

THE
PARLIAMENTARY DEBATES
OFFICIAL REPORT

[VOLUME 3]

PROCEEDINGS AND DEBATES OF THE THIRD SESSION OF
THE FIRST LEGISLATURE CONSTITUTED UNDER THE BRITISH
GUIANA (CONSTITUTION) ORDER IN COUNCIL, 1961.

10th Sitting

Monday, 24th February, 1964

SENATE

The Honourable Senate met at 2 p.m.

Prayers

[The President in the Chair.]

Present:

Appointed under Article 47(2)(a):

His Honour the President, Senator Ashton Chase	
Senator the Honourable H. J. M. Hubbard	<i>Minister of Trade and Industry</i>
Senator the Honourable C. V. Nunes	<i>Minister of Education and Social Development</i>
Senator the Honourable Janet Jagan	<i>Minister of Home Affairs</i>
Senator C. S. Persaud	
Senator Christina Ramjattan	
Senator H. Thomas	

Appointed under Article 47(2)(b):

Senator Anne Jardim

Appointed under Article 47(2)(c):

Senator A. G. Tasker, O.B.E.

Senator C. V. Too-Chung, Vice-President

Mr. E. V. Viapree Clerk of the Legislature (Ag.)

Mr. F. A. Narain - Assistant Clerk of the Legislature (Ag.)

Absent:

Senator Mooneer Khan - on leave.

ANNOUNCEMENTS BY THE PRESIDENT

BILL FROM THE LEGISLATIVE
ASSEMBLY

The President: The following letter has been received from the Speaker of the Legislative Assembly: It is dated 20th February, 1964, and it reads thus:

"Your Honour,

I have the honour to forward for the consideration of the Honourable Senate a BILL intituled AN ORDINANCE TO AMEND THE DAVSON CENTENARY FUND ORDINANCE.

2. The Bill was passed by the Legislative Assembly at its sitting on the 19th of February, 1964, without amendment.

I have the honour to be,
Sir,

Your Honour's obedient
servant,
Rahman B. Gajraj,
Speaker."

LEAVE OF ABSENCE

I have also to announce that leave of absence from today's sitting of the Senate has been granted to Senator Mooneer Khan.

HOURS OF SITTING

It is proposed to sit until 4 p.m. this afternoon and if need be to adjourn until tomorrow at this same time.

PAPERS LAID

The following Paper was presented:

Annual Report of the Department of Labour for the year 1962. - [Minister of Home Affairs on behalf of the Minister of Education and Social Development.]

PUBLIC BUSINESS

BILLS - SECOND READING

APPROPRIATION BILL

A Bill intituled: "An Ordinance to appropriate the supplies granted in the current session of the Legislature." [Minister of Trade and Industry.]

The President: This Bill was sent to us by the Speaker of the Legislative Assembly and it is certified under Article 69 of the Constitution of British Guiana as a Money Bill. It will therefore be dealt with under Standing Order No. 60 of the Standing Orders of the Senate.

Senator Hubbard (Minister of Trade and Industry): Your Honour, it is my duty this afternoon - not a particularly pleasant duty in all the circumstances - to move the Second Reading of the Appropriation Bill, 1964.

This measure seeks the authority of the Legislature to appropriate the sum of \$51,441,138 for the business of Government for the year 1964, but no one present in this country today is in a position to say to what extent that sum will be altered by

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a constitutional proposal which is now before the British Parliament. What is important about this measure is not so much its financial provisions as the constitutional context in which the Bill is presented to the Legislature.

In the year 1960 there was held in London a Constitutional Conference and the Report of that Conference was signed by one of the multitudinous noble lords who constitute part of the British Legislature, one Lord Perth, Minister of State for Colonial Affairs. It was also signed by Sir R. Grey, Governor of British Guiana. That Conference document set down the conclusions of the British Government in paragraph 59, which I shall read:

"The United Kingdom Delegation expressed their views as follows. The changes proposed by the British Guiana Delegation would have required an interim Order in Council amending the present Constitution. Her Majesty's Government appreciated the wish of the British Guiana Delegation to have at once a clear earnest of the readiness of Her Majesty's Government to give effect to the constitutional changes that they had accepted and desired to do all possible to meet the wishes of the Delegation in this way. Nevertheless, Her Majesty's Government felt that it would be inappropriate to make immediate changes by Order in Council. To do so would be to anticipate the Order in Council which would, in any case, have to be passed in little more than a year's

time to enable the Government that would take office in British Guiana as a result of elections in constituencies yet to be delimited to enjoy full internal self-government subject only to the prior satisfaction of a single condition about internal security. The revision in 1961 - "

and these are words which I should like to underline:

2.10 p.m.

"The revision in 1961, resulting from the deliberation of the Conference, formed, in the views of Her Majesty's Government, a comprehensive and carefully balanced whole, naturally leading to the expectation that, when another Conference between Her Majesty's Government and a Delegation from British Guiana was held, there should be no question of substance for discussion save that of independence, the principle of which had been accepted in the terms of the formula set out in paragraph 12 of this Report."

