

LEGISLATIVE COUNCIL.

FRIDAY, 9th JUNE, 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. (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, O.B.E., (Western Essequibo).

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

The Hon. V. Roth (Nominated).

The Hon. C. P. Ferreira (Berbice River).

The Hon. G. A. C. Farnum (Nominated).

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

The Hon. J. Fernandes (Georgetown Central).

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

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

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

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

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

The Clerk read prayers.

The minutes of the meeting of the Council held on the 2nd of June, as printed and circulated, were taken as read and confirmed.

PAPERS LAID

The following documents were laid on the table:—

The Report of the British Guiana Rice Marketing Board for the period 1st October, 1948, to 30th September, 1949—(The Colonial Secretary).

The Minutes of the meetings of Finance Committee held on 30th March, 14th April, 25th May and 1st June, 1950.

Supplementary Estimate for the quarter ended 31st March, 1950—(The Financial Secretary and Treasurer).

GOVERNMENT NOTICES.**INTRODUCTION OF BILL**

The ATTORNEY-GENERAL gave notice of the introduction and first reading of the following Bill intituled.

“An Ordinance further to amend the Widows’ and Orphans’ Pensions Ordinance, Chapter 207”.

QUARTERLY SUPPLEMENTARY ESTIMATE, 1950

The FINANCIAL SECRETARY & TREASURER gave notice of the following motion:—

“That this Council approves the Supplementary Estimate for the quarter ended 31st March, 1950, which has been laid on the table.”

ORDER OF THE DAY**PURE WATER SUPPLY AT PARIKA**

Mr. FARNUM asked and the COLONIAL SECRETARY replied to the following questions:—

Q. 1—Is it the case that the Artesian Well at Parika is not flowing, and that efforts by the Pure

Water Supply Scheme to get it to function have failed?

A. —The Artesian Well at Parika has ceased to flow satisfactorily and it is not considered that it would be worthwhile spending more money in attempting to re-establish the flow.

Q. 2—In view of the arge population at Parika consisting chiefly of farmers who contribute largely to the food supply of the city, and hardships being experienced by farmers and other residents to obtain drinking water, due to the failure of the Well, will Government take early steps to give relief to these people by providing an overhead tank at the Well in the adjoining village of Hyde Park, and conveying water therefrom by pipe line to Parika?

A. —The installation of an overhead tank and power driven pump at the site of the Well at Hyde Park and of pipelines therefrom to Parika is included in the programme of work for the Pure Water Supply Scheme and will be undertaken in 1951, provided that funds are available to meet the capital cost estimated at \$11 500; and provided that suitable arrangements can be made with the Village Authorities to meet the annual cost of operating the pump, which is provisionally estimated at about \$1,000.

CROWN LANDS RESUMPTION (AMENDMENT) BILL

The ATTORNEY-GENERAL: I beg to move that the following Bill intituled—

“An Ordinance further to amend the Crown Lands Resumption Ordinance with respect to lands which may be resumed by the Crown”

be read a first time.

Mr. WIGHT seconded.

Question put, and agreed to.

Bill read a first time.

The ATTORNEY-GENERAL: I give

notice that at the next or a subsequent meeting of the Council I shall move that this Bill be taken through all its stages.

AFRICAN METHODIST EPISCOPAL CHURCH (INCORPORATION) BILL

The PRESIDENT: Is the hon. Member for Western Berbice ready to proceed with his Bill?

Mr. PETERS: I was yielding my place to the hon. the Financial Secretary. I am prepared to go on, but he can go ahead.

UNIFIED CURRENCY BILL

The FINANCIAL SECRETARY & TREASURER: In moving the second reading of this Bill intituled—

“An Ordinance to implement an agreement to provide for a uniform currency in the Eastern Group of the British Caribbean Territories.”

I am afraid I shall have to make some necessary repetition of remarks I made in this Council in August, 1947 when moving the motion for the adoption of the Report of the Barbados Conference of 1946. I do so notwithstanding the risk I run of an accusation of loquacity by my hon. friend, Mr. Roth, I feel that the resolution in connection with this matter of August, 1947, having been passed by the old Council, it is quite possible that the Members of this present Council may be unaware of the principal factors which induced the Council to approve of that resolution. At present the matter is also very fascinating and interesting, and one is apt to allow the subject to run away. I would like to say, too, that at this present time my friend and colleague, the Financial Secretary of Trinidad is himself engaged in moving the second reading of a precisely similar Bill in the Legislative Council of Trinidad, and I hope that we in this Council will win the race and have the right to say that we passed this Bill before any of the other participating Colonies. We have endeavoured to synchronize the timing so that in both Legislative Councils this Bill will be taken on the same day and at the same time.

Sir, this idea of a unified currency for the West Indian Colonies and British Guiana is very old. It has an old history. I do not recall precisely when first it began, but I can tell the Council that in December, 1942, the Secretary of State for the Colonies wrote a despatch in which he referred to, what I may call, the recent history. There was in 1923 a review of West Indian Currency matters by a West Indies Currency Committee headed by a former Secretary of State, Mr. Ormsby-Gore. I think a member of that Conference was Lt.-Col. Ivan Davson. The principal recommendation of that Committee was that there should be established in due course of time a single authority for the issue of currency in the West Indies. The Committee recognized the obstacles which existed at that time to the carrying into effect of that idea. At that time, 1923, here was a large surplus of silver coins in most of the Colonies and silver coinage had the status of unlimited legal tender in all the Colonies. Then there was the very predominant part played in these Colonies by Bank Notes, that is, notes issued by Banks operating in the territory at the time. There was no limit on the circulation of those Bank Notes. Then there was variation in the conditions and terms of issue of such Government Currency Notes as were actually in existence at the time. Lastly, and perhaps most important of all, there was a variation in the monetary unit of account as between the various Colonies. We in British Guiana were using the conventional dollar. I think Barbados and Trinidad were using the pound and some of the other West Indian Islands were on the pound and the dollar. However, there was variation in the unit which was being used at that time.

This idea was revived by the Secretary of State in 1942, and in his despatch to the various Governments he pointed out that most of the obstacles to which I have already referred had been removed. There was no longer this very large surplus of silver coins; the status of silver coinage as regards legal tender had been reduced in all the Colonies; there had been an immense growth in the circulation of Government Currency Notes; there had been a very large

restriction in the issue of Bank Notes, and all the Government Currency Notes issues had been placed on one common basis—what is known as the sterling exchange standard. I will refer to that later. What was very important too was the fact that owing to war-time exigencies the three Colonies issuing Government Currency Notes—Trinidad, Barbados and British Guiana—had passed legislation making their currency notes interchangeable. That is to say, British Guiana Notes were legal tender in Trinidad and Barbados and *vice versa*. Admittedly a wartime emergency condition, nevertheless there it was; these Notes had become interchangeable. What is more important, all the Colonies had adopted the dollar — the conventional West Indian dollar — as the monetary unit of account. So the Secretary of State posed the question to all the Governments as to whether the time had not come to consider the possibility of the institution of a unified currency for approval.

