

SECOND LEGISLATIVE COUNCIL

(Constituted under the British Guiana (Constitution) (Temporary Provisions) Orders in Council, 1953 and 1956).

Friday, 6th January, 1961

The Council met at 2 p.m.

PRESENT :

Speaker, His Honour Sir Donald Jackson

Chief Secretary, Hon. D. M. Hedges

Attorney-General, Hon. A. M. I. Austin, Q.C.

Financial Secretary, Hon. W. P. D'Andrade.

} *ex officio*

The Honourable **Dr. C. B. Jagao**

—Member for *Eastern Berbice*
(Minister of Trade and Industry)

“ „ **B. H. Benn**

—Member for *Essequibo River*
(Minister of Natural Resources)

“ „ **Jane? Jagan**

—Member for *Western Essequibo*
(Minister of Labour, Health and Housing)

“ „ **Ram I arran**

—Member for *Demerara-Essequibo*
(Minister of Communications and Works)

“ „ **B. S. Rai**

—Member for *Central Demerara*
(Minister of Community Development and Education).

Mr. **W. O. R. Kendall**

—Member for *New Amsterdam*

“ **R. C. Tello**

—Nominated Member

“ **F. Bowman**

—Member for *Demerara River*

“ **L. F. S. Burnham, Q.C.**

—Member for *Georgetown Central*

“ **S. Campbell**

—Member for *North Western District*

“ **A. L. Jackson**

—Member for *Georgetown North*

“ **S. M. Saffee**

—Member for *Western Berbice*

“ **Ajodha Singh**

—Member for *Berbice River*

“ **Jai Narine Singh**

—Member for *Georgetown South*

“ **R. E. Davis**

—Nominated Member

“ **H. J. M. Hubbard**

—Nominated Member.

Mr. I. Crum Ewing—Clerk of the Legislature

Mr. E. V. Viapree—Assistant Clerk of the Legislature.

ABSENT :

Mr. E. B. Beharry—Member for East ~~in~~ Demerara

Mr. A. M. Fredericks—Nominated Member—on leave

Mr. R. B. Gajraj—Nominated Member

Mr. A. G. Tasker, O.B.E.—Nominated Member—on leave.

The Clerk read prayers.

MINUTES

The Minutes of the meeting of the Council held on Thursday, 5th January, 1961, printed and circulated, were taken as read and confirmed.

ORDER OF THE DAY

MOTIONS

DEVELOPMENT ESTIMATES

BUDGET DEBATE

Mr. Speaker: We shall resume the debate on the following Motion:

"Be it resolved: That this Council approves of the Estimates of Development Expenditure for the year 1961 which have been laid on the Table and recommended in the Report of the Finance Committee of the Legislative Council dated 23rd December, 1960, totalling TWENTY-THREE MILLION, NINE HUNDRED AND EIGHTY-EIGHT THOUSAND, FOUR HUNDRED AND ONE DOLLARS, as detailed by Heads in the under-mentioned SCHEDULE and of the projects therein being financed from the Development Fund established under the Development Fund Ordinance, 1954.

SCHEDULE

Head No	Head of Estimate	Estimate in 1961
		\$
I.	Agriculture	1,346,276
II.	Civil Aviation	314,000
III.	Drainage and Irrigation	6,046,550
IV.	Education	1,032,638
V.	Industry and Credits	1,250,000
VI.	Geological Surveys	517,133
VII.	Health	426,000
VIII.	Housing	1,000,000
	Lands and Mines	160,000
X.	Land Development	1,242,474
XI.	Post Office	1,050,000
XII.	Public Works	5,683,720
XIII.	Miscellaneous	61,510
XIV.	Transport and Harbours	2,141,000
XV.	Rural Self Help	100,000
XVI.	Social Welfare	175,000
XVII.	Local Government	150,000
XVIII.	Amerindian Development	247,000
XIX.	Tourism	45,000
XX.	Electricity Development	1,000,000
XXI.	Forests	100
		\$23,988,401

The hon. Member for Georgetown Central was speaking when the adjournment was taken yesterday, and he may now resume. He is going on with the topic which he has indicated yesterday.

Mr. Burnham: In his Budget Speech, starting from page 15, the hon. Financial Secretary attempted to give some indication of what the Government proposes to do under the head of Development in 1961. He attempted to give some meaning to the figures or, at least, some of them which appear in the Draft Development Estimates.

It is, perhaps, unfortunate that the second item to which he has referred in his outline is the Agricultural Training Centre at Mon Repos. In 1960 there was allocated for that Training Centre the sum of \$80,000, but up to the 30th June, 1960, not a cent had been spent on it. I do not know whether any cents have been spent up to the 31st December, 1960.

For the Government to come here blandly and say "We propose to make a start" it is assumed that nothing has been done— not good enough. Why was not a start made on the Training Centre at Mon Repos in 1960? Why should they have asked us to approve \$80,000 for this purpose in January, 1960, when they knew, or ought to have known that it was impossible for them to do anything about the matter?

Under the head of Agriculture last year there was allocated \$1,467,175. Of that sum up to the 30th June only 150,329 has been spent slightly over one-tenth; and we note that the Revised Estimate for 1960 is \$982,800. They give us no explanation or facts on which they base their ambitions for 1961, but they calmly ask us to vote \$1,346,276—just about \$100,000 less than we were asked to vote last year.

The sum of \$583,000 was allocated for Civil Aviation last year. This year \$314,000 has been allocated. The Revised Estimate for last year was \$82,620. Up

to the end of June, from the sum of \$83,000 only \$3,473 had been spent and that sum on the smallest item in the programme — Improvement of Interior Communications.

The sum of 452,500 was allocated for the Georgetown Airport, but not a cent was spent. For the Purchase of Aircraft \$50,000 was allocated, but nothing was spent. For Improvement of Interior Communications \$52,500 was allocated, but only \$3,473 was spent.

Drainage and Irrigation this year as last year is supposed to take a handsome share of the Development Funds. But it is to be noted that they anticipated underspending slightly over \$2 million on Drainage and Irrigation up to the end of last year. Whereas the original Budget was \$7,896,382, the Revised Estimate shows \$5,866,552.

I have observed before that the emphasis on this Development Programme based on the Berrill Report is on agriculture. I have also observed that the object of the drainage and irrigation work was primarily to drain and irrigate areas for more rice-growing. A certain part of it—if we are to accept the word of the Minister of Trade and Industry given here last year — is for the provision of land for the diversification of our agriculture. Yet there is underspending to the tune of nearly one-third of the amount voted.

It seems to me that even the programme, as it is geared, is not being fulfilled, and that we still have no explanation for it. If they had told us that the rains had come; if they had told us that they had no personnel; if they had told us that the money was not available, those would have been excuses, though not a proper explanation. But we have none of that forthcoming.

This year, under the Head, Education, we are asked to vote the sum of \$1,032,638. Last year we were asked to

vote \$1,086,000, but up to the end of June only \$95,037 had been spent. It is to be noted that one of the items on which the sum of \$1,086,000 should have been spent last year, is the item Post Primary Schools, for which the sum of \$120,000 was allocated, but up to the end of June not a single cent had been expended. For Primary Schools — Buildings, Furniture and Equipment—the sum of \$616,600 was allocated, but when the year was half-way through slightly over one-third, \$89,708, had been spent. What is the reason for it? These are the same people who want to take over schools. They voted \$616,600 but they could not or would not spend it.

The estimates for Education for 1960 have been realistically revised, making the total allocation for Education up to the end of December, 1960, the miserly infinitesimal sum of \$504,344. The Head, Education, under the Development Programme last year and this year accounts for something in the vicinity of 5 per cent. Under the recurrent estimates it is 13.98 per cent. The proposed expenditure on Education under the recurrent estimates and the Development Programme together amounts to 10.09 per cent. of the Budget, Recurrent and Development, and it is in that context that there will be underspending to the tune of more than 50 per cent. of last year's draft Development Estimates.

In Malaya 20 per cent. of the budget is allocated to Education. In Ghana and Nigeria the percentage is even higher. In Jamaica it is 17 per cent. I can imagine the facile answer that the percentage of illiteracy in some of those countries is higher than ours, but there are two arguments to that. If the Government's contention is that it should spend less on Education than those other countries, why has it underspent by 50 per cent. even the little it allocated? The second answer is that Government must not be guided by the lowest standards, but by the highest. It is an accepted fact

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that a large part of the economic and technological development in the United States of America is due to the fact of its extensive education system. Russia has become a world power in the field of industry and technology largely because of the great emphasis placed on education and training. Primitive Turkey was made a modern power by Kemal Attaturk, and the greatest contribution to the modernizing, if not civilizing, of Turkey come from the large expenditure on education and training.