That, as I said, is a document appearing over the signature of one of the innumerable noble lords and of the Governor of British Guiana. The Report also had this to say at paragraph 25:

"The powers of Her Majesty to legislate for British Guiana by Order in Council under the British Guiana Act, 1928, would be retained in the next constitutional stage. The Secretary of State in consideration of the special circum-

stances of British Guiana gave an assurance that it was his intention not to advise that these powers be exercised except for the purpose of enacting constitutional instruments to deal with grave emergency."¹

And further at paragraph 26:

"Her Majesty's power to disallow a law of the British Guiana Legislature would be retained only in the case of laws affecting British Guiana Government stock.

Those were undertakings solemnly exchanged between Her Majesty's Government and the Government of British Guiana and it is just as well that we understand completely and fully, the extent to which these undertakings have been disregarded, these pledges have been broken, these promises have been treated like pie crusts. In paragraph 5, that document deals with control of the Police and it said at section (d);

"not later than six months after the establishment of the Police Council the Governor would appoint a Minister on the Council to take over (subject to the Governor's ultimate authority) the functions of the Chief Secretary in relation to police matters. Not later than twelve months after the establishment of the Council, the Governor would forward to the Secretary of State reports by himself and by Ministers on the working of these arrangements, after which the Secretary of State

would make his decision as to whether the August, 1961, Constitution should or should not transfer the Governor's powers relating to the Police (other than those referred to in (c) above) to a Minister."¹

As I said, these were clear pledges. But we live in a world where Britain unfortunately seems to be governed by people who use blue blood in place of brains and whose cephalic indices combined are equivalent to that of neanderthal man. And indeed, when we look at the postures of some of those people, we cannot help but get in our mind's eye a picture of neanderthal man slinking about with his nakedness hardly hidden but with an enormous club in his hand. This neanderthal man has now laid in the House of Commons a constitutional instrument which violates all these pledges by which it proposed that a second authority for the appropriation of supplies should be set up in Government House. So that the Governor is to be given powers to put Britain's hands into the till of British Guiana and take out from that till such sums as this British Governor may deem necessary for the purpose of Her Majesty's Government. That, in a nutshell, is the constitutional context.

We are moving to a position where we have two Governments: One Government centred in the Legislature and another Government centred in Government House. This is not the first time in our history that the British have been dissatisfied with the way local people have run things when local people have had the power to run things. British Guiana was a Colony conquered by the

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British and they gave certain undertakings under the Articles of Cession which are included in the laws of British Guiana. But the British wanted absolute control in British Guiana and so in 1927 they sent down here a Commission under Messrs. Wilson and Snell - I believe one of these gentlemen subsequently became a noble lord - and these gentlemen produced a document which is 67 pages long and contains an advertisement from Her Majesty's Stationery Office and it had a lot of things to say. Among them, at page 55, was this very significant paragraph or part of a paragraph:

"It is a general phenomenon in tropical colonies that the extension of the electorate and the greater frequency of contests makes it extremely and increasingly difficult for anyone who is not able and prepared to embark more or less whole time on the career of a politician to enter the Legislature by the avenue of the constituencies. The result is the loss to public life of no inconsiderable proportion of those who are best qualified for it, or, in other words, of the small but extremely important European class which still controls the principal agricultural and commercial activities of the Colony."

2.20 p.m.

That, sir, is the Report of the British Guiana Commission April, 1927.

The local representatives were not interested in euphe-

misms, and they called a spade a spade. They defined the objections of Messrs. Snell and Wilson to the prevailing constitutional conditions in these terms:

"(a) That the Government does not possess a nominated majority in the Combined Court, and is therefore unable to govern; and that political control has passed to the black and coloured portion of the population of the Colony.

(b) That the Colony's finances are in so parlous a condition that they can only be re-adjusted if and when Government is placed in a position to carry into effect its policy against the united opposition of the elected representatives of the people;

(c) That there have been such gross and flagrant abuses of the present Constitution as to reduce it to a scandal of the British Empire, thereby precluding the European elements in the community from taking part in the political life of the Colony."

That was the plain talk of the elected representatives in their translation of the euphemisms of Messrs. Wilson and Snell, one of them, as I said, became a noble lord.

In 1954 there was another Commission known as the Robertson Commission, and it is a very striking coincidence that the thinking of the Robertson Commission could so closely parallel the thinking of the Wilson-Snell Commission. Dealing with the

situation obtaining at the time of the suspension of the 1953 Constitution, the Robertson Commission said at page 68, at the last part of paragraph 203:

" as events have shown, that a single party will command such support among the immature and indiscriminating electorate that having no immediate and effective rivals for office it may safely ignore the rights of minorities and, by abuse of the powers, so consolidate its position that the risk of eventual defeat by the democratic process is eliminated."