As a result of that despatch the matter was given a great deal of publicity in these Colonies. A message was laid in this Council setting out some of the facts I have just related. Communications were sent to various public bodies, like the Chambers of Commerce, the Sugar Producers' Association, the Royal Agricultural and Commercial Society, etc. As a result of the replies received, each Government was able to report to the Secretary of State that there was a general feeling throughout the territory that there should be a unified system of currency. I may say, Sir, that the replies, some of them, were very characteristic. The Georgetown Chamber of Commerce, I remember, in their reply stressed that we should be very careful to watch that our share of the profits was reasonably high and we should also be very careful not to allow the administration expenses to get out of hand. The Berbice Chamber of Commerce, on the other hand, went curiously enough along a different line. They suggested that the monetary unit of account should be altered from the dollar to a new coin or note which they proposed to call a "raleigh" or a "carib".

I remember my minute on the file that I would not like my salary to be paid in "caribs"!

The next point is the establishment of a Currency Conference in May, 1946, at which all the Colonies concerned were represented. We in British Guiana were represented by Col. Spencer and myself, and the various banking institutions also were permitted to send observers. That 1946 Conference took place exactly four years after the Secretary of State had raised the question in 1942. The Report of the Barbados Conference was laid in this Council in July, 1946. It had been accepted by the Secretary of State, and we adopted it in this Council. As I said before, it was adopted by resolution of this Council in August, 1947. That resolution indicated that this Council was prepared to approve and agree to the recommendations of that Report and to enact the necessary legislation. All the other Colonies concerned did the same. Following on that and arising out of the recommendations of the Report a Preparatory Committee was set up to prepare the necessary legislation and to take such preliminary steps as were necessary to be taken. I was appointed Chairman of that Committee because I was probably the most senior Financial Officer in these Colonies at the time. Its first meeting was held in April, 1950. The Committee had quite a lot of work to do. There were many technical problems to discuss and solve and the legislation itself had technical difficulties which had to be overcome.

In the course of our deliberations I had the good fortune to be sent to England to have a discussion on the subject with H.M. Treasury and the Bank of England and other Officers concerned in England. I would like to say how very much surprised and pleased I was at the very immense amount of care, trouble and time taken by the senior officials of the Bank of England in a matter of this sort. They seemed to think, and I was glad, that they as the primary banking institution in the sterling area should take the utmost care to see that no error was made in introducing a system of this kind and, I am sure, what they did,

the advice they gave, have served us in good stead. I said that four years expired between the time when the proposition was first revived by the Secretary of State and the Barbados Conference in 1946, and four years since the holding of that Conference; and at long last we have this draft legislation which has been finally agreed to by all the authorities concerned. At long last we have this Bill before the Legislative Council.

I think that perhaps the simplest method of explaining what Members are invited to approve and what is involved in this legislation is briefly to run through the Report of the Barbados Conference itself, because in the recommendations of that Report are contained the meat of this proposition. I have had copies of that Report recirculated to Members and, if those copies are available in their hands, they can, perhaps, follow me as I run through those recommendations:

There is nothing in Recommendation 1. That is merely asking that steps be taken. Recommendation 2—Method and Form of Unification: The proposal is that this new system should be controlled and administered by a Board of Commissioners for the whole area. That is to say, a Regional Board. Recommendation 3 is that the location of the Board should be in this territory. That is to say, this area. I may say, Sir, there was quite a controversy over the location of the controlling Board. The feeling was, and in some respects it might be best, that the Board should be located in London as in the case of the West African Currency Board and several other Boards of a similar character, but eventually all the Delegates came to agree that in the case of this territory it is best that we should endeavour to centralize our control within the area itself and that we should use the facilities of the Crown Agents in England where required and for such technical advice as is necessary to be had in England, and that the Board should be comprised of West Indies and Guianese Officials located in the territory.

Recommendation 4: The proposal is that this Board should consist of five

territorial Commissioners appointed by the Secretary of State on the nomination of the Governors of each of the five constituent territories. I should say, of course, that the five constituent territories are, in alphabetical order — Barbados, British Guiana, Trinidad and Tobago, the Leeward Islands and the Windward Islands. Each Governor will have the right to nominate one Commissioner to the Secretary of State who thereupon will appoint him as a member of this controlling Board.

In Recommendation 6 it is proposed that in addition to these five territorial Commissioners there shall be an Executive Commissioner. The Executive Commissioner is to be a member of the Board, but at the same time he is to be the chief executive. He is to be the man in whom rests the function of management of the system. I do not know whether I may mention at this time—I cannot remember where it occurs—that it was agreed that the Headquarters of the system should be in Trinidad. Trinidad is undoubtedly the principal banking centre of this area. Its currency transactions far exceed those of the other territories. In fact I think they are more than one-half of the whole area, and there is no doubt that Trinidad will in every way be the proper centre for the setting up of the headquarters of this system.

In Recommendation 7 reference is made to the basis on which Currency notes and coin are to be issued. Members will see it speaks of the Sterling Exchange Standard. I have already referred to that as being the basis on which all Currency notes now are operating. It simply means that notes are issued in the Colonies in exchange for sterling in London. A Bank or indeed any person has a legal right to give or offer sterling in London and obtain Currency notes of the Colonies within certain limits. That is to say, under Rules or Regulations there is the limit as to the minimum amount of sterling which can be offered for exchange into notes, and *vice versa* by any person or bank. There is also of course a rate of commission to be charged. Members would realize that by this legislation, by this type of Gov-

ernment Currency operation it is possible to control the rates of exchange (by rates of exchange I mean rates of transfer from one sterling territory to another)—it being quite obvious that if the Commissioners of Currency were prepared to issue sterling in exchange for notes at a rate of exchange lower than the banks, all the exchange transactions would go to the Government. That of course is not intended. Nevertheless it is the means by which the Government can influence the rate of exchange fixed by the commercial Banks. As a matter of fact it is never used in that way since it is only the Banks that normally get sterling in London in exchange for currency notes or, *vice versa*, get notes in the Colony in exchange for sterling in London.