We hear that this Government says that the State must take command and control of "the commanding heights of industry". We hear the Leader of the Majority Party that he is a Marxist, but I cannot understand what sort of a Marxist is this Government because even a Marxist he has fallen down. Here is a Marxist prototype, Russia, paying so much attention to education and training: here is his capitalist enemy spending a great deal on education and training. Where really does he or his Party come in? If he is a Marxist I agree that one of the articles of faith is that the State must control all the important means of production, but you cannot control your important means of production efficiently if you do not have trained people, and you cannot train people unless you expend money on basic education.

Even if you are not a Marxist you have to concede that with greater control over our affairs and full independence within a matter of months, that the necessity to run a modern State, that the necessity to produce the personnel not only for administration but also for the running of industry, whether it be public or private, that much more emphasis than has been placed by this Government on education is needed. Feudal Japan recognized this since 1850; Marxist Guiana fails to recognize it in 1960—110 years after. The Head, Education, I think, illustrates the greatest weakness of this Gov-

ernment. It talks about independence, it accuses other people of not wanting independence, and it has in its hands the material to make independence a reality—material for producing educated and trained Guianese—but it neglects to use that material. It neglects to employ the machinery it has at its disposal. It spends under 50 per cent. of the amount allocated to Education under the Development Programme. What excuse can there be? What rationalizing can be presented here? By any standard it is ridiculous, whether you are an old world reactionary capitalist, or an allegedly modern progressive communist.

There is no civilized country in the world which behaves in the same way as this Government is behaving in neglecting opportunities to expand and give new life to our education system. We find the Minister of Community Development and Education (Mr. Rai) getting up at Queen's College last year and saying that Education must yield place and priority to subjects that are in the economic sector, in the productive sector, meaning by implication—in fact he said the words—that Education is not in the productive sector. That mode of thought is so prehistoric that it can find support neither in the East nor the West. Where is the Government taking this country? I am not here inveighing against its ideologies. This is no time or place for it, but sheer commonsense, basic intelligence, basic literacy to read, should have dictated to Government first of all, a higher allocation than 10 per cent. of the total vote for Education and, secondly, the necessity to spend what is allocated.

Under Head V Industry and Credits it was intended on the 1st January, 1960, to spend \$500,000 on Agriculture and Housing, and under Industrial Loans and Credits it was proposed to spend \$1 million, but up to the 30th June, Government had not got down to spending anything of those sums, but there is a revised estimate of \$700,000 up

to the 31st December, 1960. In other words, the allocation has been cut by more than 50 per cent. I would have thought that when the members of this Government spoke about diversifying the agriculture of this country, that part of their scheme was the use of controlled credits to assist persons or farmers who were prepared to venture into new fields, to encourage peasants to stop growing the conventional quick-cash crops which do not make a proportionate contribution to the economy of the country, but to concentrate on growing more permanent crops. The details of the Development Programme and the allocations for 1960 were well known before the beginning of 1960. The general form was set out on the 5th November, 1959, but up to the middle of last year nothing had been spent, and I wonder how realistic the Financial Secretary is when his revised estimate is put up to us in the sum of \$700,000.

Geological Surveys — an allocation of \$576,154 was asked for at the beginning of last year. This is one field in which the Government spent more than half of the amount allocated up to the end of June. Congratulations! The Revised Estimate for 1960 has been at \$601,248; and we have been asked to approve \$517,133 for 1961. We have heard a great deal of the mineral wealth of this country, but most of it remains doubtful—the extent. There has been no proper and thorough survey; and I would have expected that there would have been a greater allocation than the one, now. For instance, under the Programme proper, I think it is something in the vicinity of \$4 million or thereabouts out of the total \$110 million Programme, allocated for geological surveys, but a careful breakdown shows that not all the surveys are, in fact, geological surveys. There are portions for topographical, aerial and hydrological which are mainly for the purpose of agriculture. It would appear, therefore, that the little over \$2 million of the \$4 million for geological surveys was, in fact, intended for geological surveys; and I

would have urged upon the Government and hoped that it would have accepted this point of view, that the allocation for geological surveys was much too small if we were to discover and assess, properly, our real wealth in this country.

It may well be that there is an insufficiency of trained staff at the moment. If that is so, I would then turn and ask Government: Have you made any attempts (a) to start having Guianese trained; and (b) to acquire the services of trained persons who are not Guianese until such time as you can have your own Guianese responsible for your survey units in their entirety? I am looking forward to some type of answer on that. It makes no sense to get up and say that a country of 83,000 square miles has no right to have poor people—we should not be poor. Let us, at least, discover and assess our resources, so that we would be able to turn them to good in the interest of the country and the community.

Health: Last year, they asked us to approve \$492,102.

Mr. Speaker: I think your time is up.

Mr. Kendall: I beg to move that the hon. Member be given another hour.

Mr. Jackson: I beg to second the Motion.

Question put, and agreed to.

Mr. Burnham: Thank you, Mr. Speaker. For 1960, the request was \$492,102 for Health. The Revised Estimate for 1960 fell short by over \$100,000. Perhaps, the Minister responsible for this aspect of our community's life will tell us why the estimate was revised downward; whether it was that the Cottage Hospitals were erected at a cheaper cost or the poliomyelitis vaccination was cheaper or what. But, as I understand it, the Government before it proposes to spend a

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particular sum under a particular Head, should examine what is needed, the amount of money available and the amount of work that can be executed during the given period. Are we to understand that these Development Estimates for 1960 were in the tradition of this Government—mere “guesstimates”? With no exception have they gone anywhere near what was originally budgeted except in the case, I pointed out, of geological surveys where the revised expenditure is a few thousand dollars more than origin-

Housing — rural and urban: We heard of the interest of this Government housing. In July, 1960, the housing allocation of the Government was \$1,239,711; and then it crawls back into the Council in January, 1961, revising its estimate downward by more than 50 per cent. of what was allocated. Can it be that it does not have the material to proceed with the programme? What can be the reason? There are some persons who suggest that it is typical of the Government's lack of interest in the un-housed. In 1953, the Minister of Trade and Industry, then Minister of Agriculture, reinstated someone in a private landlord's house after an order of the Court had been made. In 1960 and 1961 he is part of the Government that refuses to spend its allocation for housing—part of the Government that sends up rents in Government estates.

The Minister of Labour, Health and Housing (Mrs. Jagan): Town Council!

Mr. Burnham: I hope the Minister would explain her shortcomings on her feet and not on her seat.

Mrs. Jagan: I shall.

Mr. Burnham: The leader of this same Government who in 1953 was commanding a private landlord's house is today refusing to spend by over 50 per

cent. the allocation for housing and makes it more difficult for people to remain therein. Today, bailiffs are throwing out people

Mrs. Jagan: To a point of correction: No one is throwing out people from Government houses.

Mr. Burnham: I say that today people are being thrown out of Government houses.

Mrs. Jagan: A lie!

Mr. Burnham: I said before that the proper place to answer a question is on one's feet and not on one's seat.

Land Development, another aspect of the emphasis on agriculture, was allocated a sum more than education of \$1,760,623. Up to the end of June, 1960, only \$96,000 was spent, and the Revised Estimate for 1960 is \$563,000—less than 1/3 of what it asked for. Why did the Government ask for \$1,760,000 when it knew it could not spend it? What about this promise Government made to the people about giving them land? To fool the people, at the beginning of the year this Government asked for \$1,760,000 and at the end of the year it sheepishly says it cannot spend more than 1/3.

In the public speeches of Members of the Elected Government they say it is inexplicable and unfair that a country with all this area, with a population of half-a-million, should have people suffering from land hunger. It has at its disposal \$1,760,000 which it asked for. It was not the “Opposition” that forced that sum upon the Government; it was not the Governor who forced that sum upon the Government; it was not, as I understand it, the three officials, because they are three against five. It must have been the Elected Government's responsibility for that sum; and how on earth does the Elected Government hope to satisfy this land hunger if it cannot spend 1/3 of what it asked for in 1960?