It is a crime to carry out your electoral programme so scrupulously that when you have done it the people are not ready to kick you out. But there is something else that this Report says which has a more striking resemblance to Messrs. Wilson and Snell. At paragraph 26, on page 16, it says:

"The other elements in the community - of Portuguese, Chinese and United Kingdom origin - are much smaller in numbers, though their influence is great. Members of the last-named community are anxious at the way in which the Indian and African sections have now obtained virtual domination through universal adult suffrage."

In 1927 it was the Black and Coloured population. In 1953 it was the Black and Indian population - all Coloured. The reason given for the breaking of all of these pledges is that there is racialism in this country. If you want to be euphemistic you

can choose either Wilson and Snell, or Robertson. There is racialism in this country, and there is financial chaos. For the financial chaos, you will have to go back again to Wilson and Snell and say that, in order to save us from this financial chaos, this neanderthal man is going to hit us over the head with his club and create another authority to spend funds which the Elected Government knows nothing about and has not approved.

We have long said in this country that there are two kinds of hypocrisy: hypocrisy, and British hypocrisy. To underscore this, I have the text of a commentary delivered over the British Broadcasting Corporation General Overseas Service on Sunday, 2nd February, 1964, on the subject of "The Law in Africa." The pertinent section reads as follows:

"The most urgent threat of executions in Africa comes today from Southern Rhodesia, where with all the panoply of white justice five Africans are due to be hanged for throwing, or being present at the throwing of small petrol bombs which did virtually no damage. This is one of the reasons why Africans, especially the leaders, are becoming increasingly intolerant of European legal experts who read them lectures. Put your own house in order first they say."

We are given the responsibility as a Government to manage the finances of this country, and we have to live in the shadow or under the threat of a blue-blooded neanderthal man, who

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makes, at best, irresponsible statements in respect of our finances to the world - statements which he has later to correct, but which he lacks the grace to correct effectively.

2. 30 P.M.

We have to live with this man created at Government House, an authority to add further chaos, as he would call it, to make as much difficulty as possible for those who have to manage the finances of this country. And we, the people of British Guiana, are taxed to the extent of \$56½ thousand for maintaining that office which is a threat to our very economic well-being.

I could say more; particularly, I could voice the alarm which large numbers of our people feel at the apparent degeneration in the standards of our Courts. His Lordship the Chief Justice has written that the possession of academic qualifications in Law is a disqualification for membership of the Bench in British Guiana. I hope, sir, that the Guianese legal profession is as seriously concerned about this situation as I am myself, and I hope that they will take what steps are necessary to arrest this unfortunate decline. But let me say in absolution of our Justices, that it has been held by the Privy Council in the case of the *Malayan Judge, Tyrell v. the Secretary of State for the Colonies*, that a colonial Judge holds his office at the pleasure of the Crown, and is therefore dismissible at the pleasure of the Crown, any contract to the contrary notwithstanding. I can

sympathize with Justices who have to go through the motions of making justice and at the same time seeking to catch the eye of the neanderthal man who may hit them over the head if they give a wrong political decision. That is all I want to say now. I move that the Bill intituled: "An Ordinance to appropriate the supplies granted in the current Session of the Legislature" be read a Second time.

Senator Jardim: I had not intended to speak this afternoon because like the hon. Minister, I had felt that this debate on the Estimates was something of an academic exercise - not for the reasons the Minister has put forward but simply because the Estimates have already been passed in the Legislative Assembly and there is little that this Senate can do. However, apart from the three sentences with which the Minister opened his speech this afternoon we have heard nothing from him on the Bill before the Senate. We have been treated instead to a wide-ranging political speech, going back to the Articles of Capitulation of 1803, through the 1927 Commission, through to 1953 and 1954, coming to a dead stop in 1960. I would suggest that the Minister should not halt at the year 1960, but should move beyond it to the year 1961, to which only passing reference was made, and the year 1962, and most important of all, to the year 1963. If we are here in this House to swap references to constitutional conferences I think the time has come to read into the records of this Senate the following letter dated 25th October, 1963, addressed to Mr. Duncan Sandys, the Secretary

of State for the Colonies, and reading as follows:

"At your request we have made further efforts to resolve the differences between us on the constitutional issues which require to be settled before British Guiana secures independence, in particular, the electoral system, the voting age, and the question whether fresh elections should be held before independence.

We regret to have to report to you that we have not succeeded in reaching agreement; and we have reluctantly come to the conclusion that there is no prospect of an agreed solution. Another adjournment of the Conference for further discussions between ourselves would therefore serve no useful purpose and would result only in further delaying British Guiana's independence and in continued uncertainty in the country.

In these circumstances we are agreed to ask the British Government to settle on their authority all outstanding constitutional issues, and we undertake to accept their decisions.

Signed:

Cheddi Jagan
L.F.S. Burnham
P.S. d'Aguiar."

2.40 p.m.

We have heard a great deal, of undertakings solemnly exchanged in 1960, undertakings now dis-

regarded and pledges broken, but this is the most recent and most important of all the undertakings given; an undertaking given by the Premier of this country to the British Secretary of State asking him to settle on his authority the electoral system, the voting age and the question whether fresh elections should be held before independence, and agreeing explicitly, in writing, to accept his decision.