Recommendation 7 also deals with the very important question of the apportionment of the surplus income from the currency notes and coins. Members know that there is a very substantial income derived from the currency notes system of the British territories. I have not the figures with me but I can say that over a period of years there is a very substantial income derived from that source. What is proposed here is that the income of the unified system should be divided in the percentages shown in that paragraph. Trinidad is to be allocated 55 per cent. of the gross income, British Guiana 25 per cent. Barbados 10 per cent. the Leeward Islands 4 per cent., and the Windward Islands 6 per cent., and there are sub-allocations between the various constituent islands comprising the Leeward and Windward Islands. I may say that in that allocation Trinidad has been generous. That is to say the 25 per cent. fixed for British Guiana is slightly greater, or would produce slightly more than we are getting at present from the circulation of our own notes. Similarly the Leeward and Windward Islands get a greater benefit than they got before. Trinidad notes are now the currency of the Leeward and Windward Islands, and they get commission on the amount of notes which they take for circulation in those islands, and those percentages — 4 and 6 per cent.—have been fixed with the idea of being particularly generous to those smaller terri-

tories. Trinidad is losing slightly on this deal while we are gaining a little.

In Recommendation 9 it is proposed that this scale of allocation, which has been constructed on the basis of the currency notes actually in circulation at the time the report was issued, should be reviewed from time to time and a new scale of apportionment should be introduced. There is to be an initial two-year period before the new allocation is made, and thereafter a review after every five years. That, of course, is in order to be quite fair. One territory's circulation may go up considerably for one reason or another, and it would be quite wrong for the apportionment of the profits to remain constant in such circumstances.

Recommendation 10 refers to the monetary unit, the most important of all. We in this Colony feel, I am sure, that we must retain our dollar. A dollar is, of course, a conventional term. People sometimes confuse a West Indian dollar with the dollar of the U.S.A., but the two things are entirely different. Actually this system of issuing a dollar in the West Indies in relation to sterling is an extremely clever method of decimalizing the pound. I am sure my friend the hon. Member for Georgetown Central (Mr. Fernandes) will agree with me that that is correct. Who devised it I do not know, but it seems so simple and yet it is so useful. By merely calling a half-penny a cent and having \$4.80 to the pound we have been able to do something that the United Kingdom does not do, and that is to decimalize the pound. All our transactions have been carried on in dollars, and I am very glad that the monetary unit of this new system is to be retained at the dollar.

Recommendation 11 merely refers to the shape, size, design and other technical details of the notes and coins to be issued.

Recommendation 12 is more important in that it fixes the denominations of the note and coins to be used. The denominations of the notes are \$1,000, \$100, \$20, \$10, \$5 and \$1, while the coins will be 50 cents, 20 cents, 10 cents, 5

cents, 1 cent and ½ cent. There was some difference of opinion as to whether we should have a 25 cent piece or a 20 cent piece, but the balance of opinion was in favour of a 20 cent piece. One reason for that is that the size of the new coins should be, if possible, slightly different from the existing shilling. It would be very inconvenient if a shilling is confused with the new 25 cent coin, consequently, in order to enable a complete distinction it has been decided to have a 20 cent piece instead of a 25 cent piece. Members will also see that it is proposed to have a half-cent piece or farthing. Farthings, I believe, are current in Barbados and some of the smaller islands, but we have not been able to keep them in circulation here. I believe that shopkeepers do not like the farthing. They do not like to know that there is any item in their stock that should be sold for a farthing, but I think Members will agree that we should provide for this small piece for the benefit of the very poor of the population. It is a very useful coin to have if shopkeepers and the Banka would agree to use them. My information is that they usually hide them.

Recommendation 13 was merely a hope. It was hoped at the time the report was written that this new system would come into operation on the 1st of January, 1948. It is now June, 1950, and we are still on legislation.

Recommendation 14 deals with the setting up of the Committee.

Recommendation 15 is important in that it sets out the method by which the new organization will come into being. As soon as laws have been passed and the Board of Commissioners has been set up it is intended that the Board should assume at once the responsibility for all the existing note circulations in the participating Colonies, and the existing Currency Commissioners will transfer to the new Commissioners security investments to the equivalent of the face value of the notes which are in circulation. That is to say, if in British Guiana we have at the time of the transfer, let us say 10 million dollars in outstanding

notes in circulation we then transfer from our Note Guarantee Fund the equivalent in securities to the new Board. We hope that when that transfer has been made that there will still remain in our Note Guarantee Fund a surplus. That surplus will be ours. That is to say, it will eventually go into the public till.

Recommendation 16 refers to the procedure with regard to audit.

Recommendation 17 refers to assistance through the Crown Agents for the Colonies. There is a concluding observation in the report which Members may have read. I should like to read it because it is very significant. It reads:

"Although in framing these recommendations the Conference considered that any new Currency authority should operate in accordance with the normal Colonial Sterling Exchange standard, they were also of the opinion that the present trend in the British West Indies toward increased responsibility in political and administrative fields should be matched by a corresponding evolution in Currency and allied financial matters. They therefore regard the formation of a Currency Board for the Eastern Group as a first step in a process of developing regional responsibility, control and flexibility in these matters."

Behind all that verbiage is just the birth of an idea of a Central Reserve Bank for this part of the world. In fact it points the way to our assuming what obviously we are not at the moment in a position to assume, and that is complete control of our own financial destinies in currency matters as in political and governmental financial matters. I need say no more about that. It was just to give a pointer to the future development which is possible through the setting up of a Regional Board.

So much then for the report. I have gone through the report because those recommendations to which I have referred in so much detail are all embodied either in the Schedule to the Bill, which is an Agreement between the Colonies concerned or in the Bill itself. Consequently I need not now go through the Bill and explain in as much detail as I have already done in regard to the report. The

most important part of the Bill is, strangely enough the First Schedule. In that First Schedule is embodied the terms of the Agreement between the participating territories. Members will see from the marginal notes that it is in the Schedule that the principal details are to be found.

Turning first to the Schedule, which is the Agreement that the Bill seeks to enshrine into law, it will be seen from the marginal notes that it provides for the constitution of a Board of Commissioners of Currency, the Board to have sole right to issue currency, the establishment of a Currency Fund, a Currency Fund Income Account, the division of surplus between the Colonies concerned, meeting of deficiencies in the Currency Fund, and so on. All those matters naturally had to be agreed upon and embodied in that Agreement.

The Bill itself is formal, and contains things which should be in the main law. It contains a series of preambles and there are definitions in clause 2. Clause 3 makes legal the Agreement to which I have referred.

