LEGISLATIVE COUNCIL

FRIDAY, 7TH JULY, 1950.

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

PRESENT:

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

The Hon. the Colonial Secretary, Mr D. J. Parkinson, O.B.E., (Acting).

The Hon. the Attorney-General, Mr. F. W. Holder, K.C.

The Hon. the Financial Secretary and Treasurer, Mr. E. F. McDavid, C.M.G., C.B.E.

The Hon. C. V. Wight, C.B.E., (Western Essequibo).

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

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

The Hon. T. Lee (Essequibo River).

The Hon. V. Roth (Nominated).

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

The Hon. G. A. C. Farnum O.B.E. (Nominated).

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

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

The Hon. J. Fernandes (Georgetown Central).

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

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

The Hon. W. O. R. Kendall (New Amsterdam).

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

The Hon. W. A. Phang (North Western District).

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

The Hon. J. Carter (Georgetown South).

The Hon. F. E. Morrish (Nominated).

The Clerk read prayers.

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

PAPERS LAID.

The COLONIAL SECRETARY laid on the table the following documents:—

The Report of the Co-operative Credit Banks' Board for the year 1948.

Schedule of Applications for Gratuities from Dependents of Deceased Teachers.

The FINANCIAL SECRETARY & TREASURER laid on the table the following document:—

Minutes of the meeting of Finance Committee of the Legislative Council held on the 22nd of June, 1950.

GOVERNMENT NOTICES

INTRODUCTION OF BILLS.

The ATTORNEY-GENERAL gave notice of the introduction of the following Bills and of his intention to move the suspension of Standing Rules and Orders at a later stage of the meeting to enable him to take the Rent Restriction (Amendment) Bill through all its stages:—

A Bill intituled "An Ordinance further to amend the Rent Restriction Ordinance by making provision for the purposes of that Ordinance for tenancies where the tenants share part of their accommodation with the landlord or with other persons; by extending the powers of the Rent Assessor in relation to the reduction of standard rents; and for purposes connected therewith."

A Bill intituled "An Ordinance further to amend the Motor Vehicles and Road Traffic Ordinance, 1940."

The FINANCIAL SECRETARY & TREASURER gave notice of the introduction and first reading of the following Bill:—

A Bill intituled "An Ordinance to amend the Rice Marketing Ordinance, 1946, with respect to the powers and functions of the Rice Marketing Board and the Executive Committee of the Board; and in other respects."

UNOFFICIAL NOTICES.

BAGS FOR RICE INDUSTRY.

Mr. LEE gave notice of the following motion:—

"WHEREAS the Rice Marketing Ordinance No. 5 of 1946 was enacted for the purpose of controlling and managing the rice industry in the Colony of British Guiana;

"AND WHEREAS during the War of 1939—1944 Government controlled the rice policy and production of rice grown in the Colony of British Guiana;

"AND WHEREAS rice bags were purchased by the Rice Marketing Board and sold at a price in which the producers could obtain and purchase same in order to meet the controlled price of rice thereby subsidizing the producers of rice;

"AND WHEREAS it is made known to the producers that the Rice Marketing Board will no longer purchase these bags and sell at a subsidized price to the producers;

"AND WHEREAS it will be a great hardship on the producers of rice to purchase bags over the above 33c. each;

"BE IT RESOLVED that this Honourable Council recommend to the Rice Marketing Board the continuance of this form of subsidization of the rice industry and for the Board to meet the cost thereof or that the General Revenue of the Colony be made to meet this cost or alternatively that the price of rice be further raised in order to meet this increased cost of production.

ILLEGAL PRACTICE OF DENTISTRY.

Dr. GONSALVES gave notice of the following motion:—

"WHEREAS it is necessary for the maintenance of a proper standard of health of the inhabitants of the Colony that the illegal practice of dentistry should be discouraged, and

"WHEREAS it was found necessary in 1939 to increase the penalty for the contravention of Section 37 of the Colonial Medical Services (Consolidation) Ordinance by the provision for the imposition of a fine of five hundred dollars in place of the smaller sum of one hundred dollars, and

"WHEREAS in view of the fact that it is now discovered that a considerable number of pesons are engaged in the illegal practice of dentistry, it is apparent that even the penalty of five hundred dollars is inadequate for the suppression of this danger to the health of the inhabitants of the Colony, and

"WHEREAS it is also apparent that the mere imposition of a fine, however heavy, would be inadequate, and

"WHEREAS the existence of so wide an illegal practice is the cause of considerable alarm

"BE IT RESOLVED that this HONOURABLE COUNCIL strongly recommend that the Colonial Medical Service (Consolidation) Ordinance as amended by Section 3 of Ordinance 39 of 1939 be amended by making provision for the seizure and destruction by the Police of all tools, chattels and appurtenances found in the possession of anyone for the purpose of the illegal practising of dentistry.

RE-EMPLOYMENT OF PENSIONERS

Mr. CARTER gave notice of the following motions:—.

"WHEREAS by Ordinance No. 39 of 1944 amending the Pensions Ordinance of 1933 it is provided that the maximum age of retirement is 55 or 60 years depending upon the exercise of the option,

"AND WHEREAS such a retiring age has been fixed because it is considered that having reached such an age an officer shall have had sufficient

years of service to earn a reasonable pension and gratuity,

"AND WHEREAS the presence of Officers in the Public Service after they have reached the retiring age is a hindrance to the initiative and ambitions of younger men and tends to lower their morale,

"AND WHEREAS a contented Civil Service is esential to efficiency,

"BE IT RESOLVED that this Honourable Council views with grave concern the practice of re-employing officers in the Public Service after they have reached the retiring age,

"AND BE IT FURTHER RESOLVED that this Honourable Council recommend to Government that this practice be discontinued."

CONTROL PRICES OF GROUND PROVISION.

"WHEREAS by the Control of Prices (Certain Local Produce) Order of 1946 the maximum selling price of ground provisions has been fixed by the Controller of Prices under Regulations 44 of the Defence Regulations 1939 as extended by the Defence Regulations (Supplies and Services) Order, 1946,

"AND WHEREAS there is no adequate marginal profit which can be made by hucksters who very often purchase at the maximum selling price and are therefore under the temptation to sell above the fixed price without which they are unable to make a profit,

"AND WHEREAS within recent time several hucksters have been heavily fined in the Magistrate's Court and in one instance a term of imprisonment has been imposed, and the hucksters are unable to pay most of the heavy fines imposed,

"BE IT RESOLVED that this Honourable Council recommend to Government that the Control of Prices (Certain Local Produce) Order be amended, and both retail and wholesale prices be fixed in the case of ground provisions so as to allow of a reasonable margin of profit."

EXTENSION OF RENT RESTRICTION ORDINANCE.

Dr. JAGAN gave notice of the following motion:—

"WHEREAS the provisions of the Rent Restriction Ordinance apply to all dwelling houses, whether let furnished or unfurnished: to all public or commercial houses, whether let furnished or unfurnished: and to all building land:

"AND WHEREAS only Georgetown and the area within three miles outside the boundaries of the City and New Amsterdam, Christianburg and Wismar and Bartica are included within the provisions of the Rent Restriction Ordinance:

"AND WHEREAS tenants in other areas of the country are experiencing great difficulties.

"BE IT RESOLVED that this Council recommend that the Rent Restriction Ordinance be made applicable to the whole Colony."

NOTICE OF QUESTIONS.

PRICES OF STONE.

Mr. ROTH gave notice of the following questions:—

1. In view of the fact that Monkey Jump Quarry lies 70 miles from the stone-crushing plant at Ruimveldt and Skull Point quarry 66 miles from Ruimveldt and in view of the fact that it has been proved that gabbro from the former quarry produces a greater proportion of dust than granite from the latter, will Government state the reason why stone delivered at Monkey Jump is purchased at $4.25 per ton and stone delivered at Skull Point at only $3.45 per ton.

2. Does Government consider that an increase of 6 per cent in haulage distance warrants a 23 per cent increase in the purchase price?

ENGINEERING VACANCIES AT T. & H.D.

Mr. CARTER gave notice of the following questions:—

1. How many vacancies are in the Mechanical Section of the Transport and Harbours Department among the Senior Engineering staff?