Let us not go back into the past; let us not delve into history; let us look at reality, at what exists in British Guiana today. This is something which I submit the Government has never really attempted to do. There is always blame to be cast. There are always historical reasons for this and for that. There are always theories which should have been carried through, and which, if only they had been, would have solved all our problems. There is no real attempt to sit down and see what is happening. There is no attempt to assess the need for real compromise; it is always compromise with an edge, compromise with an advantage. There is no concern for the national interest. There is no concept of nationhood. There are only the words, sir, while the actions are something else.

I do not wish to deal with the hon. Minister's attack on the Courts. I would submit, sir, that you, as a member of the Bar, are more competent than I, and I would leave it to you. All that I wish to do is to remind the Minister that the last and most important commitment and undertaking of all those to which he

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referred; was given by the Leader of his Party on October 25, 1963, less than half a year ago.

Senator Tasker: Your Honour, as you pointed out, this is a Money Bill and as such, of course, it cannot be amended here. At the same time, the Second Reading of the Appropriation Bill provides the only opportunity for the Senate to debate the Government's economic policies as set out in the Budget Speech of the Minister of Finance. I propose, therefore, to take a little time on this document, which is all that we have to go on.

One of the unfortunate aspects of this document is that it is largely a political document - political in a party sense no doubt for much the same reason as the hon. Minister of Trade and Industry has already adduced during the Second Reading of the Appropriation Bill. It is largely political in that it blames pretty well everybody but the Government for any lack of success or for any ill, and it lacks most in that it does not really lead the Members of the Legislature to a clearer understanding of our economic realities - unless (as can, I suppose, be argued) the economic and political are so interrelated that they cannot be separated. And yet it seems to me that our economic realities must somehow be debated if we are to achieve any sort of national consensus - to which everybody pays lip-service, but which somehow still seems to elude us.

I am afraid that I did not find the Budget Speech particu-

larly helpful. I also found that in many ways it is inconsistent and misleading. An interesting part of it is that section (on pages 15 to 18) which is devoted to what the Minister of Finance calls "Anatomy of Poverty". I say it is misleading because the analysis which he gives leads to some obviously wrong conclusions. One would, for instance, expect from his arguments about colonialism and imperialism being the root cause of all our problems, that British Guiana ought to be about the most impoverished country in South America. The contrary is in fact true, but this is a paradox which the Minister does not attempt to meet. Furthermore, his identification of national poverty with the fact that sugar and bauxite, our two major industries employ relatively few people, while on the other hand general agriculture and rice employ much larger numbers, is illogical. It ignores the fertilisation of the economy as a whole by the existence of two highly competitive world industries which simply cannot survive on the world markets if they are not competitive, and this surely is something which should be applauded, not denigrated.

- - - Again, it ignores the fact that peasant agriculture will always employ more people than large-scale modern agriculture or industry, and that the trend from one to the other is surely one of the marks of an advancing economy. There is therefore no virtue, or even any honesty, in simply saying that because one sector of the economy employs more people than the other, and is more impoverished, this is unfair. It is not unfair at all. It is merely a fact of our eco-

conomic life which we have to recognize.

I know that much criticism has been levelled at the steps that modern industry has to take to keep itself competitive. The Reubens Report, for instance, which was prepared in 1962 at the request of the Ministry of Labour, Health and Housing, comments on the technological improvements, that have taken place. This is a study of the questions of unemployment, under-employment and mechanisation, and on page 15 of the Report the following statement appears:

"There is no doubt that technological progress in most quarters of the world-wide sugar industry has put almost every producer - except for those most favoured by nature or by protected markets - under heavy pressure to modernise or close down."

2.50 p.m.

And on page 13 of the same Report, the authors quote figures to show that in 1944/45 the cost of production per ton of sugar in this country was 50 per cent higher than in the remainder of the West Indies. I mention these references to this Report simply because it is clear that, against this background, some rationalisation of numbers employed was necessary for the sugar industry's survival.

I have no interest in criticizing the rice industry. I merely suggest that the rice industry is very shortly - if not already - going to be faced with much the same agonising reapprai-

sal of its economic realities, if it, too, is to survive in its increasingly competitive markets.

The Minister of Finance is, of course, inconsistent in much of his criticism also, since he devotes so much of the rest of his Speech to dwelling on the importance of the two major industries - sugar and bauxite - to the economy; in his reference to company income tax, and specifically in his tribute to the recovery achieved by the two main industries after the 1963 strikes. He also refers to new investment - his phrase is "massive new capital investments" - in the new sugar factory projects at Albion and Diamond.

I suggest he is misleading also in his reference on page 17, to low, unstable prices received for primary commodities, and to high prices for manufactured imports. As regards the manufactured imports, we have the inevitable inconsistency in the Minister's recognition (pages 21-22) of the vital revenue importance of import duties and this, of course, is part of the dilemma.