Clause 4 gives the Board the sole right to issue currency notes and coin. Clause 5 refers to the form of currency notes and coin, and also provides for what is set out in the Second Schedule. The Second Schedule is a technical document. It contains a statement of the denominations of the coins, the standard weight of each coin, and a remedy allowance, which is a technical allowance between the official weight and the possible weight which might be allowable after wear and tear of the composition of the coin. Members will see in the last column of the Schedule that the composition of the 50 cent, 20 cent, 10 cent and 5 cent coins will be cupro-nickel, i.e. 75 per cent. copper and 25 per cent. nickel. The figures in this particular Schedule were provided by the Royal Mint which will in due course manufacture the coins. I may say that when the Council is in Committee I shall move certain amendments in the third column as we have just had information from

the Mint that on further consideration certain of those figures should be altered.

Clause 6 refers to legal tender. There is no change in the position of notes as regards legal tender from what is current today, but as regards coins legal tender will consist of coins of denominations up to 20 cents in respect of an amount not exceeding \$10, and in the case of coins of a lower denomination an amount not exceeding \$2. In other words a person in paying a debt can legally tender coins of a denomination smaller than 20 cents up to a sum of \$2, and for a debt up to \$10 he can tender coins from 20 cents up to 50 cents. For sums over \$10 coins cannot legally be tendered.

Clause 7 deals with the conversion of currency notes and coin into sterling under the Exchange Standard which I have already described. Clause 8 refers to the meeting of deficiencies in the Fund or Income Account. Clause 9 refers to the power of the Governor to demonitize currency notes and coin whenever required.

Clause 10 is new in this Colony and is important. It seeks to make it illegal for persons to draw, accept or make any bill of exchange, promissory note or engagement for the payment of money payable to bearer on demand. What that means is this: that it has been found in other parts of the world that large business undertakings have adopted the practice of issuing notes payable to bearer on demand which, by reason of the large-scale nature of the undertaking or their position, sometimes become, or are apt to become, currency equal with the currency notes of the land. One can well understand that large business undertakings in the interior may for convenience issue tickets or cash orders, or something in the nature of notes payable on demand, and that in course of time those instruments are apt to become money. This clause is designed to prevent such proceedings. It will be noted that it will be an offence for any person to carry on such a procedure, but that any prosecution under this section is only to be instituted by direct order of the Board.

That is to say it is a protective measure to prevent any attempt to compete with the Board and the Government in the issue of money. That is really what it means.

Clause 11 deals with a matter which the hon. the Attorney-General might explain if necessary. It merely enshrines in this Ordinance the sections of the law which deal with offences under the existing law—offences like forgery, mutilation of coins, and so forth. It is to remove any doubt that the new currency notes will have the same protection under our law as now applied to the existing currency notes.

Clause 12 gives the Governor, after consultation with the Board, and with the approval of the Secretary of State, power to make Regulations for the better carrying out of the Ordinance.

Clause 13 relates to the position of Barclays Bank. As some hon. Members know, Barclays Bank operate under a Charter, and the right to issue Bank notes is granted the Bank under that Charter. Consequently no legislation in these territories can interfere with that right. Nevertheless Barclays Bank have voluntarily undertaken from time to time to limit their issue. I am sure that those Members in business will appreciate that in these days we rarely see either Barclays Bank notes or Royal Bank of Canada notes. Such limitation as has gone on has been done by voluntary agreement between the Governments concerned and Barclays Bank, but I should like to say that discussions have gone on with the management of Barclays Bank, and that it is intended that an Act of Parliament should be introduced at a fitting time which will vary the powers which are now held by the Bank under their Charter. That is a matter that can only be dealt with by Act of Parliament.

Clause 14 relates to our loved bitt, and I am sorry to think that it will have to go. We could not retain it in the face of the agreement for a unified currency system which does not embrace it. That is to say that British Guiana could not

maintain the position of having a special coin issued for itself alone, and I may say that the four-penny bitt has lost its value in our set-up. At one time estate accounts were actually kept in four-penny bitts, and payrolls were made out in bitts. I believe the managements now keep their accounts wholly in dollars and cents, and the function of the four-penny bitt no longer remains. So that I am afraid that this particular coin will probably become a museum piece which the hon. Nominated Member, Mr. Roth, will no doubt see fit to keep in a glass case in his new Museum.

Clause 15 gives the Governor power to bring the Ordinance into force in two parts—(1) in relation to currency notes and (2) in relation to coin. The reason for that is that we hope that the new notes may be introduced much earlier—possibly early next year, but the coin part of it may take some time. Consequently the Ordinance will provide for the new notes to come into force earlier than the new coins.

I laid some stress in my opening remarks on the history of this matter. I did so deliberately, because unification of currency was a feature of the Montego Bay Conference on Closer Association, and this particular proposition was also referred to specially in the Report on Closer Association. It is something which is desirable, Federation or no Federation, and as I have said before, it has a very much longer history. Jamaica is in a curious position with reference to it. I feel that Jamaica would like very much to come into this system. They sent observers to our Conferences and they were very interested, but the point is that Jamaica is still using the pound as the monetary unit of account. Their people are accustomed to thinking of £.s.d. Their accounts and books are kept in £.s.d., and their accounting machinery is in pounds. It would be a very difficult matter—at least not an easy matter—for a change over in Jamaica with its very large population, and although I feel that politically Jamaica wishes very much to come in, it is a very big step forward to take. Consequently, although they have been interested, and although they gave the

impression at the Montego Bay Conference that they very much desired to come into this unification as early as possible, they have not been able to take that step. It is hoped, nevertheless, that some way out will be found, and that Jamaica will in some way be able to take that step and join this unified currency system of the Eastern Group of the British Caribbean territories.

As regards coins British Guiana has a four-penny bitt and made some profit from the seigniorage on the production of this coin. We are hoping that when the new coins are put into circulation we shall make a substantial profit on the whole of the new coins.

I think I have said enough to make the position clear to the Council, and I most earnestly commend this Bill to the Council. We shall be the first Colony of the Group which have taken part in these deliberations, to enact legislation. I formally move that the Bill be read a second time.

The COLONIAL SECRETARY seconded.

Mr. FERREIRA: There is only one point I would like to make with regard to this Bill. I think it is desirable that we should have a unified currency system, and actually it is one step by which we can have closer association without federation with the West Indies. The point I wish to make is with regard to bills of exchange. I do not like the reading of that clause at all. It is true that prosecution under that section will not be instituted except by the Board, or by an agent duly authorized by the Board. That, of course, gives one a certain measure of security, but at the same time I would much prefer to see the word "may" substituted for the word "shall" in sub-clause (2) of clause 10. The point was mentioned that there are traders in the interior who send what are known as cash orders to Georgetown for the payment of their labourers. That is a system that has gone on for years and it is something one must accept, but if it is going to be illegal one must think twice before continuing such a system. It is for that

reason I make the suggestion that the word "shall" be changed to the word "may" so that the legitimate trader would have no fear of committing an offence.

