

**GUYANA INDUSTRIAL DEVELOPMENT  
CORPORATION**

**ANNUAL REPORT**  
**1964**

GUYANA INDUSTRIAL DEVELOPMENT CORPORATION

48, High Street,  
Kingston,  
Georgetown.

Tel: 3096

IDC 63/64

28th August, 1965.

Sir,

I have the honour to forward herewith the first annual report and accounts of this Corporation.

The report is presented in two parts. Part I deals with the Work of the Corporation, and Part II with the accounts including the report of the Corporation's auditors.

I have the honour to be,  
Sir,  
Your obedient servant,



.....  
Gavin B. Kennard  
General Manager

Hon. W.O.R. Kendall,  
Minister of Trade and Industry,  
18, Brickdam,  
GEORGETOWN.

Report: 19th October 1963 - 31st December, 1964

The Corporation was established on the 2nd October, 1963, by Order in Council No. 83 of 1963, under the Public Corporations Ordinance No. 23 of 1962, to "stimulate, facilitate and undertake the development of industry".

The following were appointed to be members of the Corporation:-

Senator Ashton Chase, Esq.	-	Chairman
A.H. Kissoon, Esq.	-	Deputy Chairman
Toolsie Persaud, Esq.	-	Member
M.B. Yasin, Esq.	-	Member
W.O.R. Kendall, Esq.	-	Member
J.G. Campbell, Esq.	-	Member
G.H.B. Hutchinson, Esq., D.F.C.	-	Member
W.P. D'Andrade, Esq., C.M.G.	-	Secretary to the Treasury - (the official Member)
Gavin B. Kennard, Esq., C.B.E.	-	General Manager and Member.

The formal opening of the Corporation took place in the Chamber of the Legislative Council on 7th December, 1963, and was attended by the Premier, Ministers of the Government, Members of the Legislature and by representatives of Government, industry and commerce. Speeches appropriate to the occasion were made by the Minister of Trade and Industry, Senator H.J.M. Hubbard, the Chairman of the Corporation - Mr. Ashton Chase and Colonel C.M. Bernard, Chairman of the Consultative Association of Guianese Industries Limited.

The major political parties which comprised the opposition, at the time, had consistently advocated the establishment of an Industrial Development Corporation, as did the Industrial Advisory Committee of 1959 and visiting industrial experts such as Tennenbaum. It was a happy augury, therefore, that the organisation was founded on political consensus, and its warm reception by commercial and industrial interests was a noteworthy feature of its birth.

## WORK OF THE CORPORATION

The preparatory work for the setting up of the Corporation was undertaken by Mr. Gavin B. Kennard who was seconded from the post of Director of Agriculture in July, 1963. The institution opened its doors for business during December 1963, using a small room made available at the Ministry of Agriculture. Suitable premises were not secured until February, 1964, when the small staff of a General Manager, two typists and a clerk moved into 48, High Street, Kingston, Georgetown.

In March, an Economist, a Secretary/Accounting Officer and a Promotion Officer were recruited and these with the employment later of further clerical personnel, formed the staff of the organisation to the end of 1964.

The Corporation was launched at a time of great uncertainty in the political and economic life of British Guiana. The first year of its infancy was ~~marked~~ by prolonged civil disturbances throughout the country and by political strife. During this period, human survival rather than economic development was the main anxiety of the population. The image of the country abroad was at its lowest level and this affected adversely foreign investment into the country. Despite these conditions, the Corporation pressed ahead towards fulfilling its purpose. Its Board held 27 meetings and its achievements are described in the following paragraphs.

### INDUSTRIAL POLICY

The Corporation was able to secure from the Government a clear cut statement of industrial policy which was subsequently given wide publicity. The policy embodied the Government's belief in a mixed economy, set out the role of Government and of private enterprise in industrial development, and restated the constitutional guarantees against expropriation.

#### Income Tax Holiday

Following representations by the Corporation, the award of the income tax holiday to encourage the setting up of new industries was re-introduced after having been previously suspended.

/Duty free....

Duty Free importation of Plant and Equipment.

The Government approved recommendations by the Corporation for the extension of the concession of duty free importation of plant to include non-commonwealth sources. Previously, the concession was awarded for supplies from commonwealth territories only.