On the question of primary products and the prices that they fetch, I would wish simply to refer to one fact which the hon. Minister of Finance has given no sign of recognising. It is that, in terms of sugar and the Commonwealth Sugar Agreement, Britain has, in fact, paid more, not less, than world prices for her imports. Indeed, the figures show that between 1953 and 1962, the British consumer has paid some \$300 million more than the world price for sugar imported from British Guiana and the West Indies. Cer-

[SENATOR TASKER]

tainly, today, the housewife in Britain is benefiting from the fact that the negotiated price under the Commonwealth Sugar Agreement is below the ruling world price. But it is significant that from 1953 to 1962 the contrary was the fact, and the consumer was paying a good deal higher price than Britain could have got sugar for on the world market - \$300 million more to the West Indies and B.G. I think it is not surprising, therefore, that the Commonwealth Sugar Agreement has been described as one of the most unselfish and effective means ever introduced to help primary exporters. I think it is true also that without its negotiated price, payable under the Agreement, the sugar industry in B.G. would not exist in its present form today.

Perhaps of more general concern is the apparent inconsistency in Government's attitude to private capital. This is a matter of considerable concern to me, a subject on which I have endeavoured on many occasions, both here and elsewhere, to elicit a clear policy. We had, in September last year, a clear statement of the Government's industrial development policy, issued over the name of the hon. Minister of Trade and Industry on behalf of the Council of Ministers. It was clear and it was unequivocal and it was shortly followed by the setting up of the Industrial Development Corporation with yourself, sir, as the first Chairman. Both, as you know, have been welcomed on all sides.

On page 32 of the Budget Speech, the Minister of Finance

refers to "Government's vital interest in the participation of private capital, local and overseas, in the development of the country". Yet the recent statement by the Premier in Jamaica, at the opening of the Heads of State Conference, has been widely construed, both in this country and abroad, as being anti-private capital and especially overseas private capital. The same applies to the Premier's more recent speech at Vergenoegen, when he opened a new rice mill. It is true that an apparent misquotation has been clarified in today's newspapers, but no doubt, sir, in your capacity as Chairman of the I.D.C., you did not miss the ludicrous contradiction to which we were treated in the *Guiana Graphic* of February 17th.

3 p.m.

On the same page one sees this phrase, which was reported to be made by the hon. Premier:

"My Government is no longer content with having the profitable sectors of our economy in foreign hands. We want everything to be local for the future development of our country."

And three columns away, Your Honour is reported as saying of the development plans of an overseas investor:

"It is reassuring to see the display of confidence that this company has shown in us and in our country. I sincerely hope that others will follow their lead."

I make no apology for being boring about this matter. I can-

not ask too often for consistency on the part of the Government. What does this mean? What are we supposed to believe? What are those of us who represent capital investment in this country supposed to believe? Are we to believe what Ministers say when speaking on formal occasions? Are we to believe statements issued by the Council of Ministers? When Ministers are speaking elsewhere and saying things which are, apparently, contradictory, are we supposed to ignore them? This is one of the gravest reasons for the lack of confidence in British Guiana today. It is not necessarily a matter of party or political connections, foreign or otherwise. It is a matter of inconsistency: people want to know where they stand. It seems to me that it would be very much easier if the Government were to state quite clearly where it stands, and, if it has any reservations about private companies, either local or overseas, then say so clearly, so that people will know what to do. Investors would then be in a position to decide whether they should remain in British Guiana or go somewhere else.

A great deal has been made of recent allegations and counter-allegations regarding British Guiana's insolvency. I feel these are largely irrelevant - a matter of semantics - since bank balances or overdrafts do not give a clear guide to the solvency or insolvency of any business or any Government. And, of course, this sort of argument can lay itself open to all sorts of contradictions. For instance, the hon. Minister of Finance (at

page 9 of his Budget Speech) when dealing with this allegation, says:

"All of the commitments of the Government have been met on the due dates."

No doubt he has spoken the truth, but one does not know what he includes as "all of the commitments." Government's accounting system apparently does not take account of sums due to suppliers for goods and services rendered; for on the 30th September, 1963, when Government's Revised Estimates showed a cash balance of \$2.4 million, it had borrowed \$1.7 million from GIMPEX and it owed just under \$½ million to two other companies in this City - I know not how much to other firms. This is merely an illustration of the truism that figures can be made to show what one wants.

That is why I say that such arguments are largely a matter of semantics. What is important is to establish the economic trend, and I think we see this most clearly in the trend of development expenditure. We have had in the recent past two Development Programmes: 1954 to 1959 and 1960 to 1964. The expenditure in the 1954 to 1959 Development Programme totalled \$104 million. The Development Programme for 1960 to 1964 had a planned total of \$110 million, but has a likely performance of \$89 million. I should explain that, in computing the likely performance, I am using the actual figures for 1960 and 1961; the Finance Minister's "provisional actual" figures for 1962; his Revised Estimates for 1963; and his Budget for 1964. Allowing

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for the slippage that inevitably occurs, the performance looks like achieving only about 80 per cent of the target. If we add the effect of rising costs of materials and labour, and underestimates, it seems more likely that we shall achieve about two-thirds of the planned programme.