Public Works: The sum of \$360,000 has been allocated for the Parika-Bartica Road; \$9,825 had been spent up to the end of June. The total allocation for public works was \$5,576,770. Slightly over 1/5 was spent when half the year had passed—\$1,466,898; and the revised estimate is \$3,552,600, an underspending of over \$2 million. And when it is remembered that the emphasis was to be on the Parika-Bartica Road, the Bartica-Potaro Road, the Potaro-Lethem Road, the East Bank Road, sea and river defences—[*Interruption.*]

This Government deliberately said that with the limited funds at its disposal, it was not going to undertake the East Coast Road in this period. There is a lot to be said for that—that the concentration should be on roads into the Interior—but we had, however, an undertaking from the Minister of Communications and Works, in his contribution to the debate on the Programme on the 22nd January, last year, that the Government would do its best in the meantime to keep the East Coast Road in a state of repair. I do not think there is anyone in British Guiana who does not now recognize that the East Coast Road has never been, within living memory, in a worse state of disrepair. I pity those persons who have to travel on the East Coast Road twice per day. The amount for roads was underspent by \$2 million. They did not repair the roads.

The Government promised to repair a part of the East Coast road, yet it permitted the road to deteriorate. Ask this Government, and it will tell you that it inherited 150 years of misgovernment; it has inherited a policy which has been directed not in the interest of the inhabitants of Guiana but in the interest of colonialists. But it has carried on the same policy of neglect and incompetence as its predecessors, and its Members have been gallivanting around the world spending the few paltry dollars the Government has received from C. D. & W.

funds. The Government says that \$110 million was inadequate, but under every head there has been underspending. And Government is trying to impress people that it can handle a bigger Development Programme than the one before us!

The sum of \$201,360 was allocated to Miscellaneous, but only \$45,901 was spent by the end of June, 1960. I am convinced that it is sheer incompetence on the part of this Government, the Members of which are not backward as politicians. The bulk of the money is being spent on agriculture in the rural areas. They get their political support primarily from the rural areas. The sum of \$150,000 was allocated for Rural Self-Help Schemes, but only \$13,396 had been spent up to the end of June, 1960. The Revised Estimate shows that up to the end of 1960 exactly one-third has been spent.

The sum of \$170,000 was allocated for Social Welfare, and the Revised Estimate shows that \$55,880 has been spent. There is one bit of underspending I do not quarrel with this Government about, and it deals with an item under the Head of Local Government. The sum of \$120,000 was allocated for Temporary Specialist Staff, and the Revised Estimate shows that up to the end of 1960, \$43,300 had been spent. In spite of the pendency of Local Government Elections; in spite of the pendency of the new system of Local Government, it could not spend the full amount allocated on Temporary Specialist Staff it could not employ or find, and for whom it had no work. Why was no attempt made to allocate the money to those Local Government agencies, like Village and Country Authorities to assist them in preparing for the new system?

Of course, you cannot expect this Government to think of everything. I agree with the remark made by the Minister of Labour, Health and Housing that

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we expect them to do too much. I agree with that; we should recognize their limitations, and not call upon them to behave like people who understand what they are doing so far as the art of development of a country is concerned.

So far as Amerindian Development is concerned, I recall that very nice words were said on the introduction of a Bill to amend the Amerindian Ordinance some months ago. We were told of the necessity to integrate the Amerindians with the rest of the population; the necessity to bring everybody closer together with a view to equality, and that the hallmark of equality was the right of Amerindians to drink alcohol like other Guianese. I am not questioning the correctness of that approach. I am repeating it without commenting on it, but I am reminded of all these laudible sentiments which have been honoured in the breach when I look at Head XVIII of the Development Programme.

Last year the sum of \$208,800 was allocated for Amerindian Development. In the first place, this amount is totally inadequate to take care of Amerindian and Interior Development for the indigenous population of this country. We forgive the members of the Government that trespass, and we forgive them the trespass of spending out of \$203,800

slightly one-fifth of the money on Amerindian Development last year. I am not only going to say that the members of the Government are only full of words, but I am going to stress the fact that words are wind.

For the Extension of the Good Hope/Karasabi Road \$19,500 was allocated, but not a cent had been spent up to the end of June, 1960. The sum of \$9,000 was allocated for the Kamarang Mouth/Paruima Road, but not a cent has been spent. For Improvement to roads—South Savannahs (Rupununi) the sum of \$25,000 was allocated, but not a

cent had been spent. The sum of \$7,000 was allocated for Communications (Radio), but not a cent was spent. The sum of \$21,500 was allocated for Water Supply for Rupununi Villages, but only \$269 had been spent up to the end of June, 1960. Why should the people of the Amerindian Districts be complaining that they have no wells and no adequate water supply, when Government has a vote of \$21,500 at its disposal for doing the necessary work? The amount would be inadequate to supply water to all the villages in the Rupununi, but there is no reason why Government should not spend more than \$269 on the scheme up to the end of June, 1960.

It will be observed that \$4,000 was allocated for Medical Huts, but not a cent was spent up to the end of June, 1960. The sum of \$18,000 was allocated for Agricultural Development, but not a cent was spent. From the sum of \$8,000 allocated for Training Centres, only \$2,037 had been spent up to the end of June, 1960. The sum of \$1,000 was allocated for Miscellaneous Schemes, but not a cent had been spent. The sum of \$65,000 was allocated for the Kumaka/Kwebana Land Settlement, but only \$43 was spent. I wonder what could have cost \$43? The sum of \$10,800 was allocated for Rest Shelters, and only \$317 had been spent. The sum of \$20,000 had been allocated for the District Office, Orealla—this is the constituency of the Leader of the Majority Party in the Government—but only \$2,377 had been spent up to the end of June, 1960.

This year the Government comes back again—after having underspent, after having told us that it was unable to spend slightly more than one-fifth of \$208,800—and say with its temerity *cum* stupidity that it can spend \$247,000 in 1961 on Amerindian Development! All that it has attempted to do for the Amerindians is to allow them to drink rum. I do not know if it is the best thing for Amerindians to drink rum. I am not

fond of alcohol myself. As long as they do not consume too much alcohol like some of my friends it may be all right. But is rum drinking development? The Development Programme with respect to Amerindians shows a combination of disregard and incompetence.

Let me take this opportunity to congratulate the Government on the question of Forests. I congratulate it not for the microscopic amount allocated to the development of Forests in a country supposed to be rich in forests. This is part of the triad envisaged by the Minister of Trade and Industry who thinks of forests, mineral wealth and hydro-electric developments. I do not compliment Government on allocating only \$12,610.

The sum of \$4,876 has been allocated for a Central Timber Manufacturing Plant, but only \$2,460 had been spent up to the end of June, 1960. For Additional Temporary Staff the sum of \$7,734 was allocated, and they almost spent it. The sum of \$12,610 was allocated for Forests, and the Revised Estimate indicates that Government spent \$11,837. I must compliment it on this, because it is the only head under which it nearly hit the mark. That is the reason for my earlier congratulation in using up a tiny allocation for Forest. It nearly hit the mark in the context of a country of this size, a large part of whose wealth is attributable to its

The sum of \$28,076 was allocated for Rural Electrification, but the Revised Estimate indicates that Government spent \$102,219 on the Rural Electricity Schemes. Last year it was referred to as Rural Electrification, but Government has changed the title this year. I do not quarrel with Government for changing the name or juggling things.

When one examines the Development Estimates and the Development Progress Reports as cursorily as I have, one is led to two conclusions: The first one is that this Government does not

know what it is talking about when it gets the Governor to say that the development of the country's resources to give full employment and raise living standards has continued steadily. Where has it continued steadily? Is it any wonder that the economic conditions in British Guiana today are worse than they were a year or two ago? Is it any wonder that things are becoming progressively worse? What is the use of talking about the 17 per cent. unemployment which this Government found in 1957, when the money that is allocated to relieve that unemployment is not spent even to relieve the unemployment temporarily, let alone from the results that ought to come from a sensible spending of the money on a long-term basis?

The second point that must strike anyone is that this Government obviously is playing ducks and drakes with development. It is like a Poker player believing he can play a good hand at Bridge. It is true that both games are card games, but the skill at Poker is not the skill required at Bridge. That is where basically this Development Programme has been misconceived and poorly executed, when this Government has not seen to it that the money that is available for development should be properly used; that the expertise of trained persons should be called upon in a planning unit after investigation to give direction to what the Government wants. The final decision must be the Government's, but its execution cannot be the Government's.