Industrial Estates

Following representations by the Corporation, the Government agreed to a reduction of rental of plots at the industrial estate at Ruimveldt in order to attract industrialists to take up plots which had been lying idle for some years. It was agreed also to hand over the administration of this estate to the I.D.C.

Establishment of new industries

Incentives, that is to say, the five year tax holiday, duty free importation of plant and equipment, and tariff concessions were successfully used in promotional activities by the Corporation to attract a number of applications to establish new industries.

The following applications to establish new industries were processed by the Corporation and were awarded those concessions which were considered appropriate to their purpose:-

Georgetown Seafoods Ltd.	The freezing and shore facilities for shrimp.
Edward B. Beharry & Co.	- Manufacture of curry powder
Sprostons Ltd.	- Construction of an aluminium cargo boat
British Paints (Guyana) Ltd.	- Manufacture of paints
Swan Manufacturing Co.	- Manufacture of bleach
Marvex	- Manufacture of bleach
Swan Manufacturing Co.	- Manufacture of detergents
Sterling Products Ltd.	- Manufacture of detergents
Friendship Marine Co. Ltd.	- Manufacture of barbed wire and chain link fencing
Friendship Marine Co. Ltd.	- Manufacture of batteries
Starter Batteries Ltd.	- Manufacture of batteries
Friendship Marine Ltd.	- Manufacture of plastic products

Guyana Handbags Limited	- Manufacture of handbags
Demerara Bauxite Co. Ltd.	- Manufacture of synthetic mullite
Guyana Merchants Ltd.	- Retreading of tyres
Bran Oil Extraction Ltd.	- Manufacture of rice bran oil
Guyana Canning and Packing Co. Ltd.	- Canning of citrus and local foods and fruit.
Trinail (Guyana) Ltd.	- Manufacture of nails
Nabson Metal Industries Ltd.	- Manufacture of nails, galvanised and aluminium goods
Continental Agencies Ltd.	- Manufacture of paper bags
Swan Manufacturing Co. Ltd.	- Manufacture of cardboard boxes

### Assistance to existing industries

#### Safety Matches

A comprehensive economic study of the safety matches industry was undertaken at the request of the Minister of Trade and Industry. It was shown that wages in the industry were low and should be raised by increasing the selling price of matches. At the same time, it was found that the manufacturing methods were outdated and there was need for some re-equipping to improve the efficiency of the company and to protect its competitive position. These recommendations were accepted by Government and by the company concerned.

#### The Furniture Industry

A study of the furniture industry was undertaken and it was found that imports of cheap furniture were threatening the survival of local manufacturers. Following recommendations by the Corporation, import duties were increased in order to protect local manufacturers.

#### The Printing Industry.

Following an investigation into this industry, recommendations were made to Government for improvement of tariff protection and for lower rates of duty on imported raw materials. These recommendations are still being studied.

#### Hats

Increased tariff protection was recommended by the Corporation and approved by Government in order to stimulate the development of this industry.

New Agricultural....

### New Agricultural Industries

The Corporation was active in promoting interest and investment in new agricultural industries. Attention was focussed on four industries namely sugar cane production by farmers, flue-cured cigarette tobacco, development of a banana industry, and fruit canning.

(a) Cane Farming.

The General Manager was appointed to be Chairman of a National Committee for Cane Farming. This Committee devoted its efforts to working out details of a scheme to secure finance for cane farming. In addition, it secured the bringing into cultivation of some 1,600 acres of new land for cane farming.

(b) Tobacco

The Corporation was instrumental in securing investment from the Demerara Tobacco Co. Ltd. for the production of cigarette tobacco. Land was secured for this purpose at Atkinson Field where the Company made a start on 10 acres of land under supervision of an expert recruited from overseas.

(c) Bananas

Preliminary negotiations were initiated with two overseas firms to attract their interest in bananas. However, these efforts were unsuccessful.

(d) Food Manufacturers Ltd.

The affairs of this company were examined. Unfortunately, the deplorable state of its finances did not permit a resumption of its operations and ruled out the possibility of a loan being raised for that purpose.

(e) Fruit canning

Advice was given to the promoters of a new canning company and concessions were awarded to assist the enterprise which would be located in Georgetown and should help to absorb seasonal gluts of fruit.