This assumes, of course, that we were able to find the money for the actual figures of development spending in 1962 and 1963; and we have seen some very depressing indications. For instance, in 1962 there was an approved programme of \$31.6 million which had to be revised down to \$18.8 million. In 1963 there was an approved programme of \$25.5 million which had to be revised down to \$12.3 million. And, of course, the axe inevitably falls, in these cases, most severely in those sectors which sustain employment - the execution of development works such as drainage and irrigation, road-building, and so on. There has been a reduction in the labour force - as it stood in 1961 - employed directly or indirectly on such works; and the planned re-settlement of more people on new land development schemes has also suffered a setback. Another serious matter is that loans to small private investors, aid to new secondary industries, agricultural credit, and loans for private house-building have all been largely frozen. And, perhaps, in the short term the most worrying of all, the proper maintenance of assets, stores and equipment for our railways and our sea defences has been neglected. The cumulative

effect of such cuts could be catastrophic.

3.10 p.m.

That is why the really relevant part of the report by Mr. K.C. Jacobs is his analysis of the growth of revenue and expenditure (paragraphs 22 to 24 of his report). It appears that revenue has grown better and faster than predicted, but that expenditure has outstripped all forecasts. It has actually run at an average annual rate of increase of 11 per cent since 1959, as against the $4\frac{1}{2}$ per cent allowed for in the 1960-1964 Development Plan. And of course it was this which led Mr. Jacobs to the appalling conclusion that, "it therefore seems to be urgently necessary to avoid expenditure on development account unless it is for firm commitments or essential renewals or reconstruction and, *a fortiori*, not to embark on expenditure for new schemes or projects."

This seems to put in question the whole meaning of development. If our population continues to increase at the rate of 3 per cent per annum, then we have somehow to secure an expansion of our economy at something like the planned rate of 6 per cent per annum; because if we cannot get 6 per cent, we do not even get a growth of real income per head of 3 per cent. Yet at present it seems that not only will nobody be better off, but that we are actually sliding down hill. Six per cent per annum is a reasonable minimum to aim at, yet from 1954 to 1959 the gross domestic product at factor cost in fact showed an average annual increase of only 2.7 per cent. and in 1960

-1963 an average annual increase of only 2.3 per cent. And that last figure is reduced to nil if we omit the year 1960, because in 1961, 1962 and 1963 we do not seem to have made any progress at all in terms of an increase in gross domestic product. Meanwhile our population goes on increasing at a steady 3 per cent annually.

If this is the true position, it lends considerable point to the need stressed by the Minister of Finance on page 2 of his Budget Speech - "the need for responsible leadership in all spheres and at all levels of activity." It is a fine phrase; we all subscribe to it. But where is the leadership? The Minister appeals for "goodwill, tolerance and mutual respect"; and as I said earlier, he simply endeavours to blame everybody except the Government for our present ills. Is this really helpful at this stage? Is this the leadership that the people of this country stand in need of? Could we not have some recognition from the Government, in deeds as well as in words, that economic development is everybody's business, that nobody has the sole key to this problem; that it really would be a good thing, and not a bad thing, to give credit where credit is due; and that if we are to combine all the energies and all the endeavours of the people of this country, the need is for constructive, not some divisive, leadership - so that we may all go forward together?

Senator Hubbard (replying): As might have been expected, the representative of the United Force (Senator Jardim) had her say and left. That letter to Mr.

Duncan Sandys is always being waved in justification of the rape of British Guiana, but the letter was not written by itself. There was a background to the letter, and the key phrase in the letter is the reference to the necessity to end uncertainty and to secure British Guiana's independence. If, therefore, the proposed solution takes no account of British Guiana's Independence and makes no attempt to end uncertainty but in fact increases it, then it cannot be said that the proposed solution fulfils the conditions stated in the letter. It is, I believe, the cardinal principle underlying the practice of arbitration, that the arbitrator must take into account the views of all the parties to a dispute.

3. 20: p. m.

In this instance the Secretary of State seems to have behaved like a little child who had been given the key to his mother's safe and had taken everything without regard to his mother's feelings or his mother's previous admonitions of prudence.

That is what we expect from the Secretary of State and I do not think anything more need be said about it, except to relate it to Senator Tasker's references to the need for a national consensus. It is impossible to achieve a national consensus if the views of a minority like the United Force are to be rammed down the throats of the great majority of the population. There is no possibility of a national consensus there, and I must recall that Senator Tasker was one of the earliest of the

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advocates of this reprehensible system of proportional representation, which the Secretary of State has chosen as a means of dividing this country. When we talk about national consensus we must be clear about it. We must remember what the Secretary of State said. The Secretary of State said that he wanted to accomplish the splitting up of all the political groups in this country, so that where you now have a tree of unity divided in two, he wanted that tree of unity put through a mangle to come out in chips so that unity could never be re-established again.