As regards the coinage, I have no fear but I think it is not right to do away with the penny. One is accustomed to have a penny on hand and I know I have had to find one in New Amsterdam in order to use the telephone and it is also used for such things as paying 'bus fares in Georgetown. If the bitt, the three-penny piece and the penny are dropped, the operating machines on 'busses would have to be abandoned. That is the only remark I have to make about the coinage. On the whole I think this is a bit of legislation which marks a very progressive step.

Mr. ROTH: I desire to support the views of the hon. Member for Berbice River as regards clause 10. Up to a few years ago most of the business in the interior was done by way of cash orders in order to save the carrying of currency into the interior. As a matter of fact, as a Government Officer I used to send down a very large portion of the revenue collected in the interior in the form of cash orders and the financial transactions of people operating in the interior would be seriously disturbed if the issuing of cash orders is made illegal in future.

The FINANCIAL SECRETARY & TREASURER: May I rise to a point of explanation about that? I do not know whether hon. Members have read clause 10 (1) precisely and carefully, because it refers to "any bill of exchange, promissory note or engagement for the payment of money payable to bearer on demand . . ." That is to say, it does not seek to exclude a bill of exchange drawn in favour of any person, but it seeks to restrict the issue of bearer orders to anybody which, by transfer or otherwise, would become money payable on demand. No one wishes to exclude a bill of exchange in the form of a cash order drawn in favour of one person who can go and get the money or, perhaps, exchange it elsewhere. What this clause seeks to prevent is a system springing up whereby bills of exchange would be in danger of being

passed from hand to hand as money payable on demand. Such a bill of exchange would have a lot of power; it would become money and that is the whole point.

Mr. FARNUM: From the remarks of the Financial Secretary I take it that cash orders, as at present issued, will be allowed to continue. They are usually issued by saying "Pay to the order of" so-and-so — the name of the person being mentioned and then the amount to be paid.

The FINANCIAL SECRETARY & TREASURER: Yes, Sir; such cash orders can continue. The clause speaks of money made "payable to bearer on demand."

Dr. JAGAN: As far as I can see the issuing of orders payable to bearer on demand will be illegal; the whole Bill is designed to prevent that.

The FINANCIAL SECRETARY & TREASURER: That is so, Sir.

Mr. DEBIDIN: I have some very fundamental objections to this Bill. In the first place, I must observe that this Council was not consulted as to the principle of having a unified currency. I do not know what discussion took place on the subject in the last Council, but I certainly feel that a courtesy is due to this Council in all matters of this kind and especially in this one where, to use the words of the Financial Secretary, this is considered a very big step for Jamaica to take. I feel that British Guiana is in no less a position than Jamaica. The step to be taken is really a big one and there are certain considerations which must be given to it before coming to a final decision. In the first place, we find that geographically we are completely outside the Caribbean area, whether East or South, and it seems to me that strong efforts are being made to force us into the group by means which would tend to make us, geographically, part of the Caribbean in future. That, however, would not be acceptable to any nation which studies world geography.

It is clear that we are not in the Caribbean area and, therefore, I must say that the passing of this Currency Bill would be very unhappy so far as British Guiana is concerned. I am unhappy because it seems to me that we are submerging our individuality in these islands and that is something I strongly object to. As one who opposed the idea of federation I feel this step goes very far to the root of my objection. While the hon. Member for Berbice River says this Bill shows that we can unite without federation, I think that we must unite within bounds. We cannot despise our neighbours in the islands, neither can they despise us. At the same time there are many features of unification that are far more important and far less committal than this particular step. I had hoped that there would have been a customs union before we embarked upon unification of currency.

It seems to me that the fact that Jamaica has kept out, the Colonies suggested for this unification of currency should have thought much more carefully before drafting a Bill to be placed before their respective legislatures. It seems to me that because Jamaica has kept out the Colonies remaining had to choose a particular way of describing themselves and they are calling themselves the Eastern Caribbean Colonies. Jamaica, on the other hand, is more prone to Federation than British Guiana and it seems to me that the Colonial Office should have held up the passage of this Bill through the various Colonies concerned until the views of Jamaica were clearly obtained, apart from the question that they deal in pounds sterling. I feel that if these islands are thinking of federating some day, Jamaica must change her entire policy towards them and should do so immediately. This is a movement from which we should not expect Jamaica to stand out. Ship communication and everything else are beginning to take in Jamaica today and if there are any obstacles to be removed the question would be raised as to whether Jamaica as part of the West Indies is concerned, because we would have to go into the question of communication as regards Jamaica and, probably, St. Kitts. It is not right that

something cut and dried should come before this Council on the question of a unified currency before we have had an opportunity of going carefully into the principle and before the views of Jamaica were first obtained, especially as Jamaica is one of the Colonies more or less inclined to federation. I have already expressed my views on the question of federation; in my opinion we in this Colony should stay outside of it.

I feel that the time is not far distant when we will forge ourselves into something self-determining and put ourselves on a stronger footing than that on which we are at present. If we are going forward in that direction then we ought to be careful in removing from the shores of British Guiana such rights as she can rely upon to build her own prosperity and her own prestige. British Guiana has long been associated with the four-penny bitt and I agree that it should remain. To British Guiana it is important that we should continue to have our own currency — \$5, \$10, and so on. Why shouldn't we have our own notes so that when I travel to any one of the other places I would be able to present a \$5 note to be changed there and be proud of it.

Mr. FERREIRA: To a point of information: Would that money be changed?

The FINANCIAL SECRETARY & TREASURER: I think the hon. Member would have to be prepared to lose in the exchange.

Mr. DEBIDIN: I think hon. Members must know sufficient of the laws of exchange to realise that we might lose or we might gain. The other Colonies have their own currency and it is a question of fixing the exchange rates. There is no magic in the question of exchange; they have to buy our rice and so on and if they do not want to trade with us we would trade with other places and, perhaps, we might get some of the currency we want badly — dollars. We can sell more rice to Venezuela than we can sell to the West Indian islands. I do not think if we have our own currency there would be any drawback in that. I am not thinking of British Guiana in terms

of 400,000 people in the next 20 years, but as a big country — well developed, and one with which all the West Indian islands would be good neighbours and to trade with.

I feel very strongly on this point. British Guiana is on the mainland of the South American continent and I do not want anyone to misinterpret me when I say that we have a continental destiny. I did not want to make use of the term, but it seems to me that we do have a continental destiny and that it would be something of a paradox in the not too distant future, perhaps, to find that part of this mainland is Caribbean territory—an island so to speak — and that as far as coins are concerned we would not be able to speak of our own as the Venezuelans or the Colombians can speak of their pesos. I think that currency is something which distinguishes a particular area on the face of the world's map. We are now speaking as the Colony of British Guiana but we might become the Dominion of South America for all we know.