Forest Industries:(a) Forestry Department

Close liaison was maintained with the Conservator of Forests who presented a paper to the Corporation on possible investment opportunities in forestry. The proposals by the Conservator as well as recent reports by United Nations experts who visited the country were being studied at year end.

(b) B.G. Timbers Limited - Commonwealth Development Corporation

A significant step was achieved through the appointment by the Commonwealth Development Corporation, with the approval of Government, of the General Manager of the Corporation to the Board of B.G. Timbers Ltd. - the C.D.C.'s major stake in forestry in British Guiana. This association of I.D.C. with a sister Development Corporation is already proving to be of far reaching importance.

(c) Timber Developments (B.G.) Ltd.

The affairs of Timber Developments (B.G.) Ltd. manufacturers of chipboard were investigated by the Corporation and the findings submitted to the Government and to the company's directors. One result was the restriction of imports of competitive products to provide the company with protection and a better opportunity for selling its products locally. Unfortunately, the unsatisfactory state of the company's finances did not permit a resumption of production.

Fisheries

Promotional activities were confined to the ~~shrimping~~ shrimp industry only. Concessions were awarded to an American Company - Georgetown Seafoods Ltd. - for the erection of a new wharf and freezing and processing facilities for shrimp at Providence, East Bank Demerara. This investment amounted to some \$750,000.

In addition, efforts were made to attract additional trawlers to British Guiana to use facilities of a local company - Guiana Merchants Ltd. - for docking of ships and processing and freezing of shrimp.

/Mineral Exploration..



Mineral Exploration and Mining

At the request of the Corporation, the Director of Geological Surveys, Dr. Peter Martin-Kaye prepared a comprehensive memorandum on opportunities for investment in mineral exploration. Dr. Martin-Kaye and Mr. E. Wicherts, U.N. Project Manager of the aeromagnetic mineral survey, met members of the Board of the Corporation and gave advice as to ways in which the Corporation could help in promoting increased interest in mineral exploration in British Guiana.

Members of the Board visited the mines and facilities of the Demerara Bauxite Co., Ltd. to obtain information at first hand of this important industry.

Promotion, publicity and public relations.(a) I.D.C. Publications

An illustrated brochure was published with the object of advertising the attraction of British Guiana for investment and industrial development. This brochure was sent by mail direct to some 2,000 companies of importance throughout the world.

A booklet entitled "Facts You Should Know" was also published, in which information was given on facts of interest to investors such as labour legislation, wage rates, local electricity and transport rates, customs duties and regulations, requirements for registering and forming companies and similar matters.

(b) Buy Local Campaign

I.D.C. collaborated with the organisers of a "Buy Local Campaign" and gave financial assistance. The campaign was an outstanding success as it afforded an opportunity for local manufacturers to display their products and for consumers to be educated as to their wide range and quality.

(c) I.D.C. Industrial Library

A start was made with the establishment of an industrial library to provide technical and economic information of interest to industrialists and businessmen. A collection of books was received from the U.S. Agency for International Development.

/(d) Press....

(d) Press, radio and general publicity

Contributions were made regularly to the press and radio. Film shows were held at the offices of the I.D.C. on subjects of interest to workers in the food, textile and metal industries. At these shows opportunity was taken to explain the work of the I.D.C. and lectures were given by experts such as Mr. Compton Pooran of the Technical Institute and Mr. A.R. Thompson, Municipal Chief Meat and Food Inspector.

(e) Public Relations

I.D.C. was used as a port of entry and clearing house for foreign visitors in search of information on industrial matters or who wished to be introduced to the Government. The records show the names of some 200 such persons representing a broad spectrum of interests from countries of the Eastern and Western hemispheres who visited the Corporation.

Foreign visitors who notified I.D.C. in advance of their intention to visit were met on arrival at the airport, assisted through Customs and Immigration, provided with transportation into Georgetown, taken to places of tourist interest in the city and helped to make the business connections of value to them.

Staff Training:


I.D.C. arranged a study tour for its Economist, Mr. S.A. Goring who visited the U.S.A., Puerto Rico, Jamaica, Barbados and Trinidad. Mr. Goring visited institutions in U.S.A. such as the International Bank for Reconstruction and Development, the Export/Import Bank, Industrial Divisions of A.I.D., and the Department of Commerce. In Puerto Rico he was attached to the Economic Development Administration. In the West Indies he visited the I.D.C.s of Jamaica, Trinidad and Barbados.