There was a purpose behind it, the purpose being that never again should the people of British Guiana be able to establish the kind of consensus that they had established in 1953. Never again! So that the Secretary of State, when he moved he moved with this particular purpose in mind and he said that the purpose was to divide the people of British Guiana into so many little bits and pieces that they will never be able ever again to come together in one body politic.

I must remind the Senator that the British have said certain things. They have said that territories which they consider to be essential to their security can never receive independence. Such a territory was Cyprus, unhappy Cyprus. Such another territory was Aden, unhappy Aden, where people are held without trial behind barbed wire, where they had to send to investigate reports of brutality and cruelty. No evidence has yet come out that another Hola Camp exists in Aden, the South Arabian Federa-

tion, as it is euphemistically called.

We have Cyprus, a country which was essential to Britain's security and should never have independence. A lot of people died in Cyprus. A lot of these colonial people of Cyprus died, but while a number of Cypriots died so also did a number of British and because they were not able to shed only local blood in Cyprus, as so far has been the case in Guyana, there had to be some movement towards the establishment of a formal independence for Cyprus.

Cyprus was therefore given independence which gave a minority of 20 per cent a veto on everything. If you wanted to raise taxes, this little 20 per cent minority had to say "Yes". If you wanted anything done at all this little minority had to say "Yes". The consequence of that is plain today. Blood is being shed again in Cyprus, again Cypriot blood, and even the formality of independence is being challenged now, with Turkey claiming the right to send in troops at her will, with Greece claiming that right, with Britain claiming that right.

A national consensus comes about when there is accommodation to the views of all Parties. In 1962 - Senator Jardim referred to 1962 - a small minority, aided and abetted by the allies of Britain, C.I.A., came in here and Guianese died. They came back again in 1963 and more Guianese died. Eleven died, 150 were injured and His Grace the Archbishop of the West Indies, the leader of the Anglican community,

with 11 Guianese dead and 150 injured remarked with satisfaction upon the limited amount of violence that took place. And then the people who made all this, the people who arrested investment in Georgetown go to London. The People's Progressive Party says "We are not going to refuse to consider your claims for revision. We will admit that you may have claims". The British Government took the arsonists and took the murderers and gave them what they wanted, and the people who had behaved well were punished, possibly for their good behaviour. We may never know, but as I said earlier we are dealing with neanderthal man and perhaps the man has in his hands another club.

3:30 p.m.

When we talk about national consensus, let us ask the Senator to remember that the People's Progressive Party is a part of the nation. It is not only a part of the nation, it is the Government in office and it is therefore entitled to have its views considered.

There have been many Constitutional Conferences in the last few years and the Government of British Guiana, the People's Progressive Party Government, is the only Government summoned to a Constitutional Conference which was not summoned as the Government. The Government of British Guiana has never been summoned to London to discuss a Constitutional revision. Delegations from political parties have gone there so that, I think, is all that needs to be said about Senator Tasker's cry for a national con-

sensus. Senator Tasker can help; he has influence. The organisation which he heads has influence. Let him work for a national consensus. We have demonstrated good faith, let others do so.

Senator Tasker has referred to the standards of living achieved in British Guiana, related them to Latin America and the West Indies and reproached the Minister of Finance. Of course, the standards of living in the Latin America countries are below that of British Guiana. Of course, our worst housing in British Guiana is regarded as nice little cottages in relation to the worst housing in Jamaica, but let us give praise where praise is due. Latin America has not had a People's Progressive Party pushing and fighting and wringing concessions for the under-privileged. Jamaica has not had it. What we have won is a more equal distribution of the wealth of this country so that the poor are not so poor as the others and the rich are not so rich as in the other territories.

Senator Tasker speaks of inconsistencies in the statements of individual Members of the Government in relation to private capital and the clear statement set out by the Government of its attitude to private capital. It is Professor Erhardt of Germany who very recently said that there is too much foreign capital investment in Germany and that has got to stop. Erhardt of Germany is talking about too much foreign capital investment in Germany. It might be a good thing for Britain if they did not have so much American capital investment in Britain as then

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neanderthal man would not have to reflect to the Texas killers. But we can see absolutely no contradiction between a clear statement that British Guiana wishes to build up its own resources with its own capital and a statement that we are prepared to accept private capital investment in this country.

If Senator Tasker would look at the statement in which we referred to our acceptance of private capital from abroad, he would see there that we made a clear statement of preference for the association with foreign private capital with local capital. No contradiction. Only a contradiction if you are going to talk about national consensus and then try to destroy it. Senator Tasker talks about inconsistency in praising foreign enterprise and in criticising foreign enterprise. No inconsistency; nothing is perfect, nothing is perfect at all. Why can't you praise what is praiseworthy and criticise what needs to be criticised? No inconsistency. But then one must find something upon which to hang a speech.