I would like to ask whether provision has been made in this Bill for our withdrawal at any time from this currency set-up. British Guiana has a proper currency system and it has been functioning very well in the past. I think the Financial Secretary is one of the Currency Commissioners and, so far as I know, we have done exceedingly well in that direction. I cannot see any strong reason for a change and I find that in his very able statement of the case today the Financial Secretary just went through the recommendations contained in the various clauses of the Bill which are really repetitions of the recommendations of the Committee. They are a hard set of recommendations following upon the idea of a unified currency, and I would like to know what are the real and fundamental reasons for abolishing our own currency which we hold so dear and for establishing what will be known as the Eastern Caribbean currency. I am certainly not very happy over the fact that we are joining in a unified currency system with Colonies in which Jamaica is not included. I feel that hon. Members, on reflection, would regard this as a step which might be convenient for certain

people or certain Colonies, but is not a happy one for us when we consider that we have been going along well with our own currency and there is no great reason for doing what we are about to do except that it is a possible means of forcing British Guiana closer and closer to federation. It seems to me that we might be attacked on the right and on the left and also in front and behind by various things in the name of closer association with these islands, and in the end it would be impossible for us to emerge from what would be, in effect, a down grade into federation.

Those of us who feel that this Colony has a future and should therefore keep out of federation, should consider that this is one of the steps that does not help us at all. If we feel that we should keep out of federation it follows that we should keep out of the question of a unified currency, especially when it has been truncated by Jamaica. I do not know what this step is going to cost this Colony because it has to pay for the calling back of currency and also subscribe to the Board, but it seems to me that we will have to play second fiddle to Trinidad in future. It is clear that Trinidad has the big share — 55 per cent. as against 25 per cent. by British Guiana — though this might be re-adjusted in future. It is, however, an indication of what our position is going to be. Trinidad is going to have the lion share of whatever profit is made, although it is true that their responsibility is correspondingly great. The central organization will be in Trinidad and British Guiana would have to produce her coins for redemption there. We might do it through an agency, but the point I am making is that we stand to lose by playing second fiddle when there is a possibility of occupying first place in future by reason of our potentialities and increased productivity.

In so far as clause 10 is concerned, I am glad to hear the explanation given and I think the interpretation is precisely as given in par. 10 of the report. I feel, however, that the wording could have been far happier in order to obviate any restriction upon people issuing cash orders which on endorsement would

become pro. notes capable of moving freely from hand to hand in almost the same way as a bearer cheque. Lest the clause be interpreted wrongly, I feel it would do no harm whatever if there is a specific explanation. In other words, another proviso should be added setting out the position clearly, and I feel that the Attorney-General should deal with the point in his reply. I have read that the coins we have in the Schedule have all been prepared already in the moulds from which they will be struck, but I feel that if this Bill goes through in spite of the valuable points I have made it would not be too much for this Council to suggest that we should be a little different from our sister Colonies by retaining the penny. I feel it has come to be part of our economic life, even more so than the four-penny bitt. I do not wish us to be penny wise and £ foolish, but I think we should try and retain the penny in British Guiana.

The FINANCIAL SECRETARY & TREASURER: Of course, the penny that the hon. Member is speaking about is not our penny. It is the British penny which circulates in British Guiana and in all the British West Indian islands.

Mr. DEBIDIN: But if it would not be legal tender it would be as good as withdrawn. But, speaking about tender, I feel there is too much restriction in that respect and that there should be something more. I think the restriction will certainly give rise to a great number of difficulties in the case of market vendors and such other people who may have a purse full of coins and may want to pay a debt. I agree that it could be accepted but in some cases it might not be. There is a case in the Supreme Court at present where a tender of \$100 is alleged to have been made and refused on the ground that the balance of the debt was far more than \$100. The defence of tender would not be available to that person if he could not have tendered more than \$2 in a particular coin and \$10 in another. I repeat that the amount in which these coins are made tender is far too low. I am not happy over the fact that we have joined in this unified currency, and that is the side of the question on which I find myself.

Dr. JAGAN: Federation or no Federation, I think this Bill is indeed a welcome step in British Guiana. On very few occasions I readily support a motion brought by the hon. the Financial Secretary and Treasurer, but on this occasion I have nothing to quarrel with him about. I am a native of this Colony and I can tell you, Sir, I experience very great difficulty in exchanging threepenny, four-penny and sixpenny pieces into dollars and cents, and I feel that this indeed is a very forward step to be taken, whether we are unifying with the other West Indian Colonies or whether we are doing it on our own, for the benefit of the people of this Colony. I feel it will be simplifying matters a great deal. I think that is the greatest argument in support of this Bill. It will simplify the exchange of coins into dollars and cents or pounds and *vice versa*.

A few comments were made, Sir, with reference to penny coins, and I notice that in the Second Schedule the one cent piece is to be made out of bronze and is to be 7.5 grains in weight. I know at the present time some of us have the experience of carrying on us coins, and we find that at times our pockets are overburdened with these pennies and cents, and one reason for this overburdening is on account of the bulkiness of these coins. They are too large and, I feel, a large amount of bronze will be saved and at the same time it will be very much more convenient to have the size and the weight of these coins correspondingly reduced. I know that in the U.S.A. what is known as a cent is a very small coin, almost the size of our six cents or eight cents pieces and made out of bronze. I feel, if that can be the change, it will be a remarkable thing so far as changes are being made. It will simplify the whole thing.

Reference was made, Sir, to the sentimental value of the eight cents "bitt" and also the retention of the penny piece. I am sure it will cause no difficulty whatever, because two cents can be readily changed for a penny and, if it comes to the question of telephone booths and the question of buses, the Telephone Company and the Bus Companies can issue

tokens as is done in countries like the U.S.A. where a special design is required either for the telephone booth or the busses. That token can be given when the person enters the bus, in which case he pays the money, whether it is a 25 cents, 10 cents or 50 cents piece, and receives the equivalent number of tokens to be used accordingly. I feel there is no difficulty so far as this arrangement is concerned, and I heartily support this Bill.