2. What are these vacancies?

3. Does Government intend filling these vacancies locally or from abroad?

4. Have there been any applicants for these posts?

5. If so, how many, and what qualifications have they?

6. How do these qualifications compare with that of the Chief Mechanical Engineer?

7. Will Government give an undertaking that qualified local candidates will be given preference when appointments to these vacancies are to be made?

BREACH AT RUIMVELDT RIVER DAM.

Dr. JAGAN gave notice of the following questions:—

1. What is the total cost incurred in repairing the Breach at Ruimveldt?

2. How much of the total cost was paid out as compensation for damages and to whom paid?

3. Has Government conducted an enquiry into the Ruimveldt Breach? If so, when will this report be made public; if not, will Government undertake an enquiry?

ORDER OF THE DAY.

VOCATIONAL TRAINING OF EX-SERVICEMEN.

Dr. JAGAN asked and the COLONIAL SECRETARY laid over replies to the following questions:—

Q. 1. Can Government state how many ex-servicemen in British Guiana took some form of vocational training under the Vocational Training Scheme for Colonial Servicemen in England during the last war run by the British Ministry of Labour?

A. 1. According to the information available to Government, about 50 Guianese ex-servicemen received Further Education Training awards and about 130 received Vocational Training awards under the Further Education and Vocational Training Scheme for ex-servicemen and women in the United Kingdom.

Q. 2. Does Government recognize the certificates issued to these men as sufficiently indicative of ability to perform the jobs in respect of which they were earned?

A. 2. The training courses taken under the Scheme did not necessarily lead to the award of certificates but where such certificates were awarded, this Government would accept them as an indication of the standard of technical competence reached by the persons concerned at the conclusion of their training.

Q. 3. Can Government say how many of these men have been employed or given recognition and the jobs at which they have been employed, or for which they have been given recognition?

A. 3. I regret that this information is not available since a number of Guianese ex-servicemen have not yet returned to the Colony and others who have returned have secured employment privately.

RENT RESTRICTION (AMENDMENT) BILL.

The ATTORNEY-GENERAL: I beg to move the suspension of the relevant Standing Rules and Orders in order to enable me to take the Rent Restriction (Amendment) Bill through all its stages today.

Mr. WIGHT seconded.

Question put, and agreed to.

The ATTORNEY-GENERAL: I beg to move the first reading of a Bill intituled:

"An Ordinance Further to amend the Rent Restriction Ordinance by making provision for the purposes of that Ordinance for tenancies where the tenants share part of their accommodation with the landlord or with other persons; by extending the powers of the Rent Assessor in relation to the reduction of standard rents; and for purposes connected therewith."

Mr. WIGHT seconded.

Question put, and agreed to.

Bill read a first time.

The ATTORNEY GENERAL: As will be seen from the memorandum of Objects and Reasons, clause 2 of this Bill, which is based on section 8 of the Landlord and Tenant (Rent Control) Act, 1949, (12 & 13 Geo. 6, C. 40)

seeks to extend the protection of the Rent Restriction Ordinance, 1941, as amended by the Rent Restriction Amendment) Ordinance, 1947, and the Rent Restriction (Amendment) Ordinance, 1948, to those tenancies where the tenants share a part of their accommodation with the landlord and other persons. By section 2 of the Principal Ordinance, the standard rent of a building first let subsequent to the 3rd September, 1939, is the rent at which it was first let. Clause 2 of the Bill reads:—

"2. (1) Notwithstanding the provisions of sections two and three of the Principal Ordinance, where—

(a) a tenant has the exclusive occupation of any room or portion of a building (in this section referred to as "the separate accommodation"), and

(b) the terms as between the tenant and his landlord on which he holds the separate accommodation (in this section referred to as "the shared accommodation") in common with any other person or persons (including the landlord); and

(c) by reason only of the circumstances mentioned in paragraph (b) of this subsection, the separate accommodation would not, but for this section, be a dwelling house to which the Principal Ordinance applies,

the separate accommodation shall be deemed to be a dwelling house to which the Principal Ordinance applies.

"(2) For the purpose of ascertaining the standard rent, a previous letting of the separate accommodation shall not be deemed not to be a letting of the same dwelling house by reason only of any such change of circumstances as the following, that is to say, any increase or diminution of the rights of the tenant to use accommodation in common with others, or any improvement or worsening of accommodation so used by the tenant.

"(3) Any such change of circumstances as is mentioned in the last foregoing subsection, shall be deemed to be alteration of rent, and where as a result of any such change the terms on which the separate accommodation is held are on the whole less favourable to the tenant than the previous terms, the rent shall be deemed to have been increased whether or not the sum payable by way of rent is increased."

In other words, by virtue of this clause, accommodation which hitherto was regarded as not coming within the operation of the Rent Restriction Ordinance, will now do so, and the Rent Assessor can deal with tenancies of that nature. By section 2 of the Principal Ordinance, the standard rent of a building first let subsequent to the 3rd September, 1939, is the rent at which it was first let. While section 4B of the Principal Ordinance, as enacted by section 4 of the Rent Restriction (Amendment) Ordinance of 1948, empowers the Rent Assessor, in the case of a building erected subsequent to the 8th March, 1941, to reduce the standard rent, he has no such power in the case of a building erected prior to that date. In such a case, the landlord can charge any rent he likes, and that rent becomes the standard rent.

Hon. Members will appreciate the fact that there are buildings which were used by the owners and subsequently—let us say last year—they were rented. Therefore, the standard rent would be the rent at which they were first rented. This clause seeks to give power to the Rent Assessor to reduce the rent if, having regard to all the circumstances, that rent is out of proportion to what the landlord should receive. Clause 3 seeks to enable the Rent Assessor to reduce the standard rents of any buildings first let as separate premises subsequent to the 8th March, 1941. I beg to move that this Bill be now read a second time.

The COLONIAL SECRETARY seconded.

Mr. CARTER: I desire to congratulate the hon. the Attorney General on the promptitude with which he got this Bill before the Council. It is clear that an honest effort is being made to remedy the present state of affairs as regards premises which are shared and premises let after March, 1941. There has been a great deal of hardship among tenants who find themselves in a most iniquitous position when they share premises either with the landlord or with other tenants. I believe I made reference to this fact several months ago in this Council. I pointed out on that occasion—as I shall point out now, and as the Attorney General has pointed out—that in these

cases where tenants share kitchen or bathroom, or lavatory, in conjunction with other tenants or with the landlord, the apartments occupied by those tenants were considered to be outside the realm of the Rent Restriction Ordinance, and therefore the landlord can secure possession at will or without presenting the grounds necessary under the Rent Restriction Ordinance. In those circumstances, the landlord can charge any rent he likes for premises so occupied. I am going to support this Bill but, at the same time, I am going to say that there are certain things not yet provided for and I think further difficulties may arise in connection with the Ordinance. I did not hear the Attorney General quite clearly on section 2 (b), but there is an omission.

The ATTORNEY-GENERAL: I have asked that an amendment be circulated.

Mr. CARTER: These words—"include the use of other accommodation"—were inadvertently omitted. I discovered that in making a comparison with the English Act. Further, I think that after the word "landlord" in the last line of this paragraph, (b), there should be a comma and not a semi-colon.

The PRESIDENT: I think we can deal with that in Committee.

Mr. CARTER: I thought I would point it out so that when we go into Committee the Attorney General would see whether there was any necessity to amend it. I want to congratulate the Attorney General also in going even further than the English Act. In the English Act there are certain distinctions when a tenant shares the premises with the landlord, but no such distinction has been made here and it is a good thing. I am not quite sure when we consider the question of apportionment of rent that the position is clear in the amendment. Although we might make provision here to meet circumstances where there had been previous rental of non-separate dwellings, there is no provision for the Rent Assessor to make his own apportionment. I do not think the Bill goes as far as that. There is provision for the landlord to make his own apportionment where there has been original renting of the premises, but I think some provision should be made later for originol apportionment at the discretion of the Rent Assessor, based on the value of the premises or the previous rent, or the standard rent of the whole premises.

