

STATE COUNCIL

MONDAY, 24TH AUGUST, 1953.

The Council met at 2 p.m., His Honour the President, Sir Frank McDavid, C.M.G., C.B.E., in the Chair.

PRESENT

The President, His Honour Sir Frank McDavid, C.M.G., C.B.E.

Mr. W. J. Raatgever, C.B.E.

Mr. P. A. Cummings.

Mr. U. A. Fingall.

His Grace the Archbishop of the West Indies, the Most Reverend Dr. Alan J. Knight.

Mr. G. L. Robertson.

His Grace the Archbishop read prayers.

The minutes of the meeting of the Council held on Monday, 17th August, 1953, as printed and circulated, were taken as read and confirmed.

ANNOUNCEMENTS.

EXCUSES FOR ABSENCE OF MEMBERS.

The President : Hon. Members, Mr. Gajraj has asked to be excused from attendance today on account of illness, and also Mr. Macnie because of a former engagement which he cannot miss.

RACIAL DISCRIMINATION IN BERMUDA.

I have also to announce that I have received a letter from His Excellency the Governor acknowledging receipt of my letter of the 20th August forwarding a copy of resolution No. 6 which was passed by the State Council at the last meeting on the 17th August, 1953.

APPRECIATION OF GIFT OF TABLE

Hon. Members, no formal announcement has hitherto been made but, as you are no doubt aware, this magnificent table around which we sit is the gift of Messrs. Willems Timber and Trading Co., Ltd. I am quite sure that hon. Members would wish to place on record their sincere appreciation of this Company's public-spiritedness in making this generous gift, which is an ornament to the Legislative Chamber and adds to the dignity and comfort of this particular body for which it has been specially provided. Before we adjourn I shall ask that we suspend the Standing Rules and Orders in order to enable me to move a motion placing on record our appreciation of this gift.

PROCEDURE *re* SUPPLEMENTARY ESTIMATES.

I have to make the following statement concerning the procedure of this Council with respect to certain financial matters which I shall read. I shall ask the Clerk to distribute copies so that hon. Members may follow it while I read :—

"Hon. Members,

At the last meeting of this Council I initiated a discussion on the procedure to be adopted with respect to the schedules of additional provision passed by the Finance Committee of the House of Assembly, copies of which have been transmitted to the Council and laid on the Table. At the conclusion of the discussion I intimated that the matter might be further considered at an informal meeting.

[The President]

Hon. Members, I have since given the matter careful consideration and have decided to make a formal pronouncement on the subject.

I should explain that a standing Finance Committee of the Legislature was first instituted in the year 1942. Official records reveal that in November, 1941, the Governor, Sir Gordon Lethem, proposed the establishment of a permanent Finance Committee of the Legislative Council and that at an informal meeting of Members of the Legislative Council on 13th May, 1942, it was decided to institute a Finance Committee comprising all the Unofficial Members with the Colonial Secretary and the Colonial Treasurer. This body functioned more or less continuously during the years following although under no formal rules. However, in February, 1947, the Governor, Sir Charles Woolley, in a Message to the Legislative Council invited approval of the establishment of a Standing Finance Committee of the Council to be formally constituted by the inclusion of appropriate rules in the Standing Rules and Orders of the Council. As Colonial Treasurer, I moved a motion in the Legislative Council in terms of the Governor's Message which was duly passed by the Council on 21st February, 1947. Thereupon, the agreed rules were embodied as Rule No. 44 in the existing Standing Rules and Orders of the Legislative Council under which, as hon. Members are aware, both the House of Assembly and this State Council are operating initially in accord with the provisions of section 61 of the British Guiana (Constitution) Order in Council, 1953.

The main purpose of a Finance Committee is to assist the Government in the consideration of matters of financial policy and in the detailed examination of proposals for the expenditure of public funds. As Sir Charles Woolley said in his Message to the Legislative Council to which I have alluded, and I quote—"it is scarcely possible for the machinery of Government to function efficiently and smoothly in the absence of some such body as a Finance Committee to whom the many unforeseen questions which arise throughout the year involving expenditure from public funds and requiring immediate decision can be referred for detailed examination, and advice." Sir Charles continued—"Such a Committee would also have the duty of making a preliminary examination of the annual estimates and of items proposed for inclusion in supplementary estimates before their formal presentation to the Legislative Council."