Dr. SINGH: I am supporting a unified currency. Broadly speaking it will assist commerce and it will be helpful to the people of the Caribbean when they are travelling from one Colony to another. For instance, I remember some years ago when I went to the Montego Bay Conference I took British Guiana currency with me. It was treated fairly in Trinidad at par, but when I got to Jamaica they did not know our \$5.00 Bill and, therefore, I had to exchange a \$5 Bill at some discount. When there is a unified currency, there will be no such loss and no headaches; people travelling from one country to another in the Caribbean area will have no trouble on the question of exchange or currency. Relatively speaking, through air communication the various Islands of the Caribbean have been brought closely to one another, compared with years ago. To travel from British Guiana to Jamaica it took 5 to 7 days, or from British Guiana to Trinidad 36 hours, and today you can travel from here to Trinidad in 2½ hours and from here to Jamaica in within 9 hours. What I have noticed lately is there is a great deal of travelling between the Islands. That is, many people from the Caribbean Islands are coming to British Guiana and **vice versa**. Many of us are going to those Islands and that has a lot to do with the future. I feel sure it will eliminate insularity in those Islands which are so widely divided by miles of sea, and that these interchanges, these continual visits, will bring about harmony and better understanding between the peoples of the Caribbean. Therefore I feel this Bill is a very helpful one, and I am supporting it.

Mr. FERNANDES: I am supporting

this Bill for a unified currency because it is a step towards closer union, and I support everything that tends to bring British Guiana and the Caribbean Islands closer together short of political union or federation, as you call it. The great point made about "bearer orders" is in clause 10 of the Bill, I think. I issue in the course of my own business thousands of these orders every year, but this clause will not cause any hardship at all, because while these orders are made payable to bearer they are made payable to the person named in the advice or order. Payment is never made to anyone except to the person who is named on the order or on his authorization. I am sure it will create no hardship, for those of us who use these orders and place something on the face of the orders other than bearer know the issue is not a negotiable instrument and can only be cashed at the office to which it is addressed. This clause is put in not to interfere with legitimate people in the course of their ordinary business but to stop some fellow who tries to have some kind of bank note of his own. I think it is wise that it should be left in the Bill. I am not supporting the hon. Member for Berbice River in his remarks about that, because if a man attempts that kind of thing he should be prosecuted.

I do not think there is anything more I would like to say, except to congratulate those responsible for selecting the various coins, I agree with the hon. Member for Central Demerara entirely that it is going to solve the matter of making change, and that change will be made in the future when these coins come into existence with greater speed and accuracy. On the whole, I think, this Bill is well drawn up, and I am going to support it without amendment.

Mr. PETERS: I am lending my support to this Bill. I am glad to know that the day has arrived for me to begin to see signs of the implementation of my own thought behind the phrase "Co-operation, yes; assimilation, no". The time is ripe for us to give evidence of that attitude of mine, which in some instances I believe to be the attitude of some of my colleagues around this table. The time is

ripe because, as a matter of fact, in a certain implicit manner we have a united currency in a sort of way between ourselves here and Barbados and Trinidad without having self-same tokens being circulated. In other words, we have the Trinidad Dollar bill and the Barbados Dollar bill being circulated freely in British Guiana on a par with our own Dollar bill. That is evidence of the fact that we are getting on to the system and mental attitude of a unified currency, and if we are going to make that attitude a rather classic one by the means of this Bill, then let us go ahead and do it. I very heartily support this Bill.

The FINANCIAL SECRETARY & TREASURER: I am extremely grateful to those Members who have spoken in support of this Bill. The last speaker mentioned a point I was going to emphasize in my reply, and that is this: The unification which is proposed by this legislation is practically already in being. I do not know if Members themselves have experienced in Barbados for example, what might easily happen in cashing a cheque or getting change. One might be presented with a pink British Guiana dollar note and a blue Trinidad dollar note, a blue British Guiana \$2 note, a pink Trinidad \$2 note and a multi-colour Barbados note, all in the same bunch, I feel matters are made very difficult by the multiplicity of the notes which are in circulation, and this new note issue will unify and put in order something that is in being at the present time. As a matter of fact in British Guiana, in my position as Officer in charge of our currency system, I have tried as far as I can to resist the action of the Banks in issuing for circulation in the Colonies to any large extent notes of Trinidad and Barbados, not because they are not legal tender or that I have particular pride in our own notes but simply for the convenience of the public. I think it is desirable that as far as possible we should have the notes simplified, and although those notes are legal tender it is rather not desirable that they should be issued in this way.

The real reason which induced the three Governments to make them legal

tender during the war was simply a matter of convenience and a matter of security during the war; lest it should happen that anyone of the Colonies should be short of notes it was provided that the notes of the other Colonies would be legal tender. What we are going to do now, if this legislation is passed, is to bring order to what may eventually end in chaos. The hon. Member for Eastern Demerara (Mr. Debidin) made quite a point about the use of the word "Caribbean". I want to know, and I cannot appreciate, why we should permit the few Islands around the Caribbean area not only to adopt but to take complete charge of the ownership of this word "Caribbean". I do not know whether he appreciates that the country of Venezuela and its neighbour to the west, Colombia, are known as the Caribbean Mainland. Those countries are not too proud to have the word "Caribbean" associated with them, and neither should British Guiana. As a matter of fact I thought he would have been pleased with the title of this Bill and the title which would appear on the notes not British Caribbean Colonies but British Caribbean Territories. We took care to avoid the use of the word "Colonies", and the words in brackets "Eastern Group" can at any time disappear if and when Jamaica decides to participate.

I was astonished to hear him say that we should not take this particular step because it was so wholesale a deal — the words he used — but we should go on with smaller things like Customs Union. Quite obviously what we are doing today would mean no upheaval in our economic set-up. It is a simple matter which will be scarcely noticed. What will happen is that people will only see in their possession new notes. I may presume that a Customs Union is a matter that will have a substantial effect on our fiscal and financial situation. So that to say, that instead of this step we should think of a Customs Union is something I cannot possibly understand.

Some comment was made in regard to the position of Trinidad. The hon. Member said that we should take first place or endeavour to take first place and

not let Trinidad have it. The fact of the matter is, certainly Trinidad's issue of notes is more than double our own. What else can be the result of that, than that they have the larger share in the income of this issue. The fact that they have the largest circulation and they are the most important banking centre in this part of the world is inescapable. Let the hon. Member remember this: Trinidad has not been selfish. I have been Chairman of this Committee ever since it started although I am Treasurer of British Guiana and not of Trinidad, and they were quite prepared that I should take charge and but for the inconvenience of the residence of the Chairman being in British Guiana and the headquarters being in Trinidad, I take it, the members of the Commission would be only too happy that I should continue to assume the chairmanship of the body. There is no selfishness in this particular set-up at all, and I am sorry to hear him make remarks that may seem to indicate that we demand first place or that Trinidad jumped to a place which they should not have.