I think also, Sir, that something should be done, possible through the B.P.I., to publicize what are tenants' rights with regard to this Ordinance. For instance, tenants can apply to the Rent Assessor to discover whether any particular premises has been assessed. If, for instance, a tenant proposes to move into a premises, that tenant can go to the Rent Assessor or his clerk and discover whether those premises were previously assessed and discover the assessment. I I think there is also a provision which makes it compulsory for the landlord to disclose under criminal penalty what is the fixed or standard rent of premises. There is no criminal provision such as exists in England to impose penalties on landlords who let premises knowingly above the assessed rent. There may be cases in which a landlord knows that the assessed rent of his premises is $10 and, in spite of that, he rents it at $15. There is criminal provision for such cases in the English Act. Many tenants do not know what rights they have, and I repeat that there should be some form of publicity in a B.P.I. statement or otherwise, to let tenants know what rights they have. If a tenant occupies a premises and the landlord carries out structural alterations so as to increase the rent, that tenant has a right of action to recover damages. Many tenants do not know that. Finally, I want to say that this rent control legislation cannot cure the present situation; the only thing to do so is increased housing accommodation in the Colony.

Mr. WIGHT: It is true that, as the hon. Member who has just taken his seat has said, no amendment to the Rent Restriction Ordinance itself—and there have been several amendments—will solve the housing problem as we expect it to do. There is only one way to solve the problem and that is to increase the building of houses. In that connection it is to be done either by the State—the

Municipality has not got the funds—or by private enterprise. If it is to be done by private enterprise we cannot say that the only interest to be looked at is that of the tenant. The landlord has certain rights and it would seem to me that the whole Ordinance needs a thorough revision. Owing to the manner in which building costs are rising at the present time, unless a landlord is satisfied with the increase of percentage allowed him he is not going to put his hand into the investment at all. As a matter of fact, nobody is building today except for themselves.

Several amendments have been enacted with respect to this Ordinance within the last few years, perhaps in an endeavour to bring it more in line with the English Act, but I think a few others should be made. For instance, there is one to which I think early consideration should be given and that is, that the purchase of a house or building after a certain number of years should not entitle the owner to get it for his own use. That question creates a great deal of difficulty and the Rent Assessor often finds himself having to decide which is the greater hardship. Quite a number of cases engage his attention in which the purchasers of premises desire them for their own use, and you often find an owner wanting to do business in Georgetown which he was doing at Buxton or New Amsterdam, or elsewhere. In England, the statute provides that purchase **per se** could not, after a certain number of years, entitle a landlord to possession even if he desires to get the premises for his own use. That seems to be a desirable amendment, and it seems to me that there are several others which should be brought in. I feel sure the Attorney General will agree that despite the pressure of work in his Department the whole Ordinance should be revised. In this respect, he would certainly receive the assistance of Members of this Council and also from the Rent Assessor who has been doing this work for a number of years and is well acquainted with the difficulties at the moment.

Mr. DEBIDIN: I am very glad the last speaker has struck the note that there is at the moment the necessiy for having the various Rent Restriction Ordinances revised with a view to consolidating them and making them more applicable to this Colony. Unfortunately, I feel that in the various amendments which have been passed the spirit of the principal Ordinance has been departed from almost completely. We are reaching a stage where we are placing a great deal of burden on the Magistrate who is the Rent Assessor, for today it can be said that he has almost arbitrary power in the fixing of rent and that is a great responsibility. Even in the Bill which we are seeking to pass today we are giving him arbitrary power. Here is a clause — 3 — which would enable the Rent Assessor to reduce the standard rents of any buildings first let as separate premises subsequent to the 8th March, 1941. That, we who are lawyers know, is an arbitrary clause. It is going to be a headache to us and also to the Rent Assessor who is a human being. Where he is going to swing we do not know, when we have a definition in the Ordinance as to the way in which the standard rent is to be calculated.

In so far as these two amendments in the Bill are concerned, however, I may say they are necessary in the light of cases which have occurred in the Assessment Court. Only this morning the hon. Member for Essequibo River and myself were in a case which had some bearing on clause 2 of the Bill and while I had the advantage in the decision of the Rent Assessor he took consolation in the fact that this Bill was about to be passed. I must ask the Attorney General in the absence of any knowledge as to how the Act in England is going to be administered, whether he has given the Rent Assessor sufficient machinery to administer what is really a reproduction of the 1949 Act in England. There are many questions which must asise. Take, for instance, the case I have just referred to as having had with my friend, the hon. Member for Essequibo River. Considerable improvement had been effected to the premises—while it is true that there was a common letting—and each tenant had his living room an so on.

It seems to me that one has to go back entirely to first principles in order

to determine the increase which should be put on from stage to stage under the 1941 Ordinance as amended by the 1947 and the 1948 Ordinances. That is why I would like to make the point that I am not in favour — however necessary it is —of rushing legislation. A very strong Committee was appointed when the 1948 amendment was made; it went into all the facts very carefully and gave effect to the wishes of all concerned. I feel that another Committee ought to have been appointed by this Government and that the whole matter should have been sifted and other necessary amendments brought into this very Bill so that we would not have a multiplicity of amendments leading us to chaos. I make the point fully convinced that what I am saying is in the interest of both the tenants and the landlords. Full consideration of the working details of the Bill should have been given by the Members of this Council who are in legal practice and who would have been able to give their advice to the Attorney General. I feel that clause 3 contains a very sweeping amendment giving extraordinary power to the Rent Assessor—but I will support the Bill as it stands.

Mr. LEE: There is one thing which I would like to be made a little plainer, and that is, if this Bill is passed would it give a discretion to the Rent Assessor to fix the standard rent for tenants sharing accommodation? But several of these premises were decontrolled by the Rent Assessor, and during that period the tenants have had to pay exorbitant rents claimed by the landlords. They could not get other premises and so they had to remain there and pay the rents demanded. This Bill does not make it retrospective in respect of the return of excess rents paid before this Bill is passed, and I certainly ask this Government to consider that aspect of the matter. We had the instance of a person paying $3.40 per month and because of decontrol he has had to pay $20 a month for the same premises. Although there have been, I must admit, great alterations and improvements by the addition of a gallery to the building, yet I do not think the rent should reach that amount. I ask Government to consider that aspect of it so that these tenants may get back some of the money they were forced in the circumstances to pay the landlords.

Dr. GONSALVES: In support of this Bill I just want to bring to Government's notice this point: Some time last year or the year previous, quite a few complaints reached me from my constituency and I brought them to the attention of the hon. the Attorney-General. I also inspired the people to present a petition to the Government, which has been done and, I think, that apart from a private discussion with the hon. the Colonial Secretary not much has been done to the satisfaction of those people. I would like to bring the matter again to the notice of Government in supporting this Bill, because it seems to me, while I am not sufficiently acquainted with the implications of the Bill, as I am not a practising lawyer and have not to bother how these things are brought about, evidently the Bill seeks to correct one of the grave injustices in practice. There are some very serious things that have been brought to my attention, where windows and doors have been removed in order to put people to all sorts of inconveniences and to get them to vacate the premises, and yet exorbitant rents are being collected by the landlords from those tenants. With that observation I support the Bill.

Mr. PETERS: Sir, I, too, am in perfect accord with the hon. the Attorney-General in respect of the introduction of this amendment to the Rent Restriction Ordinance. I agree also with the hon. Member for Western Essequibo (Mr. Wight) when he suggests that the time ought to come soon for this entrie Ordinance to be reviewed for more reasons than one. There may be so many amendments introduced to the original Ordinance that it may be difficult in the long run for the ordinary man in the street to know what his rights are and to be able to order his ways accordingly. Then we have to consider that while the spirit of the Rent Restriction Ordinance is to a large extent calculated to give necessary relief to the tenants, we have at times to pause and consider that the landlord also has rights, and I am afraid that we fail very often to consider what are the rights

of the landlord. I feel that the time has come for us to redefine his rights because, if we do not, the time may come when those rights will be so smothered that it will be difficult to know just where he stands. If matters come to such a pass, landlords will be discouraged to maintain property to give accommodation to tenants who themselves are not able to provide their own. I wish these comments of mine will be taken into consideration and that before long the entire Rent Restriction Ordinance may be reviewed and, if necessarily, a practically new Rent Restriction Ordinance evolved which will do justice on both sides. I congratulate the hon. the Attorney-General on his introduction of this amendment, and I shall vote for it.

