired not only for rice cultivation but also for provision cultivation. I do not want to tire this Council and I cannot afford to speak much longer, but I must say that the suggestion made by other speakers as regards rice being cultivated in the Savannah lands of the Colony, especially by the hon. Member for Eastern Demerara, is not new. I happen to know that question was considered and extensively examined some time ago by Government, and it was found to be a very expensive business to be able to grow rice on the Savannah lands of the rivers of which he spoke—the upper lands of the rivers. I still hope the time may come, perhaps not just now and I am not able to see it in the ten year plan, that something will

be done. I remember some years ago when it was considered advisable to weir the Abary River, figures were gone into and it was found that it would have been a very hard task and a very expensive job. But when I consider, Sir, the amount of interest taken by Government in the development of the Rice Industry in this Colony and the amount of money that has been spent from Colonial Development funds, I am not despondent. I do not feel it is impossible for us to go back to the question of whether or not these creeks should be weired. That, of course, is left to technical men to determine, and I am not in a position to say if it can be done and how long it will take. But, I think, when that is done we will have so much land available for rice cultivation in Eastern Demerara that probably we may not only reach the target of 100,000 tons, which is stated in the ten year plan, but exceed that. That will be a happy day not only for the people producing rice but for the whole Colony in general.

Mr. CRITCHLOW: I would like to join with the other hon. Members in congratulating you, Sir, and the hon. the Colonial Treasurer. Touching the remarks of the hon. Nominated Member on my left (Mr. Seaford), I do not know why there should be all this fear about the relationship between Capital and Labour. I have said, and I repeat, that there should be no fear of Labour in this Colony because we realize that Labour and Capital must try to co-operate, as one cannot do without the other. The only thing is, Sir, as one speaker just said, we must get together. Well, we are sitting together but he will not hand over that capital for Labour to carry on with. I want you to advise him to do so (laughter). I agree that we must produce more but, as I always say, there must be the incentive to do. Your Excellency, perhaps, you do not quite understand that the majority of workers in this Colony are casual workers who get only two or three days' work a week. That may not be so in the rural areas but I know it is so in Georgetown, and I am speaking more or less for the workers in Georgetown. I have been speaking more or less for the labourers in Georgetown, but as regards those in the country districts

think work should be found for them there, and a saving wage should be fixed for them,—a wage out of which they could put aside something so that they may become capitalists some day. (laughter).

In the country districts where we have to produce more food I would like to see the adoption in this Colony of the method practised in other countries where they do not all plant the same crops. Our farmers should be encouraged to plant on the co-operative system, pooling their products for sale to the Government Produce Depot. There is a way in this Colony that if plantains are paying good prices everybody wants to produce plantains. We could also produce more rice by the adoption of mechanical methods used in other countries, and I think Government should send someone away to study those methods. For instance, Barbados can produce more vegetables than we can, because they have not the problems of irrigation and drainage which we have to face.

I hope that the Grow More Food campaign will be a success, but there must be some organisation to handle the produce of the farmers. I recall the time when the people were encouraged to plant more ground provisions, and they produced so much that pigs had to be fed with the large surplus. We have to prevent such waste in future.

I wish to assure the hon. the First Nominated Member that Labour is not prepared to do anything against Capital. In Water Street we have Committees which meet often to discuss our problems with representatives of the firms. I can assure this Council that with the incentive of a proper wage and better working conditions labourers would be encouraged to give of their best. Our motto is always "A fair day's work for a fair day's pay." I trust that the fear of employers will be removed.

Mr. PETERS: I desire to add my quota of thanks and congratulations to Your Excellency for the splendid message you delivered to us on the occasion of the opening of this Council, and to the

hon. the Colonial Treasurer for the illuminating manner in which he presented his Budget Statement. It seems to me that the keynote of our discussion this afternoon has been development and expansion in producing such articles as would help to improve the situation in which we find ourselves to-day. I propose to introduce another word and that is "reducing", and when I speak of reducing I wish to direct the Council's attention to the question of reducing the misery in which our people live, particularly in the City. I am glad to have heard reference to the question of people settling in the country where there are prospects of a somewhat easier life than in Georgetown for people of the lower income status. In the country districts there are lands which are not occupied. Might we not induce the surplus population in the City, people who are just eking out a very miserable existence, to settle in those parts of the country where lands are easily available? If it were possible for those folk who are living in the slums of Georgetown to settle on lands in the country under some scheme I think there would be a general exodus from the City. If such folk who are virtually non-productive could be induced to take up lands which are there for the asking it would be one of the means of achieving the production and development we have been speaking about to-day.