I should next explain that the authority requisite for expenditure from public funds is a vote of the Legislature (usually in the form of a resolution approving of annual or supplementary estimates of expenditure) together with an annual or supplementary appropriation law conveying authority to the Governor to authorize by warrant the disbursement by the Treasurer of the funds voted by the Legislature. (In the case of expenditure on specific services to be defrayed out of the proceeds of an approved public loan the procedure differs somewhat, but I need not refer here to this variation). Under Colonial Regulations, the Governor may issue a special warrant covering expenditure in advance of the requisite formal authorizations in the case of emergency or where the incurrence of the expenditure is essential and cannot be postponed without detriment to the public interest. In practice, special warrants are issued by the Governor monthly covering items of expenditure in excess of the related voted provision or which have not been included in the approved annual estimates but he does so only after such items have been approved by the Executive Council and by the Finance Committee. The monthly schedules of items so approved are embodied in quarterly supplementary estimates which are submitted for the approval of the Legislature by formal resolution. The Governor's position in issuing monthly special warrants in advance of legislative approval is safeguarded by the fact that approval by the Executive Council as well as by the Finance Committee normally ensures subsequent sanction by the Legislature.

Now, under our new Constitution, the Legislature comprises the House of Assembly and the State Council, and laws are to be enacted with the advice and consent of both Chambers. It follows, therefore, that appropriation laws covering the disbursement of public monies must (like other laws) be so enacted and that the initial steps leading to the passing of such laws, that is to say, the approval by resolution of estimates and supplementary estimates on which they are based should be taken in the State Council as well as in the House of Assembly. However, two points must be emphasized. The State Council is endowed with powers of review, revision and delay only which are strictly limited in the case of money measures, so that the House of Assembly is and remains the dominant instrument in the realm of finance. Moreover, by virtue of section 68 (1) of the Constitution Order in Council a "Money Bill" must be first introduced in the House of Assembly. In other words, no money bill

or subordinate matter incidental to a money bill, such as an annual or supplementary estimate, can be dealt with by the State Council before it has been introduced in and passed by the House of Assembly.

In my judgment, therefore, it is not competent for the State Council to take any formal action to approve or otherwise of schedules of additional provision passed by the Finance Committee before such schedules have been embodied in supplementary estimates and duly approved by the House of Assembly. I consider that the appropriate time for such formal action by the State Council is after a resolution of the House of Assembly has been passed approving of a supplementary estimate and such resolution has been transmitted to the State Council. Thereupon, a motion in similar terms would be introduced in the State Council and would provide the opportunity for discussion not only of the specific items included in the supplementary estimates but also of the general policy and departmental activity relative to each head appearing therein. Nevertheless, as I indicated in opening the discussion on the 17th of August, I also consider that where a schedule passed by the Finance Committee of the House of Assembly has been tabled in the State Council a Member of the State Council is not precluded from asking a formal question or introducing a motion on some matter of public importance or of Government policy relative to any item included in such schedule.

There remains to be answered the question of the institution of a Finance Committee of the State Council or alternatively of a joint Finance Committee comprised of Members of both Chambers which was raised during our discussion on the 17th of August. In my view, the first alternative is both impracticable and unnecessary. It is impracticable because a separate Finance Committee of this Council cannot reasonably expect the same opportunities of questioning Ministers of the Government or Heads of Public Departments as are available to Members of the Finance Committee of the House of Assembly, and it is such questioning which alone makes the examination of the details of estimates by a committee realistic and valuable. It is unnecessary from the very circumstance of the secondary role in the field of approval of public expenditure allotted to this Council—restricted as it is to the exercise of an influence only on the general financial and economic policy of the Government and to the stimulation of public opinion with

respect thereto. As to the second alternative, I doubt that such a course would be either constitutional or practicable even if it should prove acceptable to the House of Assembly.