Each profession has its experts, but I fail to see how the expert street-corner politician can substitute himself for the trained economic expert. It is no sense coming to us and indulging in all these polemics about procedures. If one or two million dollars of this Development Programme had been allocated for the building up of a trained staff, an expert staff, that would have been one or two million dollars well spent. In neglecting to spend money in that direction this Government has been penny wise and

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pound foolish. It has a Development Programme which points exactly nowhere. Where does it point to a subsistence peasantry? No concept of light industries is mooted here — no concept of planning for heavy industries.

There are several people who attack the Government for its adventurist ideology, but as I see it, although its adventurist will take us to the brink to eventual ruin, I am convinced that this Government stands indicted and condemned for its sheer stupidity and incompetence. It is unnecessary to go too far. Can one imagine any Government, on the eve of elections, producing something like this. I would love to do better; the spirit is willing but the poor flesh and mentality are

Mrs. Jagan: Rip Van Winkle has awakened after a long sleep. The hon. Member for Georgetown Central did not find a single word to say when the Five-Year Development Programme was being discussed in this Council. The Council had to consider and pass that Five-Year Programme without the benefit of the hon. Member's advice, but I suppose in one year he has thought it over and has reached the conclusion that the General Elections are just around the corner and it is about time he give his considered views to the country. We are happy that he is no longer asleep, although he was caught napping and almost snoring when the Recurrent Estimates were being discussed, and was unable to contribute a single word to that debate. But I notice that the hon. Member always speaks louder and clearer when he has a good gallery, and perhaps that is why we had to sit here just a little longer today, politics, and, I suppose, some of the things we must endure. [*Mr. Burnham rose and bowed to the Chair*]. I wish that the hon. Member would remain in seat while I answer one or two of his points, but if he is not interested he will walk out.

The hon. Member has talked at great length on development expenditure to the end of June, 1960. Obviously he is the leader, I presume, of the "Opposition", but one gets so confused about his position in the "Opposition". At any rate he is the Member for Georgetown Central, and as such he belaboured us with his criticism of development expenditure several months ago. Was he justified in his criticisms? I believe he has a perfect right to criticize; that is his job. That is what he is paid for, and it is in his interest to make the Majority Party look as incompetent as possible, but I fear that his conclusions were ill-conceived, and perhaps were not conceived at all, because I do not think he could have done much thinking on the subject to have belaboured us in that manner.

His colleague, the hon. Member for Georgetown North, told us that at the end of June we had spent less than one quarter of the development allocation. That is not correct, for out of the total of \$16 million allocated for 1960, at the end of June over \$6 million had been spent. That is not one quarter.

I would like to remind Members of one or two points. To begin with, no action on the 1960-64 Development Plan could have taken place until after the Development Estimates were passed in the last week of January, 1960. The majority of the projects in our Five-Year Programme cannot start immediately. In the housing programme, with which I am more familiar, there are many preliminaries to building houses, and those preliminaries must be got through. One is the surveying of the land, and the other is the layout of the land by the Planning Officer. After that stage has been completed, one then has to go into the question of computing costs and obtaining the services of quantity surveyors. All of that cannot be done in one, two or three months; it takes time. Most of the work has now been completed, and if Members had taken time off to read the Official Gazette they would have seen

the advertisement for tenders for our housing programme which are now awaiting examination by the Central Tender Board for building to start.

However, that does not mean that work on housing was stopped suddenly; it certainly was not. Self-help housing has already started and 81 self-helpers are engaged in the City of Georgetown in building their own houses. At the same time the Housing Department has advertised and received applications for 85 house lots at Sparendam which will be sold to residents in the area at non-profit prices, so that people there can get ahead with building their homes. At the same time the Credit Corporation has been giving loans for low-cost housing. I do not know where the hon. Member got his figures about the amount of money advanced by the Credit Corporation in housing loans. The figures I have indicate that up to the end of June, 1960, over half a million dollars had been loaned by the Corporation for low-cost housing. They show that 310 applications for housing loans up to \$2,000 have been granted, which obviously indicates that over half a million dollars loaned for low-cost housing is nothing to shrug one's shoulders at.

Mr. Burnham: My figures were obtained from the Progress Report on the Development Programme under the head "Housing — Rural and Urban", which was laid on the Table by the Minister of Labour, Health and Housing.

Mrs. Jagan: Over half a million dollars was granted in loans up to the 30th June, 1960, for low-cost housing. The hon. Member made the very drastic statement that Government refuses to spend money on housing under the Development Programme. What a ridiculous, fantastic, and would say, puerile statement! How can Government refuse to spend money on housing? The hon. Member did not have the courtesy to sit and listen to my replies to his criticisms, and I refuse to go over them. He also made a damaging

statement which I challenged when he was on his legs. He said that the Housing Department had thrown out tenants. It is not true and he knows that as well as I do.

The hon. Member brings in the red herring about increased rents in the housing scheme. He is a member of the Georgetown Town Council and he knows better than I do why rents have gone up. Taxes and water rates have been increased, and the Housing Department was presented with an increased bill from the Town Council. Is the general taxpayer to pay for the increased water rates in the Government housing scheme? Is it not true that every tenant in the City will now face increased rentals? I am a tenant and I will face increased rental just as anyone else. So it is unfair to suggest, as the hon. Member has done, that we are the big rogues sitting here like scrooges, twisting our hands and saying "Ha, ha, we will press the tenants a little more." Let the Town Council examine its conscience, and let the hon. Member cease making these ill-conceived attacks on the Majority Party.

Admittedly, the hon. Member has every right to be annoyed with the Majority Party. If I were in his position I would have been annoyed; I would have been ready to tear out every strand of hair in my head, if I were a Member of the "Opposition". I know that the hon. Member feels frustrated because he is confronted with the achievements and successes of the Majority Party. He has every right to get hysterical in this Council. Perhaps, if I ever get in the "Opposition"—although I do not see it happening right now, but in case I get in the "Opposition"—I would pull every strand of hair out of my head. I invite the hon. Member to look at the progress that is going on, but the hon. Member does not want to see, because it hurts. Those are the bare facts.

Looking at the expenditure for pure water supply: Spending on pure water supply has certainly been rising. Out of

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an allocation of \$480,000 for 1960, up to the last calculation. \$315,000 had been spent on actual works and about \$100,000 had been spent on supplies for those works; and over \$70,000 worth of materials have been reserved for certain detailed and technical works to be done at Bartica. So that in the field of water supply development, we have made extremely good progress during the year, as we have with our medical vote.

One point that has been overlooked by Members of the "Opposition" in claiming that there has been deliberate under-spending is this: There is no country in the world, nor is there any spending group with any spending programme that can readily reach its full spending power during the first year. As I cited in housing, it takes organizing, planning and the working out of a number of details before the works are actually started.

If hon. Members refuse to take my explanation, I will cite what they may consider as another explanation, but which I do not think they can possibly overlook. Last year, I attended, as a delegate, a meeting of the University College of the West Indies, and one of the items on the agenda was the request by the University College that the amounts allocated each year of its three-year Budget Programme, be not adhered to. In other words, the University College is facing the same problem as we are facing here; and that is why it has asked that it should not be required to spend, each year the particular amounts allocated. It takes some months to get things going, and when acceleration reaches a pitch the money not spent in the first year is caught up in the second and third years; and that is precisely our position.

For example, the Tapakuma Scheme the expenditure, obviously, will not be considerable in 1960; but because our plans have been finalized and the tender

document has been prepared and is now being advertised, the expenditure would jump in 1961. These are the practical things that we face, but which hon. Members do not want to see because they want to find an opportunity to malign this Government. Perhaps, I can assure them that we would not get these criticisms next year because, at least, our Housing Programme would have started already, and, as I said, the tender document is being advertised for the Tapakuma Scheme; and other projects would follow down the line.

An hon. Member was trying to tell us that this Government is doing nothing about the question of land. Perhaps, he was not here at the opening of the new Session of the Legislative Council to listen to the Governor's address; but when the Governor spoke about land, he did remind us that already 70,000 acres of land were given out. Is that nothing at all? Perhaps, the hon. Member is not aware of that.