Dr. JAGAN: I, too, would like to support this Bill which is seeking to amend the Rent Restriction Ordinance. This particular matter of sharing accommodation has been a difficult one for a long time, and many tenants have been experiencing great hardships. I feel sure that with the passage of this Bill, despite the fact, as one hon. Member said, the Rent Assessor will be given extraordinary powers, these hardships will be alleviated. The hon. Member for Georgetown South (Mr. Carter). made certain pertinent statements with reference to the rights of tenants. Tenants did not even know their own rights but, perhaps, there are many tenants who, even knowing their own rights, are afraid to take possession of those rights because in many cases they prefer to pay additional rent than to be ejected and thrown out on the streets. I see from the 1947 Rent Restriction (Amendment) Ordinance, section 4 (f) provides for a statement of the standard rent to be supplied. In case tenants desire the standard rent to be given they only have to apply to the landlord and, if the landlord does not comply within 14 days or if he provides any false statement, he is guilty of an offence and is liable to a fine of $50. But I believe it should go, as the hon. Member suggested, a bit further. Where landlords knowing the standard rent but because of the shortage of housing deliberately charge an additional amount and the tenants are willing to pay because they are afraid of eviction, I believe that matter should be given very serious consideration. It is no use providing only for a penalty in the case where a landlord refuses to give the standard rent. There are many cases in which the standard rent is already fixed, but the landlord continues to charge an additional amount on the standard rent. Perhaps the time may come when the Rent Restriction Ordinance ought to be extended, so that every house within the provisions of this Ordinance can be placed before the Rent Assessor who will thereby fix the standard rent for all dwelling-houses in the City.

Another provision which should be considered is the posting-up of the standard rent by the landlord in some conspicuous place, whether that is desired by the tenant or not and especially in those cases where accommodation is shared, so that the tenants would be aware of what decisions had been made by the Rent Assessor and thereby be in a position to know what is the standard rent, even though they may fail to apply either to the landlord or to the Assessment Court.

There is another matter on which the hon. Member for Western Essequibo (Mr. Wight) touched, and that is the question of the right of possession of premises. At the present time, there is no doubt about it, despite the rights of the landlords there is gross violation of the very principle, as set out in this Ordinance, to give protection in certain cases to tenants. Landlords desirous of increasing the rent use various pretext to get the tenants out of the buildings they occupy. One pretext, which is used at the present time, is that of asking either for the premises to be repaired or for extensions to be made. When the tenants vacate many of them do not want to go back; even though they may have prior claim against the landlord they do not want to go to the additional bother and trouble to bring a suit against the landlord, even if they had been ejected unlawfully. These points should be gone into very carefully. There is also the additional point, as pointed out by the hon. Member for Western Essequibo, where persons coming from rural areas or even persons within

the City limits may purchase a property and thereby turn out the tenants who may have been living there for a long period of years. Something should be done in that respect. Clause 8 of the 1947 Amendment Ordinance certainly has too many provisions under which the landlord can claim the right of possession. I feel that these should be restricted, especially at this time when there is such a serious shortage of housing. If there was adequate accommodation, I am sure, many of these cases would not really be necessary, but in view of the fact that there is such a scarcity of dwelling-houses at the present time. I feel that the right of possession should be strictly limited, and limited only to a few cases where **bona fide** cases occur wherein landlords may require the premises for their own use, but even those cases should be strictly reviewed.

There is one other point which is not covered by the Rent Restriction Ordinance and which is not sought to be corrected by this new amendment, and that is in respect of rent restriction in the rural areas of this Colony. I have had to take up this matter with the hon. the Colonial Secretary with reference to tenants in my constitutuency. and I have had complaints from persons outside my constituency claiming that because the Rent Restriction Ordinance does not apply to the rural areas they have to experience great hardship; in many cases the rent is arbitrarily increased. In one recent case it was increased from $3.00 to $12.00 per annum for a building lot. I have already given notice of motion that the Rent Restriction Ordinance should be made applicable to the whole Colony. I hope that matter will receive the serious consideration of Government and that the Rent Restriction Ordinance will soon be amended so as to be applicable to the whole Colony.

The ATTORNEY-GENERAL: Sir, I need hardly point out to hon. Members that this legislation began as a sort of emergency legislation, but as the result of acute conditions with regard to housing, not only in this Colony but in other parts of the world, it has become necessary to amend from time to time the various provisions to meet circumstances as they arise. Consequently the Ordinances which are in operation do not present that roundness, and do not provide for every sort of contingency which arises from time to time. It will be appreciated that it is desirable to consolidate the Ordinances with regard to the very important matter of rent control generally, but hon. Members will agree that the matter now before Council requires immediate attention, and consequently this Bill seeks to remedy a situation which presents serious difficulties. The other points raised by the hon. Member will receive attention, but I will suggest that they ought not to be allowed to interfere with these particular amendments which are before this Council in the form of this Bill.

I think that hon. Members will agree that it is very much better for the Rent Assessor, who has had considerable experience in dealing with matters of this nature, to be empowered to fix the standard rent with regard to houses which are now not controlled or with regard to premises which are outside the operation of the Ordinance than for the landlords themselves to be allowed to obtain any rent which they wish to get in regard to premises they rent. I think all hon. Members will agree as to that. So far as any details in connection with the provisions of this Bill are concerned, I suggest that they be dealt with when the Bill is in the Committee stage.

Question put, and agreed to.

Bill read a second time.

COUNCIL IN COMMITTEE.

The Council resolved itself into Committee to consider the Bill clause by clause.

Clause 2 — Principal Ordinance to apply where the tenant shares accommodation with other persons.

The ATTORNEY-GENERAL In para. (1) (b) it will be appreciated that there is some misprint in that amendment. The amendment should read:

"(b) the terms as between the tenant and his landlord on which he holds the separate accommodation including the the use of other accommodation in common with some other person or persons (including the landlord)."

Mr. CARTER: You will have to take out the semi-colon there. It should be a comma. In the English Act there is a comma there too.

The ATTORNEY-GENERAL: Yes!

Amendment put, and agreed to.

Mr. WIGHT: While supporting the clause as it stands as an emergency measure, I must again repeat what I said in this connection, and that is relative to the necessity for the urgent reconsideration of the Ordinance as a whole, because it is well known to those of us who frequent the Courts in these cases that there are several tenants today who are sub-letting. There is going to arise a difficulty in the interpretation of this particular clause. Tenants rent a property from the landlord for about $16 or $18 per month and proceed to chop it up into several rooms and to obtain thereby an income of $60 to $80 per month, which the landlord does not get. That is one of the difficulties we must consider when we talk about the landlords. We lash out at the landlord and we smash everything in the process of levelling-up, but we are only levelling down. There are bad tenants and there are also good landlords. The difficulty that obtains in most of these cases is this sub-letting, where a man obtains possession of a house with three rooms and cuts it up into pigeonholes for the accommodation of others at a rental, and the landlord derives no increased rent from that. There is going to be a great deal of this question arising, because a lot of these controlled houses will come under this clause.

There is also the question of tenants who, because of their protection under the Public Health Ordinance, insist on very minor repairs being done. They want windows renewed, everything renewed, the house painted, a vat cock put on and so forth. In other words, they want things for which no provision is made and the landlords obtain no increased rent. Only this morning a person brought a letter to me in which tenants were demanding everything, in effect the whole house had to be rebuilt, and the landlord was not entitled to charge one cent extra for that because it came under the heading of repairs. If that is going to be the case, it is necessary to consider what increases should be made. We all know only too well that there are cases where rents are being paid today which are absolutely not commensurate with the rents usually charged in these times for such premises.

Lastly it is all very well to go around shouting about tenants and landlords. The percentage of landlords in this City, who are poor widows or middle class people who have just a property for themselves and who eke out an existence on it, can be placed at the highest 60 per cent. A man may have been a Civil Servant and died leaving his widow and children a property, probably heavily mortgaged and on which they have to depend for existence. "Landlord" does not mean — and I am going to say it without fear of contradiction — the wealthy man. We have the speculative landlord who goes around buying properties to make money out of the transactions. Those fellows we know. You can see from the Official Gazette where they are buying and selling and selling even before actually buying. Those are the fellows you ought to crush. When you speak of landlords in this city, it means that 60 per cent. of them are people who are dependent on their property for their existence and who are not wealthy but are of the poorest. I feel several hon. Members who are of the legal profession will be able to support this: Many a poor woman has been ruined by this Rent Restriction Ordinance. She was left a few dollars and bought a property out of what her husband left her to support herself and children. Then she found herself having to pay large sums back to tenants for excess rent. It is true she did not take the precaution to find out what the standard rent of her place is. But those are the persons described as landlords.