For the reasons I have explained in this statement I propose to adopt the procedure which I have previously indicated to the Council. Schedules passed by the Finance Committee and transmitted to me will be tabled in the State Council and can be the subject of a question or an appropriate motion on any matter of policy relative to any item appearing therein. Resolutions of the House of Assembly approving of Supplementary Estimates transmitted to me will be introduced as motions in similar terms in the State Council and will provide the opportunity for consideration and discussion of the specific items of expenditure and of general policy with respect to departmental heads appearing therein. An analogous procedure will be followed with regard to the annual estimates. Appropriation laws, both annual and supplementary, will come before this Council in the normal way as Bills passed by the House of Assembly.

If any member of this Council is of the opinion that some procedure other than the one I have now outlined is desirable and constitutionally proper, I suggest that he should prepare a memorandum setting out his proposals and present it together with a formal notice of motion for the consideration of the Council."

ORDER OF THE DAY

STATE COUNCIL AND HOUSE OF ASSEMBLY (PAYMENT TO MEMBERS) BILL, 1953

The only item of the Order of the Day—the first reading of Bill intitled—

"An Ordinance to make provision for the payment of remuneration to elected Members of the House of Assembly and for payment of travelling expenses and subsistence allowances to Members of the State Council and the House of Assembly."

The President: I suggest that consideration of this Bill be further adjourned until a reply has been received in connection with the resolution that has been passed by this Council—

[The President]

Resolution No. IV passed on August 10, 1953, recommending payment of State Councillors on the same basis as Members of the House of Assembly. I have not yet had a reply from His Excellency the Governor so, with the consent of hon. Members, this item will be deferred.

Bill deferred.

APPRECIATION OF GIFT OF TABLE

The President : That concludes our business for today but, as I indicated under the head "Announcements," I would like to move the suspension of the Standing Rules and Orders in order to pass a short resolution placing on record our appreciation and thanks to Messrs. Willems Timber and Trading Coy. Therefore, I beg to move that the Standing Rules and Orders be suspended in order that the motion can be passed.

Agreed to.

Relevant Standing Rules and Orders suspended.

The President: The motion is simple. It reads:—

Be it Resolved:—

"That this Council places on record its sincere appreciation and thanks to Messrs. Willems Timber and Trading Company, Limited for their generous gift of a table for the State Council, and directs that an expression of its appreciation should be conveyed to the Company."

Mr. Robertson seconded.

Mr. Raatgever: May I enquire whether the table was made by Messrs. Willems and Coy. and given to us, or whether it was the wood that was presented. I have an idea that it was the wood that was presented and that the table was made by the Government.

The President: I am glad the hon. Member (Mr. Raatgever) has made that point so that I can place on record that the wood was a precious bit of wood which was being stored by Mr. Willems for his private use and which he very generously surrendered for this purpose, free of charge. The table was made at the Technical Institute under the supervision of one of the Instructors, Mr. Williams, who took great care in its manufacture. The cost of making the table at the Institute—the full cost—has also been met by Messrs. Willems Timber and Trading Coy. and, therefore, it is correct to say that the table is a gift by this firm and that the work was very finely executed at the Technical Institute in this Colony. I will now put the motion.

Motion put, and agreed to.

PROCEDURE re SUPPLEMENTARY ESTIMATES

Mr. Raatgever: It is regrettable that this statement on the procedure to be adopted in dealing with Supplementary Estimates was not circulated to Members, Mr. President, before you read it here this afternoon. I would certainly have liked to read it. We have had no time to study it. . . .

The President: I beg your pardon, but I am afraid you are out of order. I said it was an announcement from the Chair, and I indicated at the end of it that if any Member wishes to propose an alternative, he should prepare a statement of his views and submit it along with a notice of motion which we can discuss in a proper way. We cannot properly have a roving discussion without a motion. I suggest to you that is the proper course. I think I am perfectly in order in making this statement.

The Council is adjourned *sine die*.