The hon. Member for Georgetown North spoke to us, at great pains, about the unemployment problem in this country. Surely, he does not think that we are unaware of the problem or that we are so callous that we would not want to solve the problem. Surely, the hon. Member knows that my Party draws its support from the working people of this country and, obviously, it is the intention of the Majority Party to improve their lot. Perhaps while citing our difficulty in the field of unemployment, it may be well to point out that it is an international problem. It is a problem that every country in the world is facing today. The United States of America, at its minimum, has an unemployment problem of three million people. [Interruption.] Someone has told me it is five million people. Canada has an unemployment problem of some half-a-million people. These are the facts of life that we have to face; and no one is excusing the fact that we have an unemployment problem.

but it is one which exists throughout the hemisphere and throughout Asia. It will take years of planning to solve this problem.

At the same time, we are faced with other problems which increase our unemployment — for example, the recession that we went through at the beginning of our term of office which affected not only British Guiana but most of the countries of the world. In the sugar industry, because of the weakness of the trade union movement, there has been no effort to halt the mechanization and automation that is going on in that industry, and that, of course, has increased the unemployment figures in this country considerably; plus the fact—

Mr. Tello: I want to put the records straight. The statement was made—

Mr. Speaker: Is it a point of correction?

Mr. Tello: Yes, Sir. The statement was made that because of the weakness of the trade union movement mechanization was introduced in the sugar industry. I say the trade union movement is one of the strongest movements in the world.

Mr. Speaker: I thought it concerned a statement which you had made. If somebody makes an incorrect statement or quoted you incorrectly, then you can correct it; but if a person comes to a conclusion, though that conclusion is wrong, it is a matter of opinion and you cannot properly rise to a point of correction. If you make a statement and the person speaking quotes you incorrectly, then you can rise to a point of correction. But if "X" comes to a conclusion, even though the conclusion is wrong, you cannot rise to a point of correction because you, also, can come to a conclusion on certain matters and the people on the other side may think it is wrong, but it is matter of opinion to which you are entitled.

Mrs. Jagan: Whenever we have something to say they are always ready on their legs; but the Majority Party sits here and takes every word from the "rubbish heap". Perhaps, it is because of their sensitivity that they are where they are. May I reiterate: It is the weakness of the trade union movement that allowed this mechanization to take place, and the gross unemployment in the sugar industry is, unfortunately, the net result of this line.

While I am on this subject may I digress a second to remind the same hon. Nominated Member, who referred to the fact, that he said the Electricity Corporation is dominated by supporters of the People's Progressive Party. This is, obviously, a stupid statement and can only be regarded as deliberately malicious. I do not think, if one reads the names of the members of the Corporation, one would find that it is P.P.P. dominated. The Chairman is Mr. H. J. M. Hubbard, Mr. D. F. Macorquodale, Deputy Chairman, Mr. S. G. Wilson, Mr. E. E. Cassell, Mr. J. Edward deFreitas, C.B.E., Mr. Ashton Chase, Mr. Mohamed Yasin with Mr. R.E.O. Moriah as Secretary. Where has the P.P.P. the majority? I cannot see how the P.P.P. has any control. Perhaps, hon. Members want to see these Boards and Committees remain in the hands of those who served on them for a long number of years. Perhaps, they do not want to see changes.

The hon. Member for Georgetown North made a very broad statement. He said the Majority Party has not solved any of the problems of this country. What a childish statement! What a ridiculous statement! I can only invite him to take a look at the Governor's speech which only analyses, roughly, one year's achievements of this Government. Perhaps, one year is worthy of great distinction. Hon. Members fail to note some of the great progress that have been made. The United Nations Organization has given this country great support; the assistance of the I.C.A. has increased, im-

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portant survey works and developments are now going on and, actually, there is a great advance in the medical field; water supply, land distribution, land settlement and diversification of agriculture. These are not things for one to turn up one's nose at and say "nothing has been done".

One must make proper criticism of what has been done. Hon. Members should not stand in this Council and say that nothing has been done. It is not the work of the "Opposition" to delude the public. It is the work of the "Opposition" to give an honest appraisal and sensible, constructive criticism of what has been done. I urge hon. Members to awake from their slumber and take a second look.

The Minister of Trade and Industry (Dr. Jagan): The hon. Leader of the "Opposition" — perhaps that is not his correct title and I should refer to him as the hon. Member for Georgetown Central — was fighting very hard for this title in London, but he did not succeed in getting it. He did not get it *de jure*, but he got it *de facto* — we will see to that in due course. He has awakened from his sleep.

The Development Programme was fully debated more than a year ago. To day we are told that Government is enamoured by Mr. Berrill's Report, and that it has itinerants who come here and go away. We have not had one sound criticism; we have not had an overall picture of what the "Opposition" would like Government to do.

Mr. Burnham: We are not supposed to teach you what to do. We are politicians.

Dr. Jagan: We do not want to be taught by the hon. Member for Central Georgetown because he has to teach himself first. When he has read and considered things he might be able to give

us advice. We are always willing to learn from experts, be they economic or financial officers or politicians. We hope to learn from the "Opposition", too, but what do we get? We are now criticized for accepting Mr. Berrill's Report, because the Development Programme is more or less based on his Report.

It is quite clear and very unfortunate that some people do not know what is going on in this country. They want to be leaders, but they do not know what is going on. How many times have I said that the Berrill Report contained assumptions that were basically wrong? How many times have I said that those assumptions have led us to a position where the Development Programme has become limited in size?

It is all very well and good to say that the Government has not spent enough money from this or that vote. Why couldn't it spend more? If the size of the Programme had been increased; if the East Coast Road had been included as we had suggested; if the Hospital for Georgetown had been included things would have been different. We have plans for the new Georgetown Hospital. Some hon. Members are aware of the fact that the Interim Government paid nearly \$1¼ million to a firm of Consultants to look after the East Coast Road. Nearly \$30,000 was paid to an architect to make the plans for the Georgetown Hospital. When we were in the United Kingdom we asked them to include these items. Had they been included the work would have started and we would have spent far more than \$25 million.

There are some truths which must be told. Mr. Berrill himself said that "in the short term a great deal of the development in this country would have to depend on agriculture". I would like one of the hon. Members, who appear to be magicians, to tell us what to do. I am as keen on industrialization as anyone of them, but let them tell us on what pro-

jects they would spend the money. They speak about their faith in private enterprise, but let them tell us on what enterprises they would spend this money.

Mr. Berrill also said that "in the short term if we are to maintain the rate of growth as we did in the past, 6 per cent. per annum, we would have to hasten and remove some of the obstructions before us local and otherwise". In a land settlement scheme one meets legal and technical objections and they have to be removed. It is necessary to have plans before you can start on the project. It will be recalled that the Secretary of State for the Colonies in 1954 told us: "We will do as much as is practicable as soon as is practicable". The total amount for the first two-year plan was \$44 million, but the Government at the time succeeded in spending only \$26 million in two years despite the fact that money was no problem. Now that we are in the Government there is no money to be given. Mr. Berrill came along and said— [*Interruption*].

Mr. Speaker: Order, please. Give me a chance to hear what the Minister is saying. Every hon. Member must be heard and without unnecessary interruption.

Dr. Jagān: Mr. Berrill said that the rate of the growth in the economy over the past years was 6 per cent. per annum, and he estimated that we would get an increase in revenue at 6 per cent. per annum. He used that as a sort of projection into the future so far as our earning capacity is concerned. He drew up a table which can be found in his Report, and I wish hon. Members will take time to look at it. He further said that if we had to borrow money at 6 per cent. per annum our debt burden would increase very rapidly at compound interest. In 12 years \$1 million at 6 per cent. compound interest becomes \$2 million. He said that if we had a Programme of \$110 million, which he suggested, the interest and debt charges

which in 1959 were \$4.7 million would become as it is this year \$6.7 million, \$10 million in 1964, and \$18 million in 1974.

In other words, he said that we do not have only this 5-year Programme to deal with. We have successive 5-year Programmes to deal with; we have not only to borrow on this one, but we have to borrow large amounts for successive programmes. He made an estimate as to what our debt burden would be based on an operation of a similar size as the \$110 million Programme.