Senator Tasker talked about British Guiana's terms of trade. He spoke about the Commonwealth Sugar Agreement. It was not neanderthal man who made the Commonwealth Sugar Agreement; it was the Labour Party that made the Commonwealth Sugar Agreement, and it was made because of the appalling conditions in the sugar industry in these parts revealed by the unrest, the agitation, the disorders which led to the appointment and Report of the Moyne Commission - so-called "West

Indian Royal Commission." It was a Labour Government that was in power and the Labour Government fixed prices and it insisted that the sugar industry do what it had never done in its history previously, that is to say, it should set aside some of its profits for rehabilitation of the industry, that it should set aside some of its profits for promoting the welfare of its workers, and it should set aside some of its profits to stabilise the price of sugar.

The Commonwealth Sugar Agreement does not cover the total production of British Guiana's sugar. It covers a very significant proportion of British Guiana's production, but not all. The rest is sold where it can be. We sell in Canada, we are now selling the United States, and for the rest we have to sell in the world market. But the hustle to expand sugar production now is to cash in on the high prices prevailing on the world market. But while Britain gives us a just price for a portion of our sugar production, we must buy from Britain and from all the developed countries at prices which keep rising all the time.

3.40 p.m.

We do not go to Britain and say that we need capital goods and will pay for them in terms of a reasonable remuneration to an efficient producer. We cannot tell them that. They say: "This has to be the price, or else". Then, of course, there is the additional profit which the British manufacturer gets by virtue of the preference which he receives under the Commonwealth Agreement. In our terms of trade we get an advantage with the

Commonwealth Sugar Agreement; but at the same time we pay the price for it.

When you are an independent country you are able to borrow money from Britain at specially favourable rates of interest, but when you are a Colony you get Colonial Development and Welfare Funds; but loans are at 7 per cent interest on what money you have to borrow. Borrowing money at high rates of interest places a strain upon our economy, so that our terms of trade must not be seen in relation to the Commonwealth Sugar Agreement only, but it must be seen in relation to the price that we pay for the goods we have to buy and in terms of the interest we pay on the money we borrow to carry out infrastructure development such as the Boerasirie Scheme which bonified a lot of sugar land on the West Coast.

I think that Senator Tasker's plea for co-operation sounded, to me, like one of the most insincere statements that I have ever had to listen to. The People's Progressive Party must co-operate with every one. We must accept the objectionable electoral system which, according to its author, is designed not to build a nation but to destroy us. I have stood here and seen 11 of my countrymen murdered and 150 beaten by thugs employed by foreign interests to create conditions that allowed the neanderthal man to put forward this Constitution. I am a Guianese, and I do not want to see conditions which will allow another Cyprus to develop here where that 11 will become 50 or 80 in one single day because we are essen-

tial to the security of some power outside of British Guiana.

The British Guiana Government and the P.P.P. are always trying to work in the best interest of the majority of the people in this country. Let us not delude ourselves into the belief that the best interests of the majority are necessarily the best interests of all minorities. But as we see so clearly in Cyprus today, you either have a majority Government or you have no Government at all. We are ready to talk, we are ready to listen, but we have been pushed around as far as we will be pushed around and we have no further to go. Let others, who declare a love for this country and a love for its people, now show that they are prepared to establish a national consensus which gives due weight to the interests of the majority of the inhabitants of this country.

Question put, and agreed to.

Bill read a Second time.

Bill read the Third time and passed as printed.

PUBLIC LOAN AND COLONIAL
TREASURY BILLS (AMENDMENT)
BILL

A Bill intituled:

"An Ordinance to amend the Public Loan and Colonial Treasury Bills Ordinance."

Senator Hubbard: Your Honour, it is provided in Section 11 of the Public Loan and Colonial Treasury Bills Ordinance, Chapter 250:

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"The Governor shall annually by proclamation fix a date or dates for the receipt of applications for the exchange of any issue of bearer bonds for registered bonds and vice versa, and bond holders shall transmit their applications to the Financial Secretary on or before that date or those dates."

This is a cumbersome procedure in practice in terms of our new Constitutional standing, and we consider that it will save time and, in the sense of paper, money, if the Ordinance were amended to make the Minister of Finance responsible for the function exercised by the Governor and the Financial Secretary. That is the purpose of the Bill now before the Senate, and I now move the second Reading of the Public Loan and Colonial Treasury Bills (Amendment) Bill, 1964.

3.50 p.m.

Question put, and agreed to.

Bill read a Second time.

Senate in Committee.

Bill considered Clause by Clause and approved without amendment.

Senate resumed.

Bill reported without amendment, read the Third time and passed as printed.

ADJOURNMENT

The President: There are two other items on the Order Paper, but as it is proposed to adjourn at four o'clock and there are only about four minutes left, this may be a fitting stage to take the Adjournment until tomorrow.

Senator Hubbard: We would have liked to finish the business this afternoon, but as Your Honour desires that we should adjourn now I beg to move that the Senate do now adjourn until tomorrow afternoon at two o'clock.

Adjourned accordingly at 3.56 p.m.