Conclusion:

The experience gained during the first year of the I.D.C. demonstrated that British Guiana has much potential for industrial development, and that many persons and organisations, both local and foreign, were desirous of taking advantage of the opportunities which existed. However, the investment climate

/was most.....

was most discouraging and frightened such persons from translating desire into action. Despite these conditions, the Guyana Industrial Development Corporation emerged from its first year as a national institution with considerable potential, as a respected advocate for industry and a catalytic agent for the economic development of British Guiana.



.....  
GAVIN B. KENNARD,  
General Manager,

Guyana Industrial Development Corporation,  
48, High Street,  
Kingston,  
Georgetown.

13th July, 1965.

MEMBERS OF THE BOARD AND STAFF OF THE I.D.C. AS AT 31ST DEC. 1964

Ashton Chase, L.L.B. (Hons.) (President of the Senate)	- Chairman
A.H. Kisson, Esq.	- Deputy Chairman
Toolsie Persaud, Esq.	- Member
M.B. Yasin, Esq.	- Member
W.O.R. Kendall, Esq. (Deputy Speaker of the Legislature)	- Member
J.G. Campbell, Esq., B.Sc.	- Member
G.H.B. Hutchinson, Esq., D.F.C.	- Member
W.P. D'Andrade, Esq. C.M.G., B Com. (Secretary to the Treasury)	- Member
Gavin B. Kennard, Esq. C.B.E., A.I.C.T.A., D.I.C.T.A., Dip. Agric. Economics.	- Member

STAFF

General Manager	Gavin B. Kennard, Esq., C.B.E. A.I.C.T.A. D.I.C.T.A., Dip Agric. Econ.
Secty./Accounting Officer	D.A.B. Trotman, Barrister-at-Law
Economist	S.A. Goring, M.A.
Promotion Officer	M.I. Ali, Dip. Agric. Education
Secretary to the General Manager	Mrs. J. Lancaster
Chief Clerk	E. Naiken, Esq.
Senior Typist	Mrs. O. Price
Typists	Mrs. S. Singh Mrs. B. Khan Mrs. M. Etienne
Librarian	S. Ahmad, Esq.

GUYANA INDUSTRIAL DEVELOPMENT CORPORATION

Annual Report

Part II

Accounts of the Corporation - 19th Oct., 1963 - 31st Dec., 1964

Attached hereto is a report of the auditors of the Corporation Messrs. Fitzpatrick Graham, on the accounts of the Corporation.

The Corporation obtained its funds from the Government in the form of an annual grant which was voted by the legislature.

Funds voted and expended in 1963 and in 1964 respectively were as follows:-

<u>Year</u>	<u>Voted</u>	<u>Expended</u>
1963 (October to December)	\$15,500	\$7,276.16
1964 (1st Jan - 31st Dec.)	\$100,000	\$100,779.41

(Details of expenditure are shown in the attached report by the auditors to the Corporation).

BALANCE SHEET

GUYANA INDUSTRIAL DEVELOPMENT CORPORATION

31st December, 1963

CAPITAL ACCOUNT

Balance at 31st December, 1963

as per attached statement

\$ 9,441.14

FIXED ASSETS

Office furniture and equipment

at cost

\$ 1,227.53

Less:- Depreciation

10.23

\$ 1,217.30

CURRENT LIABILITIES

Sundry Creditors

4,479.82

\$13,920.96

CURRENT ASSETS

Cash at Bank and in Hand

12,703.66

\$13,920.96

AUDITORS' REPORT

WE have audited the foregoing Balance Sheet of the Guyana Industrial Development Corporation dated 31st December 1963, and have obtained all the information and explanations we have required.

Such Balance Sheet is, in our opinion, properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs according to the best of our information and the explanations given us, and as shown by the Books of the Corporation.

THE DEMERARA LIFE BUILDINGS,  
GEORGETOWN, DEMERARA.