For instance there is the possibility of the production of the cashew nut. Years ago when I visited the United States there was a great demand for it in New York City where it was being sold at 60 cents per lb. When I returned to New York in 1946 the price had gone up to \$1.68 per lb. I know that there are areas in this Colony where the cashew plant grows almost wild, and if people were encouraged to settle on those lands and develop such an industry it would help to enhance the economic prospects of the Colony. There are times when there is a superfluity of fruit in this Colony, and I have known of times when mangoes were sold at 50 for one penny. There are also times when there is a glut of pineapples on the market. If we could teach our boys and girls how to can pineapples, what might it not mean to the economic position of the country? The

same thing applies to citrus fruit of which there is a superfluity on the market at present. The time has come when we should stop talking about development and production and get down to it in a practical manner. The sugar and rice industries have done splendidly for this Colony, but can the sugar industry not initiate a canning industry in which it would have the sugar on the spot for canning various fruit in the Colony? I am of the opinion that if we stop talking now and appoint Committees to inquire into the prospects of embarking on some of those minor industries it would show that after all we are moving in the right direction.

Mr. KENDALL: I wish to join the previous speakers in their congratulations to you, Sir, on your Speech, and to the hon. the Colonial Treasurer on his Budget Statement. I gathered from the previous speakers that we are thinking of self-sufficiency in this Colony, but in my opinion self-sufficiency can only be achieved if our small producers are protected by our tariff against foreign competition. I agree with the last speaker's suggestion as regards the canning of our surplus fruit and the preserving of our surplus foodstuffs. I think there should also be set up in this country a marketing organization for the handling of local produce so as to relieve the small producers of uncertainty as regards the sale of their produce.

I agree with the suggestion of the hon. the First Nominated Member (Mr. Seaford) that Government should pursue the possibility of the development of hydro-electric power in this Colony. I think that cheap power of that kind would enable some of our industries to stand up against foreign competition.

The COLONIAL TREASURER: It is not customary for the Colonial Treasurer to reply at this stage. The next step is for the Council to go into Committee to consider the Estimates in detail, and when we report back into Council I should then have an opportunity, if hon. Members still think it necessary, to make any points in reply to the debate. The main purpose of the motion before Council is to consider the Estimates. This has been the opportunity for

Members to ventilate their views on the general broad outline of the financial policy of the Government. The time has now come for us to get down to work on the Estimates in Committee. I would suggest, Sir, that you invite the Unofficial Members of the Council to join me in Finance Committee as soon as possible. I am entirely in the hands of Members, but I would like to get down to work at once. Subject to what Your Excellency might have to say, I would suggest that we start at 2 p.m. to-morrow in Finance Committee on the Estimates, and at that meeting we could arrange the times for continuing our examination until it is finished. I think, Sir, that you intend to have some business taken in Council.

The PRESIDENT : If there is anything urgent the Council can be summoned to deal with it, but I support what the Treasurer has said, that the Finance Committee should meet to-morrow. We do, of course, want to get the Budget through as quickly as we can, as the year has already begun, but at the same time we want them thoroughly considered. The Bills to amend the Tax Ordinance and the Customs Duties Ordinance will, presumably, be taken after the Finance Committee has reached its conclusions. I therefore suggest that the Council adjourn *sine die*, and that the Finance Committee meet at 2 o'clock to-morrow and decide on future meetings. The Treasurer will report to me, as Chairman of the Finance Committee, when its proceedings are likely to be ended, and on his report I will then fix another meeting of the Council. It is difficult to say how long the consideration of the Estimates in Committee will take, but perhaps the Treasurer may be able to venture an opinion on that point.

The COLONIAL TREASURER : From my experience of the first Finance Committee it might take a very long time indeed, but on the other hand, I think that Members have had on this occasion an opportunity of at least a week to study the details of the Estimates, and it may be that we may go much faster. However, I do not want in any way to suggest that we should

be too speedy. There are some new Members who must acquaint themselves with the details, and I would be the last to hurry them.

Mr. DEBIDIN : I thought that this afternoon we were speaking on the Budget generally. At least I refrained from dealing with any of the heads of the Estimate, hoping that I would get an opportunity to do so, but I find now that we are going into Finance Committee. That seems to eliminate any chance of doing so. I was unaware of what the procedure would be.

The COLONIAL TREASURER : The Finance Committee will go into the details of each head and sub-head with the Heads of Departments and other officers present who can give every explanation that Members may want. Thereafter I report back to the full Council, but that does not end the matter. The full Council meets to consider the Estimates, and they are gone into again. The Finance Committee having examined the Estimates in detail, we do not expect that the same detailed consideration would be given in Council, but if a Member wishes to make a statement publicly in full Council on any head of the Estimate, that is his opportunity to do it. For instance, we will deal with, say the Medical Department, in Finance Committee in great detail, and we will probably agree that all the votes should be passed. When we come back into full Council that head will be called, and on that occasion any Member can speak broadly on matters pertaining to the Medical Department with which he wishes to deal in full Council. Members are not deprived of an opportunity to make a public statement on the broad outlines of any Department, or on any policy Government is adopting.

The PRESIDENT : Any Member would be perfectly at liberty to say anything he wishes. I suggest that Council adjourn *sine die*, and on receipt of the report of the Treasurer, as Chairman of the Finance Committee, I will convene the next meeting of the Council. If that is acceptable the Council will adjourn *sine die*.