That is why I say there are two side of the question and, I think, the sooner we get down to these Ordinances and have a round table conference and try to see, as the hon. the Attorney-General has said, how we can remove this Ordinance from the emergency state and put it in a sort of permanence on the Statue Books in a way in which we hope no further amendments will be necessary. I feel sure—I do not want to say in a sense of despondence—we are going to have amendments very shortly on this matter, and again I would like to say, like the hon. Member for Central Demerara (Dr. Jagan), the position in regard to the rural areas will have to receive some attention even under this clause, because it has been brought to my knowledge there are several cases in which a great deal of pressure is being put on persons in the rural areas now in regard to increased rent where there is no control, especially where some of the lower paid Civil Servants are sent out into the districts and can hardly obtain a house and when they do the landlords assess their rent far in excess of what they can ever hope to obtain even in normal times of competition. That can be remedied not by a provision for the whole Colony where you have only a few houses in some isolated parts, but it can be effected by provision being inserted whereby the Governor in Council can declare certain areas to which this Ordinance is applicable.

The ATTORNEY-GENERAL: In answer to the last hon. speaker I may point out that machinery is provided in the Ordinance to affect that purpose—section 4 (1) of Ordinance No. 23 of 1941. It says:

> "The Governor in Council may by Order—
>
> (a) extend the provisions of this Ordinance to any area described in the said Order;"

Mr. CARTER: I desire to point out that I cannot allow my hon. Friend to give a wrong impression of the effect of the Ordinance in relation to landlords. I do not agree with the hon. Member for Western Essequibo when he says tenants can cut up a landlord's house into several apartments and sublet them. The Ordinance provides that in such a case the landlord can go to the Rent Assessor and get possession, if tenants sub-let the premises without his consent in writing. Before a tenant can cut up a house and sub-let he has to obtain the permission of the landlord. I cannot allow my friend to give that impression. The Landlords and Tenants Ordinance governs that.

The CHAIRMAN: The law regulating relations between landlords and tenants is a different one.

Mr. CARTER: That is a ground for possession under the 1947 Ordinance,

The CHAIRMAN: That is quite separate. I do not think that covers the case.

Mr. CARTER: It is done under the Rent Restriction Ordinance. It is wrong for my friend to give the impression that a tenant can cut up a landlord's house with impunity in order to sub-let.

Mr. SMELLIE: Whether the hon. Member who has just spoken agrees on a certain point of detail with the hon. Member for Western Essequibo (Mr. Wight) or not I am not concerned. What I would like to say is that I was pleased to hear the hon. Member for Western Essequibo put in a good word for the landlords, because the scale seems to have been weighted always against them. He suggested in his speech on the second reading of the Bill that the matter of landlords coming into the City and purchasing property and turning out tenants should be very carefully considered during the consideration of the whole Ordinance, and the hon. Member for Central Demerara (Dr. Jagan) went further than that. He said that care should be exercised too with regard to people already in the City who were purchasing property and turning out tenants. All I want to say is that I agree with what the hon. Member for Western Essequibo said about all landlords not being bad, and if and when consideration takes place with regard to that particular point, I think the position of a landlord who wants to buy a property in order to expand his

business should be very carefully considered.

Clause 2, as amended, put and agreed to.

Clause 3.—*Amendment of section 4B of the Principal Ordinance. No.* 13 *of* 1947.

The ATTORNEY-GENERAL: I move that after the word "forty-one" in the last line but one in clause 3 the words "in sub-section (1) (a)" be inserted.

Clause 3, as amended, put and agreed to.

The Council resumed.

The ATTORNEY-GENERAL: With the consent of Council I move that the Bill be now read a third time and passed.

Mr. WIGHT seconded.

Question put, and agreed to.

Bill read a third time and passed.

WIDE ING OF VLISSENGEN ROAD.

Mr. FERNANDES: Sir, with the Council's permission I am asking to be allowed to take the second of my two motions first. I refer to the motion with regard to the widening of Vlissengen Road.

The PRESIDENT: I take it that the Council agrees to that.

Mr. FERNANDES: My reason for the request is that I have been assured by the hon. the Colonial Secretary that the widening of Vlissengen Road would be undertaken by Government very shortly —in other words, that the motion was accepted without debate. I therefore ask leave to withdraw it with that assurance. I do not see the Colonial Secretary in his seat, but he told me that himself.

The FINANCIAL SECRETARY & TREASURER: I can confirm that. The Public Works Department has been instructed to submit a requisition for the carrying out of this particular work.

Mr. FERNANDES: In that case I would like to say thanks to Government for having decided to do this bit of work.

Mr. FARNUM: I would like to point out that the matter was discussed by the Public Works Advisory Committee, and it is not only the widening of Vlissengen Road and widening the railway crossing but also the provision of a pavement on the western side of the road extending from the railway bridge over the Cumings Canal to what is known as the Thomas road, with a view to providing facilities for pedestrian traffic apart from vehicular traffic. Traffic on that road is extremely heavy, and provision had been made by the Public Works Department to construct a pavement on the western side of that section of Vlissengen Road to accommodate pedestrian traffic. As far as I remember the estimate is something like $10,000, and I am asking Government, in considering the question of the widening of Vlissengen Road, to bear in mind the construction of the pavement.

Mr. DEBIDIN: In support of what the last speaker has said I would like to point out that the Public Works Advisory Committee went into this matter very carefully and made certain recommendations. It came as a great surprise to members of the Committee when they were told at a subsequent meeting that the proposal had not the approval of the Government. We tried to find the reason and we feel that as the Advisory Committee had not only the expert advice of the Head of the Department and his technical staff but the benefit of their own knowledge, they were entitled to be informed of Government's reasons for not approving of their recommendation. I believe that that has inspired the hon. Member to bring his motion forward. I feel that the usual courtesy has not been extended to the Advisory Committee.

The FINANCIAL SECRETARY & TREASURER: The explanation is quite simple. In point of fact the volume of work to be done, and which ought to be done, is many times, as the hon. Member knows, the amount provided in the Annual Estimates for carrying out such works. Consequently it is a question of

priorities, and as it happened, the allocation of the money among various works did not admit of anything for this particular item to which the hon. Member refers. However, there has since been a re-allocation which admits of the inclusion of this item in the schedule of works to be carried out this year. Members know that in principle desirable works have been recommended by Departments and admitted by the Public Works Department, but the money available for extraordinary works has to be spread as far as it can and no further. In this instance it has been found possible to include this particular item.

Mr. FERNANDES: When I drafted the motion I did not intend to restrict the work of the Public Works Department to widening the road or the provision of a side walk. I took it for granted that the Department would know what should be done, because the matter was fully discussed by the Advisory Committee. I therefore made my motion as brief as possible.

Following is the text of the motion which was accepted:

> "Whereas there is at present serious congestion of traffic coming into the City from the East Coast;
>
> And whereas this congestion may lead to accident entailing loss of life;
>
> Be it resolved that this Council recommend to Government the immediate widening of Vlissengen Road between Lamaha Street and Thomas Road."

INCREASED ELECTRICITY CHARGES.

Mr. FERNANDES: I rise again to move the other motion which reads:

> "Whereas it is considered by consumers of electric current that the proposed increases in the tariff of charges recently announced by the Demerara Electric Company are unjustified;
>
> "Be it resolved that this Council recommends that Government make representations to the Company with a view to withdrawal of the proposed increases."

I would like to say that I have been approached by a number of my constituents who have received intimation from the Demerara Electric Company of very substantial increases in their rates for electric current. As hon. Members know, the top rate of 15 cents cannot be increased, but on other rates below that the Company has power to increase. The proposed rates will mean a straight flat increase of $3.50 per month. At present Schedule 2 allows 20 kwhrs. at 15 cents, the next 50 kwhrs. at 6 cents, and the excess at 3 cents. The new Schedule takes 50 kwhrs. from the third section and places it higher up at 10 cents, which means a flat increase of $3.50—from $1.50 to $5.