4TH JUNE, 1965

FITZPATRICK GRAHAM & CO. )

CHARTERED ACCOUNTANTS )

AUDITORS

GUYANA INDUSTRIAL DEVELOPMENT CORPORATION

STATEMENT OF INCOME & EXPENDITURE FOR THE PERIOD ENDED 31ST DECEMBER, 1963

EXPENDITURE

Wages	\$ 10.00
Stationery	619.85
Advertising	316.75
Miscellaneous Expenses	.42
Office Expenses	77.78
Travelling	641.81
Salaries	3,426.90
Board Members' Fees	850.00
Entertainment	40.00
Postages & Cables	65.12
	<u>\$ 6,048.63</u>
Depreciation:-	
Office Furniture & Equipment	10.23
	<u>\$ 6,058.86</u>

INCOME

Excess of expenditure over Income \$ 6,058.86

\$ 6,058.86

CAPITAL ACCOUNT

Excess of Expenditure over Income	\$ 6,058.86
Balance at 31st December, 1963 as per Balance Sheet	9,441.14
	<u>\$15,500.00</u>

Grants received for the period from  
    the Ministry of Trade and Industry 15,500.00

\$15,500.00

GUYANA INDUSTRIAL DEVELOPMENT CORPORATION

BALANCE SHEET

31ST DECEMBER, 1964

1963

1963

CAPITAL ACCOUNT

FIXED ASSETS

Balance at 31st December, 1964  
\$ 9,441 as per attached statement \$23,356.32

Office Furniture & Equipment  
at cost \$8,563.81  
Less:- Depreciation 713.06 \$ 7,850.75

CURRENT LIABILITIES

4,480 Sundry Creditors -

Motor Vehicle at cost 6,965.00  
Less:- Depreciation 725.52 6,239.48

\$ 1,217

\$14,090.23

CURRENT ASSETS

\$12,704

Sundry Debtors & Prepaid Expenses \$ 1,821.66  
Cash at Bank and in Hand 7,444.43

\$12,704

9,266.09

\$13,921

\$23,356.32

\$13,921

\$23,356.32

AUDITORS' REPORT

We have audited the foregoing Balance Sheet of the Guyana Industrial Development Corporation dated 31st December, 1964, and have obtained all the information and explanations we have required.

Such Balance Sheet, is, in our opinion, properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs according to the best of our information and the explanations given us, and as shown by the books of the Corporation.

FITZPATRICK GRAHAM & CO.) AUDITORS  
CHARTERED ACCOUNTANTS )

THE DEMERARA LIFE BUILDINGS,  
GEORGETOWN, DEMERARA,

4TH JUNE, 1964

625



GUYANA INDUSTRIAL DEVELOPMENT CORPORATION

STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER, 1964

<u>1963</u>	<u>EXPENDITURE</u>		<u>1963</u>	<u>INCOME</u>	
\$ 3,427	Salaries	\$40,335.65	\$ -	Interest from Loan to Employee	\$ 3.76
10	Wages	2,336.62	6,059	Excess of Expenditure over Income	86,084.82
-642	Travelling	4,019.15			
-	Rent	4,215.00			
40	Entertainment	1,037.06			
-850	Board Members' Fees	10,100.00			
-	Pensions	4,325.81			
78	Office Expenses	5,287.44			
620	Stationery	2,647.46			
317	Advertising	4,362.88			
- 65	Telephone, Postages & Cables	2,265.46			
-	Miscellaneous Expenses	1,504.41			
-	Lighting & Power	315.09			
-	Motor Car Expenses	921.64			
-	Library Expenses	986.56			
<u>\$6,049</u>		<u>\$84,660.23</u>			
	Depreciation:-				
10	Office Furniture & Equipment				
	\$702.83				
	Motor Vehicles	1,428.35			
	<u>725.52</u>	<u>\$86,088.58</u>			
<u>\$6,059</u>			<u>\$6,059</u>		<u>\$86,088.58</u>
	Excess of Expenditure over Income	\$86,084.82			
	Balance at 31st December, 1964 as per Balance Sheet	<u>23,356.32</u>			
		<u>\$109,441.14</u>			
			<u>CAPITAL ACCOUNT</u>		
			Balance at 31st December, 1963		9,441.14
			Grants received for the year from the Ministry of Trade and Industry		<u>\$100,000.00</u>
					<u>\$109,441.14</u>