With regard to the present limited Programme which everyone seems to be shouting about, in 1964 our debt charges will be \$10 million or 12 per cent. of the Budget. In 1974, keeping the size of the Programme exactly the same, which is inadequate, our debt burden will be \$18 million or 17 per cent. of the Budget. If we go to the \$200 million Programme, we will find that interest and debt charges will jump from \$4.7 million in 1959 to \$15 million in 1964, or about 18 per cent. of the Budget. In 1974 it will be \$35 million, or 31 per cent. of our Budget.

I agreed at the time when this report was published, and when we went to London, that those figures were accurate. Those figures are based on a 6 per cent. rate of interest, and if you assume those debt charges, projecting them over the next 15 or 20 years, and you assume a rate of increase in revenue of 6 per cent. per annum, then you come to no other conclusion than the inevitable one which Mr. Berrill drew, that our Development Programme has to be limited to \$110 million. Inside this Council and outside, in this country and outside I have said that \$110 million for a Development Programme for this five-year period and for continuous periods is not going to solve our problems. I have said so on repeated occasions.

Mr. Berrill has gone wrong in his basic assumptions (1) a 6 per cent. rate of growth in our economy is wrong. For a country like British Guiana 6 per cent. is

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high. The U.S.A. has an average of 3.5 per cent.; some countries have 2 and 2½ per cent., other countries have as much as 9 and 10 per cent. But when one looks at the resources of our country — only last night the Director of Agriculture showed me a chart which indicates how our milk production has increased from 1957 to the present time; it has nearly doubled. He also told me how fantastic the production has been in different fields. There is increased production of corn which has created a storage problem, for there is a surplus of nearly one million pounds. At one time we had a shortage of copra meal today we have so much copra meal, and bran that we do not know precisely how to dispose of it because of the high cost involved in production compared with the dump prices at which countries like the U.S.A. are selling their products in export markets.

Mr. Berrill made a mistake because it is common experience that under-developed territories like British Guiana, with resources like British Guiana's, can have a faster rate of economic growth than 6 per cent. If we were able to reach 6 per cent. and have a 6 per cent. increase in revenue per year over the last 10 years when we had colonialism fully in the saddle, and when we had restrictions of one kind and another, is it not logical to assume, based particularly on experience in other countries, that we will have a faster rate of growth and therefore a greater increase in revenue than he anticipated?

As to debt charges Mr. Berrill was in no position to assume anything but 6 per cent. interest, but not being a politician, and not having an understanding of world affairs which are at play at the moment, he could not anticipate what was likely to happen in the future, therefore, he projected the same rate of interest on borrowings for the next 15 or 20 years. But we know what is happening before our very eyes. I said so in

London and it is happening already. Because of competition between East and West we see where the Soviet bloc countries have been giving loans at 2 per cent. interest or free of interest. The U.S.A. has countered by setting up an International Development Association which is now prepared to give soft loans, because the World Bank had very rigid conditions which could not compete with what was being offered on the other side. I.D.A. is now giving soft loans to be repaid in local currency and at low rates of interest.

The United Nations Organization is taking an increasing interest in the under-developed areas, and even the Western countries themselves realize today that unless something is done for the under-developed areas of the world there is likely to be an explosion very soon, or sooner or later, in which they stand to lose. Mr. Nehru, the Indian Commissioner for Economic Affairs, was recently speaking at a Trade Conference in the U.S.A. What did he say? He said that in the Western countries, the non-communist countries, there were two billion people, two-thirds of whom were living in the under-developed poor countries in Latin America or Africa, and one-third in the rich industrialized countries, but the one-third had 4½ times the national income of the whole region. Statistics were published a few years ago by the United Nations showing that, taking the world's population as a whole, there was in the industrialized countries a small proportion, about one-fifth, enjoying more than two-thirds of the world's income, as compared with the under-developed regions where more than two-thirds of the people were sharing less than one-sixth of the world's income.

Those are the realities that face us, and I would like further to say and to correct the nonsense which is being paraded that we agreed fully with Mr. Berrill. As a matter of fact we rejected the Berrill Report. That was done specifically in London. [Interruption.]

Mr. Speaker: Will the hon. Members for Demerara River and Western Berbice please be quiet and allow the Minister of Trade and Industry to be heard?

Mr. Bowman: Right, sir.

Dr. Jagan: When the Financial Secretary, Mr. Essex, and I went to London in the summer of 1959, I took to the conference expert opinion from leading economists like Nikoli Kalder of Cambridge University. For the information of my bigoted friend he is not a Communist, but a tax expert and economist at Cambridge University. [*Interruption.*]

Mr. Speaker: Will the hon. Member for Demerara River give me less cause to speak? [*Mr. Bowman leaves the Chamber.*] That is better.

Dr. Jagan: I brought to the conference the opinions of famous economists who were not communists, men like John Robinson and Nikoli Kalder of Cambridge University, to substantiate my point that the assumptions of Mr. Berrill were wrong, and that we should be allowed to have a bigger Development Programme than \$110 million. Had the Programme been enlarged we would have been able to include the East Coast road and the hospital, the construction of which could have been given out to contract immediately.

It is not a question of under-spending. The hon. Member referred to housing and other small schemes. Those are dependent upon surveys, plans and all kinds of things. It is not only British Guiana which is plagued by a shortage of technical personnel; it is a world problem. The United Nations is today helping under-developed countries with technical officers and experts so as to assist them with their development plans. Go to the Colonial Office and they will tell you that British Guiana is one of the countries most advanced in terms of spending C. D. & W. money. Most countries have been given allocations but have not spent them. We have the

figures here showing the global allocation which was made and what was actually spent. The obvious answer is to have a bigger programme, so that even if we have what is called slippage, even if we have under-spending because of local technical or other difficulties, we would still be spending a large sum of money at the same time, so that we could offer employment to people in various places.

As I see it, had my reasoning, had my formula, backed up by experts, been accepted by the Colonial Office the reconstruction of the East Coast road and the hospital would have been started already. We would not have had to depend upon local contractors particularly for those schemes. What do we find? A few days ago we proposed to build a school in New Amsterdam and we were told that it would take 48 weeks. We are all for giving jobs to Guianese and all for Guianization, but let us face facts. There are a limited number of contractors, many of whom have been falling down on their contracts. That is the reason why Government cannot get along with its Development Programme. I say that had our suggestions been accepted this country would have been moving much faster today, and we would have been solving much more of the problems than we have solved already. Our friends now, I see, want to take a report by a university Professor and Lecturer and throw it on the Government.

I saw, a few days ago, an article written by a Guianese editor in *The Daily Chronicle* on the question of our Development Programme. Professors Boulding and Newman who came here delivered lectures, and Mr. Newman gave us the benefit of his thoughts in a little paper which was published in one of the University's publications. What did Mr. Newman say? Mr. Newman said that the Programme is wrong; that the Programme is geared too heavily towards the agricultural

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sector. I do not want, nor do I like to quote from experts of the World Bank because I do not agree, basically, with the philosophy of the World Bank. By that I mean that the World Bank holds the view that Government should have nothing to do with the industrial sector. I do not share that view.

Be that as it may, Mr. Adler came to this country long before Mr. Berrill. Mr. John Adler is an economist associated with the World Bank. He had long chats with the Financial Secretary — with Mr. D'Andrade — who is being praised now by the "Opposition". On the one hand we find praise is given, but on the other we find a lot of back Mr. Adler said:

"I have been informed about the Government's tentative Development Plan for the next 5-year period. It would be me to comment on the programme in detail, but from what I have seen it is clear to me that the top priorities have been correctly selected."

This is the remark of an economist associated with the World Bank.

Mr. Kendall: What year?

Dr. Jagan: I do not remember the year. It may be around November 1958 or 1959. That is what Mr. Adler said. As I said, I do not agree fully with the philosophy of the World Bank, but this is the organization to which our friends and we have to go. I want to go somewhere else, too, but they say: "Do not let us talk about that; let us talk about the West only."

The Member for Georgetown Central talks about itinerants. We had three of them who came here — Mr. Berrill, Mr. Newman and Professor Boulding—and they gave us the benefit of their advice in a report. What did Mr. Newman say? What was his basic criticism?—Too much of the Programme

is allocated to agriculture, drainage and irrigation. But were we not told for generations that this country was in a mess? Were we not told what a bad state we were in so far as agriculture was concerned?

The Royal Commission who came here in 1945 or before, and reported in 1945 said:

"Practically all well drained land is in sugar. The areas devoted to rice and pasture are badly drained and abound in large swampy areas where almost amphibious cattle, sheep and pigs eke out an unusual existence."