I have a number of bills which have been sent to me by various persons in my constituency, the majority of whose consumption of electric energy amounts to between $9 and $10. Therefore an increase of $3.50 will mean an increase of approximately 33 1|3 per cent. for that particular type of consumer. That is the type of person who uses a certain number of electrical appliances, but not the type of person in the higher category who uses an electric stove and things of that kind. I fall into that category but the increase of $3.50 will not be a great one to me because my bill is usually in the vicinity of $30 odd, but to the small person whose position has inspired me to move this motion, an increase of $3 50 in his bill is a big jump.

Under the Electric Supply and Tramways Ordinance of 1926 an Order in Council was made in 1927, described as an Order to Generate and Supply Electricity. In that Order the Company was given a franchise for 50 years from 1927, which is a long time. I wish to make it perfectly clear that I am not suggesting that the maximum charge of 15 cents per unit fixed in 1927 was an excesssive one, or that somebody was asleep when it was fixed, because at that time the use of electrical energy was very much less than it is today, and it would have been difficult for anyone then to envisage the general use of electrical energy existing at the moment. Nevertheless I observe in Schedule 3 of the Order it is stated that "Thereafter every successive year the maximum rate shall b reduced by one half-penny per unit." I wish to draw

attention t the words "maximum rate," because I have heard it said that under their franchise the Company did not see it fit to make the entire charge for energy 15 cents per unit although under the franchise they are entitled to do so. I do not know very much about the legal aspect, but the fact of the presence of the word "maximum" gave me courage to bring this matter to the attention of the Government.

My constitutents claim that this propos d increase is out of proportion, but of course anyone is liable to claim that an increase is out of proportion. I have not the means of knowing whether it is so or not because I have no means of se ing the figures of the Company. Nevertheless, when I consider the increased consumption of electrical energy it certainly does look to me that the increase is a little harder than it should be. Of course it is fortunate that the poorest people who pay only a dollar per month for lighting are protected, and it was very wise of Government to see to that, because they are on the 15 cents scale, and nothing anybody can do for 50 years can make them pay more for 50 years. Therefore the proposed increase will have to fall on the shoulders of the next group — the people whom I am representing today. I am informed that Government has the right to see the financial statements of the Company from time to time — I am not referring to income tax returns — and I understand that the Company has been submitting those statements to Government. As will be seen, my motion suggests "that this Council recommends that Government make representations to the Company with a view to withdrawal of the proposed increases." I therefore ask Government, in view of the protests of a large number of people in the City, to examine the statements of the Company, and if in Government's opinion the increases are wholly unjustified, representations be made to the Company with a view to the withdrawal of the proposed increases.

I have had it put to me by several of those people, that if the Electric Company would not see reason, they would agitate for the nationalization of this utility service. Personally I am not in favour of nationalization, but if Government finds that the increases are not justified, and if after representations to the Company no redress is forthcoming, then I am afraid I would have to change my view, like many others have done, as regards the necessity to nationalize this concern.

I have not gone into the legal aspect because I feel that the Company is a reasonable one, and I have no doubt that when Government makes representations some redress will be obtained. There is, however, one point about which I am not very pleased. It is that the Company went all out to encourage everybody to use as many electrical appliances as possible, holding out to them very tempting rates, and it is felt by many, including myself, that this is only the beginning of several increases. Therefore I think Government should make representations to the Company right now before they go any further.

There is another aspect of this matter which I did not want to mention, because it may be felt that I am personally interested in that it has cost me $5 for one month already. I refer to the question of the fuel surcharge. From these bills I have in my hand I find that the fuel surcharge for April was 9|10ths of a cent per kilowatt-hour, 8|10ths of a cent for May, and 1 cent per kwhr. for June. In a circular dealing with the question of fuel surcharge the Company states:

> "The charge for all such energy shall, if there is an increase in the cost of Wallaba wood per long ton delivered into the Company's bunkers, above the datum price of $5 be increased or decreased, as the case may be, for each 20 cents of such increase or decrease above $5 per long ton, by 1|10th of one cent (0.1 cent) for each kilowatt hour consumed under this heading. The price of the fuel will be the average cost of all fuel used at the Company's Power Station during the month covered by the billing".

If for every 20 cents of such increase above the price of $5 per long ton for wallaba wood 1|10th of a cent is to be added then the surcharge of 9|10ths of one cent per kwhr would amount to $1.80, making the cost of wallaba wood $6.80.

I am not interested in suppl ing the Electric Co. with firewood although I did supply them on a few occasions during the war when there was a serious shortage,and I had to shorten supplies to my regular customers in order to do so. I have no desire to sell the Company any firewood now or in the future, but with wallaba wood at the Government price of $5.76 per ton (I am informed that the wood people have been offered a contract at $5.50 per ton) I do not think the difference between $5.76 and $6.80 is one which appears reasonable. The Company's note as regards the fuel surcharge also states:

> "Provided that if it becomes necessary to burn other types of fuel one long ton of coal shall be considered for the purpose of this clause as equivalent to 2.5 long tons of wallaba wood, and one long ton of fuel oil as equivalent to 3.75 long tons of Wallaba wood, and the increase in cost of fuel will be worked out **pro rata** on the equivalent cost of the fuel used."

I have here a bill of $9.06 for April which shows a total fuel surcharge of $1.37 at the rate of 9|10ths of a cent., an increase of roughly 15 per cent. It is a little lower in May and a little higher in June. I wish to deal with those words in the circular "provided it becomes necessary." If there is sufficient wallaba wood available in this Colony to the Demerara Electric Co. I am at a loss to see why it should be necessary for the Company to use any other type of fuel. I am interested in the use of wallaba wood from the point of view that it keeps the money in the Colony and keeps quite a number of people employed. If the Electric Co. used wallaba wood exclusively they would, on the basis of their present output, use approximately 35,000 or 36,000 tons a year, and apart from the employees of the Company I estimate that approximately 150 persons would be kept in employment as a result. My information is that at the moment the Company is using about one-third of this quantity only, and have done so for quite a while. Therefore at least 100 persons are unemployed because of this. The Company is using oil fuel, the price of which, according to reliable figures, was down in February last year as low as 5.5 cents per gallon — roughly 6 cents per gallon, and has been more or less stable during the last six months at between 11.8 and 11.11 cents per gallon. It will be seen that the cost of fuel oil has doubled in that period, and I do not think it is fair for the Company to put on a fuel surcharge based on this very high rate, just because they are using oil fuel. Perhaps it suits them very much better, but it does not fit in with what they say in their curcular: "provided it becomes necessary".

As this is a business concern — and one that is necessary — it is a different matter altogether. The change that is necessary should not affect the people who have to foot the bill. The main consideration is that these people have a franchise for 50 years and the only limiting factor is that they cannot charge more than 15c. a unit. There is nothing so far as I have seen. except the word "maximum", to suggest that we have any real right to expect rates below the 15c. The fact is that we have enjoyed lower rates for a long time and, naturally, any increase in the rates is going to increase still further the cost of living and I think that in any case before an increase is permitted a thorough investigation should be made. I have said so because in practically every other line of business Government has thought fit, and rightly so, to control the margin of profit that should be made. I humbly suggest that this concern should not be exempted from that policy. In the other case — the case of the commercial people in Water Street — we also have the question of ordinary competition to keep prices down to a low level, but in this case, unfortunately, we have no such thing because this is a monopoly. What is even very much worse on the part of the commercial people is this: In their case we can go from one firm to another and ask for prices, and if one fellow keeps his price up too high we can buy from another. In this case, however, we can do absolutely nothing except such as what I have done, and that it to move this motion.

Mr. WIGHT: I desire to second the motion. The hon. Member who has moved it has received — like myself, no doubt — some representation relating to this matter. The Town Council, for many

months, has been concerned with this increase, or proposed increase. because the Council and the Georgetown Sewerage and Water Commissioners — both of whom are large consumers of electricity and, perhaps, next to Government — were notified of the increase and were concerned because of the fact that it would, naturally, increase their bill. We took the matter up but, unfortunately, may be constrained to pay the increase because we have a contract with the Company based, more or less, on the Electric Lighting Supply and Tramways Ordinance under which the Company operates. We have had discussions with the Company and the Manager explained that when we entered into the contract there was this provision. I may say that we are greatly indebted to Mr. Roddam, a former Chief Engineer of the Sewerage and Water Commissioners, who fought very strongly to get the charges down and wisely advised the Council to insert a clause for a decrease in the power charges when the fuel charges of the Company decrease. There was a model clause to that effect—that if the fuel charges increased the power charges would go up, and if the fuel charges went down the rates would go down proportionately. As it has been pointed out, a change in fuel from wood to oil is the reason why there has been an increase in rates by the Company. The explanation given, it will no doubt be said. is not very satisfactory. We have not had the advantage of examining the books of the Company, but there is a provision in the Order in Council and in the Ordinance that a person to whom a licence has been granted should supply or have available copies of their balance sheet. We have applied, in the Town Council, for copies of the Company's balance sheet for 1948 — 49. There is none available, but as the Ordinance provides, the Company has sent copies to the Clerk of the Legislative Council, as the Colony's Auditor must have copies of the balance sheets. We have to see whether the charges made by the Company are justifiable or not.

The real explanation for the increase, as advanced to us, is that there has been a partial conversion of the plant from wood furnaces to oil furnaces. There are four furnaces, I understand, and two have been converted to oil furnaces while the others which will be operated by burning wood are under repairs. It was hoped at the time of the discussion to have the repairs completed as early as possible, and the Company has also given the assurance that they will use as much wood fuel as possible. The hon. Member for (Georgetown Central) was correct because the information was probably given to him by the same person who gave it to me. The Company did buy wood fuel at $5.76 per ton when they could have got at $5.50. The answer was that they had entered into a contract with somebody at $5.76 and could not back out to avail themselves of a contract with the other tenderer. They also explained that the fuel price had gone up because of devaluation. They really siezed upon that point with a certain amount of voraciousness and I admit that, perhaps, I should not have allowed my tongue to run away with me by mentioning it. Mr. Roddam, in advising us, visualized that on taking the ratio of the difference between the cost of wood and oil fuel consumed by the Company we would be able to call for a decrease in the charges made. Unfortunately, they have had this conversion of some of their furnaces from wood to oil, and apparently the price of fuel oil has gone up because of devaluation and, naturally, it exceeds the price of wood.

As far as the Town Council and the Sewerage and Water Commissioners are concerned, we are depending on the Company to honour their undertaking to burn as much wood fuel as they possibly can and, therefore, they may not have to increase these charges any further. I feel sure that we can accept the undertaking for the moment, but the situation would have to be carefully watched. The price of fuel oil will have to be watched and if it increases then the Company's charges will go up, but if it decreases then those charges will have to go down. The Town Council also pointed out that they and all the other consumers in the City are paying for a profit which goes to the Company because of the extension of their operations outside the City.

In other words, they are extending outside the City limits and are getting

all that extra profit and it means that the consumers in the City are providing it. Unless one can examine the books of the Company or get somebody conversant with the analysis of accounts and cost accounting to do so, it would be difficult to say how the increase in the cost of fuel should be apportioned and whether the revenue which the Company is deriving from increased charges to consumers in the City should continue in view of increased consumption outside the City. We understand that the Company has under consideration the extension of their lines right through, as far as Plaisance. The answer is that they would do that but the interspersing of the poles would cost so much that in view of the small number of consumers to be supplied it would not be a profitable undertaking at the moment. As I have said, we are entirely in the hands of the Company, but I am afraid that Government will find itself in an embarrassing position. While we can make representations I think that is all we can do, and the same thing applies to Government. It seems to me that the Town Council, under the contract, will have to pay the increased charges if the increased price of oil fuel continues. It seems also that the Company is acting within its legal rights with regard to the increased charges to the consumers. That is how the position strikes me at the moment.

Dr. NICHOLSON: Ever since I have busied myself about the high cost of living and the reduction in the margin of profits here and there, I had an eye on the high charges for electricity by the Demerara Electric Company. Visitors to our Colony have often remarked that we pay exorbitant rates for electricity, and I feel that this Company is not keeping faith with the consumers. I speak subject to correction, but I can remember reading advertisements in the daily newspapers some time ago in which the Demerara Electric Company advised us to equip our homes with electrical appliances. They themselves brought down these appliances for sale, assuring us that as the consumption of electricity went up the revenue of the Company would increase and the charges per unit to the cousumers would be reduced. There is no doubt about it that there are ever so many more users of electricity at the present time. We have equipped our homes with electrical appliances and the Company has extended its operations beyond the City limits. How then does it come about that we are asked to pay higher charges? I think the fault really lies with those who make contracts with this Company because, apparently, there is no loophole or escape clause from the situation. So long as the Company does not go beyond a maximum charge of 15c. per unit they can do what they like. I think the situation is similar to the contract made by the Rice Marketing Board with the West Indian people for the supply of rice; there is no escape clause. Balance sheets are very important things and are also very interesting things to review. Perhaps Government would be in a position to review the balance sheet of this Company and represent to them that no case has been made out for higher charges to the consumers. With these few words I am supporting the motion.

Mr. CARTER: I desire to support this motion. I also have suffered through the increase in charges by this Company, and I know that many persons living in my constituency have also suffered. The one point I should like to make is that while we are contemplating an entirely new telephone system and when we are told that Government is considering at the moment whether we should run our own telephone system or allow a private Company — Cable and Wireless, Ltd. — to run it for us, we have to bear in mind the increased charges which the Demerara Electric Company is making and that, apparently, there is no remedy which we can pursue.

Mr. MORRISH: It appears that the whole reason behind this proposed increase by the Demerara Electric Company comes from the increased cost of fuel. I know nothing at all about the inner workings of this Company, but after hearing what the hon. Member for Western Essequibo has said I understand that approximately half of their boiler equipment is wood-burning and the other half oil-burning. He also said that the Company has promised to put the wood-burn-

ing boilers back into operation as early as possible, but I am not at all sure that that would provide an answer and help to bring these charges down. As far as I understand the company has been working on a long-term programme which is well advanced now, and it was based on a reasonably cheap cost for fuel oil. That programme calls for the installation of oil-burning boilers which have a very high boiler rate. I think it would be found that with their increased load the Company would not be able to depend on the same number of wood-burning boilers to carry that load, and so they had to resort to the use of oil and convert a considerable proportion of their boilers to oil-burning. If their oil-burning furnaces had to be converted back to wood fuel, I think it would be found that they would not have enough boilers and they would be faced with the necessity of having to instal more. As I have said, I know nothing of the inner workings of the Company but, having heard the discussion that has taken place that is what has passed through my mind.

Dr. JAGAN: There is one point which, I think, hon. Members who have spoken overlooked, and that is, the increased charges made by this Company not so long ago. In this scale, the lowest figure — 3c. per kilowat hour — represents an increase of 50 per cent.. since the original charge was 2c. per kilowat hour. I do not see the necessity for these increased charges. As the hon. Mover of the motion has pointed out, a person using current would have to pay on a minimum basis of approximately $3.50 per month, and I agree with him that the matter is a very urgent one. I must also compliment Government for having brought forward the motion so quickly, since notice of it was only given at the last meeting of the Council. I hope a Committee will be appointed to go into the matter and see whether it is possible for the Company to revert back to the old conditions. It has been brought to my attention that these new charges are causing serious difficulties not only to the ordinary consumers, but also to Government. Government, I believe, have had to pay about $1,000 for the services at the P.H.G. alone, and I think that in the long run everyone would benefit if an investigation is made into this matter.