Amphibious — that is what agriculture has been described as in British Guiana. The Majority Party has been saying for the last 10 years that it must find a solution to the problems of drainage and irrigation, floods, droughts and land hunger. The average farmer has five or six acres of land with rice. With mechanization, he can cultivate about 50 acres. Now we are told by the so-called experts in the "Opposition" that we are doing too much in trying to solve the drainage and irrigation problems of this country. Ignorance sometimes can be excused, but not all the time.

If Mr. Newman had found out enough, he would have known that this Government, at least, has some people who are as theoretically qualified as he is and who know about economics as much as he does. Every schoolboy who studies economics knows that if we are thinking in terms of input and output—in other words, how much capital you put in and how much will come out — industries must come first because industries generate wealth much more rapidly. You put \$1 million in industry and you get it back, possibly, in five to 10 years. You put that amount in drainage and irrigation, you may get it back in 10 to 20 years. You put the same \$1 million in roads or harbours you may get it back, possibly,

in 20 to 40 years. Every schoolboy knows this; so it is not anything new for Mr. Newman to come and tell us that we must put more in the industrial sector. What is necessary is for the Programme to be expanded so that we can put not less in the agricultural sector, but more in the industrial sector. But, they have not argued like this. They said: "Take the \$110 million as it is and contract the agricultural sector to put a little more in industry".

As I said, theoretically we agree with Mr. Newman, but he has made this one mistake and he will be pardoned for it because of the lack of knowledge. Mr. Newman has overlooked the fact that when we were discussing this question in London and I referred to the inadequacy of the Programme, particularly what was allocated to industries, I had as a concession from the Colonial Office the fact that the Government can go on and make package deal arrangements for the industrial sector. We have done this. We have done this with electricity. We have taken over the electricity undertaking. We have put in additional equipment—\$18 million. We can finance other industrial projects in the same way.

We have an offer for a glass factory to be paid for in five years at four per cent. interest—possibly to be paid for from the profits earned from such a company. We can get industrial credits, today, ranging from five to 10 years; therefore, we can embark on industries. And it is therefore not right to say that the Plan does not provide for industrialization adequately, because provision is there. The Government has the elasticity to take each problem as it comes along and decide whether or not to set up an industry or otherwise, depending on its economic feasibility. Mr. Newman said Industries! But what are the industries?

We heard of the report by Mr. Tenenbaum, who said that many small scale industries can be set up here. Who has

prevented local and foreign capitalists from setting up those industries? Who has stopped them? Some may say it is our ideology; but, Sir, our ideology was not on the scene all the time. What happened in the 100-odd years before the P.P.P. came on the scene? What happened to all the other countries where there is no industrialization? Study the flow of international capital. The United Nations did study all this and it was shown that capital is flowing not to the underdeveloped areas, but to the highly developed areas.

A 1949-50 study has shown that half of the United States' investments in terms of industrialization were made in the industrialized countries like Europe, Canada and Australia, whereas in the under-developed areas capital was brought in not for manufacturing industries but for agricultural and extractive industries. They come in, extract our industries such as bauxite, timber and rubber, and take them away. That is what is known as exploitation.

Why is Belgium having riots today? Because they have to introduce an austerity Budget. The introduction of the austerity Budget is due to the fact that they are no longer able to plunder from Congo to support Belgium. Lumumba has set the ball rolling, and the wealth of the Congo can no longer be drained away. The people in Belgium now have to live within their means and the workers are rebelling.

Let us not be led astray by people who have not studied our problems. When we ask the Leader of the "Opposition", how would you solve our problems?", he replies: "We are not here to advise you." This is not a secret society; this is a Legislature, and we must decide how a job can be done better.

Another hon. Member tells us that we need \$1 billion; \$½ billion for Government expenditure on drainage and irrigation and \$½ billion on in-

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dustries. He has not told us where he will get \$1 billion to borrow. The World Bank tell us: "You cannot borrow any more, and we are not going to loan you any more". We want to know which foreign capitalist will be prepared to invest \$½ million in British Guiana today and on which industry? I am not saying that British Guiana has no potentials for investments. That is why I am in politics. We are now attempting to assess these resources. We are trying to get a true appraisal of timber and our hydro-electric potentialities.

When I was a Member of the "Opposition" in the early days in the Legislature, the Government had to make a contract with the Demerara Bauxite Company to gauge rivers — that was ten years ago. In the early twenties that should have been done. Mr. Snetledge, a Hydro-electricity Consultant, admitted to me that, if what he is now doing had been done 15 years ago, this country would have been in a position to smelt bauxite. The Reynolds Metal Company which mines bauxite in the Berbice River is taking bauxite to the United States of America in order to convert it into alumina. It will transport that alumina to Venezuela to the Coroni River where the Government has spent a large sum of money on hydro-electricity to convert alumina into aluminum. They have gone to Venezuela because they have a source of cheap hydro-electricity which is basic to the development of aluminum smelting. Aluminum is said to be 'packaged electricity'. It is however, there and not here. If we had done something about the matter years ago, we would have been able to stop them from taking our bauxite to Venezuela.

In 1953 I was making negotiations with the Harvey Aluminum with a view to setting up an Alumina Plant, but we not stay in the Government for long.

It took a long time before new negotiations could be started with another Company to set up a plant. Hon. Members should leave certain things for street corners. Let us have intelligent debates with facts and figures in this Council, so that we will be able to convince each other that somebody can do the job better.

Time and again we have said that this country needs a bigger development plan; that it needs industrialization; that it needs better roads, and that the drainage and irrigation schemes recommended by Mr. Hutchinson should be implemented as quickly as possible in order to get on with the job of enhancing the standard of living of the people in this country. There is no use arguing around the fringes about under-spending and so on. The problem is more basic than that.

One solution is to find money from somewhere, but hon. Members of the "Opposition" are not prepared to support this Government in such a venture. That is one way of getting out of this bottleneck in which the Colonial Office has placed us. So long as we remain in this bottleneck we cannot do more than we are doing at the moment.

Some people say that the Independence we are fighting for is a mirage, and it is only a propaganda slogan. At my last Press Conference I gave some figures which Mr. Nehru, Minister of Economic Affairs, referred to showing the rate of progress in the last 10 years as compared with the last 150 years of British rule. The same thing has happened in Ghana, and the same thing will happen in British Guiana. [An hon. Member: "What about Congo?"] We have to break away from the restrictions which bind us, otherwise we will not make any real progress in British Guiana in solving our many problems which we are so concerned about.

The Financial Secretary (Mr. D'Andrade): I would like, first of all, to say something about the general financing of the Development Programme, since many of the remarks that have been made by hon. Members in the course of the debate have been based on its structure. The hon. Member for Demerara River, the hon. Member for Eastern Demerara and the hon. Nominated Member, Mr. Tello, referred particularly to the importance of C.D. & W. Grants in the financing of the Development Programme. They pointed out that a fairly substantial sum is being provided from that source and, of course, that has the advantage of not involving the Colony in any burden of debt charges. It is obviously true that this is a substantial contribution to our programme.

Another hon. Member referred to the need to maintain a revenue contribution to our Development Programme. Our Development Programme, which was discussed by Council in 1959, calls for a contribution of \$15 million over the five years of the Programme — an average of \$3 million per annum. We have been able in 1960 to do slightly better than that, but, on the Estimates as presented for 1961, it looks as if our contribution to the Development Programme will be very much smaller than \$3 million this year. However, I have learnt from long experience that the way the Estimates look at the beginning of the year is usually rather different from the way they look at the end of the year. I am still hopeful that we shall be able to find at least \$1 million and probably a bit more from revenue this year to put towards our revenue contribution to the Development Programme. In any case I am quite sure that over the five years of the Programme \$15 million is not an unreasonable objective and should be attained.

This brings me to the remainder of the finance for our Development Programme which is inevitably by way of

loan funds. One hon. Member referred to the growing burden of debt charges on our Recurrent Budget. It is inevitable that when one wants to find money to develop a country or a business one has to borrow some of it. It is not the size of the debt charges that really matters; it is the capacity of the economy to absorb it and through the additional national income and revenue generated by the development to carry these debt charges. So long as we can do that, I am confident that we shall be able to obtain and support the funds on which the Development Programme is based.

With \$15 million from revenue and \$23 million from C.D. & W. Grants, we have to find another \$72 million to finance our Development Programme, all of which will have to come from loans. We hope to borrow \$10 million of that on the local market, and we have a fair assurance that we can get another \$38 million either from Exchequer loans or from borrowings on the London Market. But even if we took into account all these reasonably assured sources of finance, for the Development Programme of \$110 million, there is still to be found the sum of \$24 million.

Hon. Members have referred to the \$110 million Development Programme and the fact that Development Expenditure this year has been rather lower on average than a Programme of that size entails. But the first point to remember is that the portion of the Programme for which we have no assured finances alone knocks off nearly \$5 million per annum on average from the Programme, and we have to find that amount. Therefore anything between \$17 million and \$22 million is a fair average to earmark for Development Expenditure. Indeed it was thought when the Programme was put before Council, that it would not in fact prove necessary to fill the full cup of \$24 million, because there would inevitably be some slippage.

[THE FINANCIAL SECRETARY]

The hon. Member for Georgetown Central has asked what has happened to the \$8 million in savings on the 1960 development expenditure. As is set out in the Development 1960 Estimates, we expect that the expenditure for last year on development will total about \$16.8 million, whereas the original provision last year was \$24.7 million. So that on these figures it appears that we have a saving of \$8 million which is available for expenditure this year. But the first thing to remember is that the \$24 million approved for last year's development expenditure was deficient to the extent of \$2.7 million, which was reserved in the Estimates. To this extent the funds were not there. The other thing is that part of the funds which were earmarked to finance that expenditure was to be raised by a local loan of \$2½ million. We have not raised the loan for two reasons. The first is that at the rate of spending last year it was not necessary, and the second reason is that it was found that conditions were likely to be more favourable for raising a loan on the local market in the first quarter of this year than in the latter part of last year. We propose to raise that loan this year to help finance our 1961 development expenditure.

There is a real saving, of course, on C.D. & W. funds. When the estimates were presented in 1960 we expected that we would have spent \$9.6 million, but we have only spent about \$4.4 million. That money (\$5.2 million) is available for expenditure this year. There have been comments of under-spending on the Development Programme in 1960. As I said in my Budget Speech, and as my predecessor said when he presented the 1961 Estimates, it was inevitable that at the commencement of any new programme there would be some under-spending. The 1954-55 programme, for instance, proposed an expenditure for the two years of \$44 million. In fact only

million was spent in the first year and \$17.5 million in the second year, a total of \$26 million or an average of about \$13 million a year over the two years.

The other thing to remember is that it so happened that in 1960 big spenders like drainage and irrigation, the Black Bush Polder and the Boerasirie Project has reached the stage where expenditure, in the case of the Boerasirie Project, was nothing, and expenditure on the Black Bush Polder was petering off. Under that head alone there was a fall of \$2 million. The Telecommunications building had nearly reached completion, and expenditure fell from about \$2 million to \$1 million. So that the \$16.8 million is not nearly as low as it is thought, if one looks at the Estimates globally. When you take into account the fact that heads and sub-heads of expenditure under the Development Estimates are very difficult to estimate, I do not think you can support any valid argument by referring to each little item and saying that it has been underspent. You have to look at it on a global basis. There has not been such a serious shortfall in expenditure.

The hon. Member for Georgetown Central also asked how realistic the Estimates for 1961 are. Well, the first thing to note is that although it provides for an expenditure of \$24 million, \$4 million is reserved. So that the effective estimate is \$20 million. I do not think there will be any difficulty at all in spending \$20 million, and it is possible that we shall, if everything goes as planned and we can increase the finance available, be able to remove some of the reservations on the other schemes. I am quite sure that \$20 million is realistic, and that \$24 million is a possibility.

The hon. Member for Georgetown Central referred to the Development Programme, which was fully discussed when it was presented to the Council in 1959, and it is in fact based on expert advice — first of all by the 1953 World

Bank Mission and later on by Mr. Berrill who looked at our programme and helped us to plan the present programme. There has been no serious question, before Mr. Newman's comments, on the soundness of the development planned in the programme. Everyone talks about industrialization but they all speak as if industrialization is a substitute for agriculture — a question of choosing one as against the other. Surely they are complementary and within the limits of the money available in the 1960-64 Development Programme, and having regard to the fact that our agricultural industry is able to provide a great deal more employment for the same amount of capital investment, and that unlike some of the neighbouring countries we have land which can be developed, this must be the primary objective of our development. There is no reason why concurrently with agricultural development in the Government sector there should not be a start, even in the Government sector, in industrial development and encouragement given to private industry to develop new industrial enterprises. It is, inevitably in our case, a slow process, because with a relatively small internal market it is very difficult to find economic industries to cater for the local market, and the export market is a very competitive one.

The hon. Member also referred to the need for an Economic Planning Unit. It is a question of timing. We have made a start in this direction by providing a Development Statistical Organization. That is the first step. The next step is obvious. As our country develops and the lines of development become more complex and the alternatives more difficult to choose, we should set up an Economic Planning Unit. I do not think anyone will dispute that. It is merely a question of timing, but it must come and it will come.

The hon. Nominated Member, Mr. Tello, referred to the provision for electricity, and I think he said that he

assumed that it was for rural electricity development. The provision there is to provide supplementary finance for the development of the Georgetown Electricity undertaking. That, I think, completes my remarks on the Development Estimates.

Motion put, and agreed to

Development Estimates approved.

ORDER IN COUNCIL NO. 97
OF 1960

CONCESSION TO BAKING POWDER INDUSTRY

The Financial Secretary (Mr. D'Andrade): I beg to move:

"That this Council in terms of Section 9 of the Customs Ordinance, Chapter 309, confirms Order in Council No. 97 of 1960, which was made on the 7th day of December, 1960, and published in the Gazette on the 17th of December, 1960."

The purpose of the Order in Council is to extend the concession of duty-free importation of cream of tartar from Scheduled Territories to include related chemicals. Some time last year this item was introduced into the Ordinance to help a small industry. Another firm manufacturing baking powder has been established, and the purpose is to extend the same concession to cover the chemicals to be used by that Company.

The Attorney-General (Mr. Austin): I beg to second the Motion.

Mr. Speaker: No one wishes to speak on the Motion? Then I shall put it. The Question is:

"That this Council in terms of section 9 of the Customs Ordinance, Chapter 309, confirms Order in Council No. 97 of 1960, which was made on the 7th day of December, 1960, and published in the Gazette on the 17th of December, 1960."

Question put, and agreed to.

Motion carried.

CONCESSIONS TO TECHNICAL MISSIONS

Mr. Speaker: There is another Motion standing in the name of the Financial Secretary which reads as follows:

of ^{terms} Customs Ordinance, Chapter 309, confirms Order in Council No. 98 of 1960, which was made on the 9th day of November, 1960, and published in the Gazette on the 17th of December, 1960."

The Financial Secretary: I beg to move that Council adopts the resolution. The purpose of this Motion is to enable the Government to extend to technical assistance missions to this Colony the concession of duty-free imports by the personnel of the missions.

There is a concession under Item 55(2) of the First Schedule, Part III of the Customs Ordinance, which provides a concession of this kind in respect of technical assistance missions through the Government of the United States of America.

It is now necessary to extend a similar concession in respect of Canadian technical assistance missions, and it is proposed that instead of having to extend such concessions as the need arise, on an *ad hoc* there should be one general provision which would

allow the Government to extend such concessions, in accordance with any agreement made, to the personnel of the organization providing assistance.

The Attorney-General:
second the Motion.

Question put, and agreed to.

Motion carried.

EDUCATION (AMENDMENT) BILL

Mr. Speaker: Next on the Order Paper is that Council resumes the debate on the Motion for the Second Reading of the following Bill:

A Bill intituled "An Ordinance amend the Education Ordinance."

I think the Minister of Natural Resources was speaking at the adjournment. There are only eight minutes left. I do not know if he wants to speak for the remaining eight minutes and come back again.

The Minister of Natural Resources (Mr. Benn): I can continue, possibly another day.

The Chief Secretary (Mr. Hedges): I beg to move that Council adjourns to next Wednesday at two o'clock in the afternoon.

Mr. Speaker: Council is adjourned to next Wednesday, 11th January, 1961, at two o'clock.

Council adjourned accordingly at 4.57 p.m.