The FINANCIAL SECRETARY & TREASURER: I should like to say a few words in order to clarify the legal position of this Company, as the Attorney-G neral is not here. It is operating under a separate legal enactment. This operating Ordinance is the Demerara Electric Company Ordinance, Chapter 80, and there is also the Electric Lighting Ordinance, Crapter 78, which is the general Ordinance covering the business of lighting as an undertaking, and then there is the Georgetown Electric Supply and Tramways Ordinance, Chapter 79, in which there is a provision under which an Order in Council has been issued authorising the Demerara Electric Company to provide this service with a franchise for 50 years from the year 1927, so that the operative document is really this Order of 1927. The Order of 1927 has in its third Schedule a statement of the maximum price which Company may properly charge for the electrical energy which it supplies. The hon. Mover of the motion said — and I think I am right in saying this — that this rate of 15c. operated from the beginning but that, of course, is not so. The Schedule under which the Company operates provides for the charge of a scale of rates progressively reducing from 30c. per unit in 1927-28, in the next year — 1929 — to 25c., and thereafter reducing by 1c. per unit until the rate of 15c. was reached, so that under that Schedule the Company would have been entitled to charge, progressively, 30c., 25c., 24c., 23c., and so on, until 1939 when it should finally have come down to 15c. It is, therefore, not correct to say that this 15c. rate was operative from the first.

I want to remind Members of a little bit of history. When the Electric Company got this Order a tremendous controversy arose with the Municipality, and that controversy was based on the complaint that part of the condition for granting this licence was that the Company should carry on the tramway service. I do not want to enter into the rights and wrongs of this ancient story, but in the year 1930 the Company finally came to a compromise with the Municipality with

the Government's assistance. It was an honourable compromise; the Company paid over a sum of money to the Municipality and agreed on a revision of these rates in the Schedule to reach a 19c. rate beginning in the year 1950. Therefore, the present 15c. maximum rate was reached very much earlier than 1939. In fact, the 15c. rate began to be applied in the year 1934—35.

One hon. Member has referred to the development which has taken place on the part of the Company—that consumers were advised to instal electric equipment, and so on, but since that time consumers have paid the scheduled rates which are lower than those now proposed. It is correct to say that the Company is entirely within its legal rights in charging any rate which is either equal to or below 15c. It had cut down the rates lower than those current today, and considerably lower than what the Company proposes to introduce. The question is really a moral one, just as it was when the compromise was effected with the Company in 1930. There are no legal rights that I know of open to the Town Council or the Government within this Ordinance, but it is quite possible that on equitable grounds an agreement can be reached for a change in the Company's proposal. The hon. Mover of the motion spoke about the Company's balance sheet and I think he said that that document was not available to him. I think the hon. Member for Western Essequibo also said that the Municipality had asked or had tried to get copies of the balance sheet, but had not succeeded. I mentioned the various laws under which the Company operates and, perhaps, the provisions of the Electric Lighting Ordinance, Chapter 78, are not generally known. Section 9 of that Ordinance reads:—

> "9 (1) The undertakers shall, on or before the last day of March in every year, draw up an annual statement of accounts of the undertaking made up to the thirty-first day of December then next preceding; and the statement shall be in such form, and contain such particulars, and be published in such a manner as from time to time prescribed in that behalf by the Governor and the Legislative Council".

Then subclause (3) gives what is to happen in the event of default. Finally there is a proviso which reads:

> "Provided that if the undertakers are an incorporated company, it shall be deemed a sufficient compliance with this section if they lodge with the clerk of the Legislative Council certified copies of the annual report and statement of accounts submitted by the directors to a general meeting of the company within fourteen days after that meeting."

I have taken pains to read that section in order to make it quite clear that the annual statement of accounts of the Company is a public document and can be obtained by any person who wishes to inspect it. These annual statements have been submitted annually to the Government and not to the Legislative Council as the law directs and have been kept on file. I would like to say that it is possible to arrive at a conclusion from an inspection of those documents, but such conclusion will not be fair without fuller information in detail as to the Company's operations and activities. It is quite true as the hon. Member for Central Demerara says, that the electric lighting bills rendered to the Government—the Government I believe is the largest consumer — have been somewhat alarming. But quite apart from that Government as grantor of the franchise is concerned in the interest of the general public, and so on the 7th June this matter was considered by the Governor in Council and it was decided that a communication should be made to the Company enquiring as to the justification for the proposed increase which has been announced. So to some extent the object of this motion has been partially met. The Company has been requested to advise Government on the reasons and justification for the increase which it proposes.

As I said, determination as to whether that increase is justified on the general position of the Company on the particular issue of fuel cost, etc., is not an easy matter. To do justice one will have to be very careful in inspecting all the various accounts and costs, etc. So I am afraid, Sir, the matter will have to rest there with the assurance that enquiry has been made by the Government and the Government will pursue the matter

in its own interest as Government is a user of electricity and in the interest of the public as well.

Again I would like to state that the Company is entirely in its legal rights in what it proposes. It has brought the rates down from the original 30 cents when the Order was granted some years ago to 15 cents, and that is the maximum. Whether or not the people who made this arrangement were wise, I do not know. 1930 is a long time ago, and I assume that those who framed this Order thought the idea of bringing it down to 15 cents was a very good thing. The franchise still has a long time to go and, as hon. Members have said, it is a pity there is not some clause. I do not think at the same time the Company is likely to be unjust to the consumers in the future, but at the moment, we must admit, it is passing through a rather difficult period in more ways than one. That is the position.

Mr. FERNANDES: First I would like to say that I have made no accusation against the Company. I think they are very reasonable and, I have no doubt, they will consider recommendations made by this Government, otherwise I will not move this motion. As the hon. the Financial Secretary has said, they are perfectly within their rights. But they are very fortunate in having, as things have turned out, a guaranteed profit margin and ratio which is entirely a matter for them to decide. They are in an entirely different category to every other Company in this Colony. Every other Company has had Government going in and saying what the profits should be, what the margin of profits should be, and Government has taken every opportunity, as I said before, to see that the consumer is not squeezed and unnecessarily large profits are not taken off the consumer. But these people because of their franchise are beyond that kind of control.

I would like to say that the 15 cents rate is a very good one. As regards straight lighting that is also a very good rate. I am not complaining about that. I k. ow and I think from my opening remarks I made it quite clear that these people were acting entirely within the la . Nevertheless I did not know that for the price of one shilling I could have got their Balance Sheet and that, perhaps, might have saved me from bringing the motion or might have made my remarks a little more caustic in arcordance with what I saw in the Balance Sheet. I shall have very much pleasure in sending tomorrow my shilling to get that Balance Sheet. Another thing is, I did not know that as a Member of this Council I had the right to ask and to see that Balance Sheet, otherwise I would have done so and, perhaps, with the same result I have mentioned. Now that I know that, in future before I move a motion of this kind I will find out whether I have the right to get the figures as a Member of the Legislative Council. I shall ask the hon. the Financial Secretary that. It is very difficult for a Member of this Council to dig up all sorts of law. I had to go back to 1819, but the section which would have told me to pay one shilling for the Balance Sheet I did not see. One can well excuse me for not knowing that.

I would like to say that the fuel question is a secondary matter, but nevertheless the hon. Nominated Member, Mr. Morrish, made some very important points—that the Company can use less boiler-space or will have to use less boiler-space because of their use of oil, and the consumer will have to pay for that oil even if the cost of that oil keeps mounting up and up. As I say, it is 11 point something cents per gallon now, but it may go to 22 or 25 cents per gallon. So the fuel charge will keep going up and the consumer will have to pay. I do not consider that is fair. I did not think of it from that point of view. The hon. Member is an engineer and knows the little technicalities which the ordinary layman like me has no means of knowing. I have always known they used wood fuel before, but the light thrown on the necessity of the Company using oil by the hon. Member and that the fuel charge will not be very much is a worse light than I had been looking at it. It means that the Company must benefit considerably by using fuel oil. They will benefit in that they will have less ex-expenditure for a smaller quantity of boilers, and therefore must save money by using fuel oil even though the actual

cost of the oil used in operation may be higher than if they had to use wood.

If these facts are correct, I maintain that the Governor in Council should go in for what I ask in the motion and even what I have not asked for, and that is whether in view of the remarks made by the hon. Nominated Member, Mr. Morrish, there is any justification for the fuel charge at all. I do not think there is anything else I would like to mention except that I completely forgot though, I was concerned purely with the present increase, the one that is going to be put in force on the 1st August, that the bottom rate has been already pushed up 50 per cent. I must thank the hon. Member for Central Demerara (Dr. Jagan) for reminding me about it.

Question put, and agreed to.

Motion unanimously carried.

The Council adjourned to Thursday, 13th July, 1950, at 2 p.m.