As regards the coins, there is this to be said. Clause 5 of the Bill provides for amending the Schedules by Regulations. That provision was put in deliberately, because we are not yet certain what would be the final shape, design and even weight of these coins, or even whether or not we should have a two cents coin. I feel like the hon. Member for Central Demerara (Dr. Jagan) that the two cents coin is not really necessary, if we have a one cent coin and a half-cent coin. That is all we need, but it may be proved that the denomination of two cents is necessary, and in that case this Schedule can be changed by Regulations, and it can be provided for that two cents coins be issued. In fact all these denominations can subsequently be changed by Regulations. Such a change is rather an important thing and there is provision made for it. Lastly as regards the money-machines, telephone booths and buses, they will have to adopt themselves to the coins issued and not the coins to adapt themselves to them. I remember the new buses which are now operating in Georgetown were to hav-

coin boxes. I do not know what coin they use, not having travelled in them. I hope when the 5 cents coins come in they will suit those boxes and so the fare will be reduced from six cents to five cents. I think I have answered fully the point about the cash orders taken by the hon. Member for Central Demerara, and I have also answered all the other points raised.

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 1 — Short Title.

Mr. DEBIDIN: I want to ask for an amendment to be made wherever it occurs that the Bill speaks of "Eastern Group of the British Caribbean Territories"—that the words "and British Guiana" be added. I say that because I am not at all satisfied with the explanation given, that we should be proud to be called "Caribbean". I do not know whether the explanation goes back to the days of the Caribs and Arawaks.

The CHAIRMAN: That can come when I put the Title.

Mr. DEBIDIN: What I am afraid of, is that during the course of the Bill the term will be there. I have not been able to pick it out, and I intended to tackle it in the preamble.

The CHAIRMAN: The word "Caribbean" is in the preamble and title. I cannot remember seeing it elsewhere. I see it is in the First Schedule—1 (1). You will see there is reference to it there. I shall take the First Schedule with clause 3 of the Bill, and the hon. Member can mention it when I put this Schedule.

Clause 3 — Currency Fund

Mr. DEBIDIN: In paragraph (1) of the First Schedule it says "There shall be constituted a Board of Commissioners of

Currency to be styled the "Board of Commissioners of Currency, British Caribbean Territories (Eastern Group)". I would like to see after the word "Territories" the words "and British Guiana" inserted. I do not know if you are going to take the Schedule afterwards clause by clause, because there are certain paragraphs on which we would like to ask that an amendment be taken. For instance paragraphs (2) and (5).

The reason for my asking that is because it will declare our position. I should certainly be very sad indeed to know that our currency to be circulated in the Colony has no reference to the Colony whatever. I do not know fully what will be the wording and other things that will be on the face of the notes, as we have not the pattern here, but I assume it will follow the wording of the Agreement. I certainly would ask from all points of reason and for all that we hold dear in the way of prestige and ambition for the Colony that we retain something that is geographically correct; by having "British Caribbean Territories and British Guiana". No reference to the British Caribbean Territories can, I respectfully submit to this Council, include British Guiana, and I am really asking that it be made clear. It will also preserve to us something which features British Guiana in this unification of the Caribbean, and I will be instead of a sad man a very happy man, the Bill having been accepted in the second reading. I think that will solve the whole situation. I do not think the Caribbean Territories will contend that British Guiana is in the Caribbean territory. As a matter of fact you can more speak of Jamaica as being in the British Caribbean.

Mr. ROTH: To a point of enquiry! Are we discussing clause 3 of the Bill or the First Schedule?

The CHAIRMAN: The Schedule. I understood the hon. Member would be objecting to the words "British Caribbean Territories". It says in the Schedule exactly what they are, and the Government of British Guiana is mentioned at the beginning of the Agreement.

Mr. DEBIDIN: That is merely a statement of what Colonies are participating, the five Colonies that are included, but it does not at all affect the point I make that in the designation we are included wrongly, because British Guiana is not in the Caribbean territories. Whether eastern or what other point of the compass, we are completely out of the area, and I feel it is a very reasonable request that in all matters pertaining to this Bill the designation should be British Caribbean Territories (Eastern Group) and British Guiana. I think this Council should consider that very carefully. I am going to ask something that is worrying my mind since I last spoke. When we have a currency like this, is it not possible for people to leave British Guiana with a lot of currency illicitly obtained and so impoverish our country as there is nothing to identify the currency in the other Colonies. I would be very grateful to the hon. the Financial Secretary for his enlightening me about that. I believe we will have to have legislation directly about that. A man may choose to walk away with a pile of notes from British Guiana and take it to one of the Islands, thereby improving the wealth of that Colony and impoverishing this Colony. In the case of the Leeward and Windward Islands Trinidad's currency has been their currency, and it is reasonable to expect that Trinidad has been doing twice the amount of business British Guiana has been doing because she was selling her notes to those islands. Now that there is a proposal for unification the position will change, because those islands are participating on equal terms with Trinidad. That brings me to the point as to what our position would be if our money is taken to any one of those Colonies? I am suggesting that wherever in this Schedule the words "British Caribbean Territories (Eastern Group)" appear the words "British Guiana" should also appear.

Mr. SMELLIE: I just rise to make one observation and that is to ask the hon. the Financial Secretary whether it is possible for further consideration to be given to the proposal to introduce a half-cent. I do not think it will serve the

slightest purpose. I think it is a waste of time and labour to bring it in.

The FINANCIAL SECRETARY & TREASURER: On the question of the words "British Caribbean Territories" the selection of the word "Caribbean" was actually made in favour of British Guiana. We were very careful, because of the susceptibilities of certain people in British Guiana, to avoid the use of words which the people of Trinidad and Barbados and the other Islands prefer—"West Indies." Members will not find those words anywhere in this Bill. They have been replaced by the word "Caribbean" because it was felt that it was a generic term which would more truly embrace British Guiana without any reference specifically to that name on the currency, except that the design of the notes, which has been tentatively adopted, will have on the obverse representations of the mottos of the participating Colonies, and I can assure hon. Members that British Guiana's famous motto and design will have a prominent place in that general picture. I can see a lot of objection to the words "British Guiana" being incorporated into a generic title like British Caribbean or West Indies because, of course, other territories might feel that they too would like to have their individual names mentioned. We might easily come down to having a title on our currency with the names of Trinidad, Barbados, British Guiana, etc. One must surrender something. We must try to find some generic title for the common currency. One cannot insist upon being identified by one's specific name, and I suggest that we would be opening ourselves not only to criticism but to ridicule if we think that by having our name specially identified on the currency notes it would make the world believe that we are bigger than we are.

Mr DEBIDIN: I think I am completely misunderstood. I did not ask that the name of British Guiana be put on every note, but I contend that it is wrong to let the name Eastern Caribbean Territories remain when we are not part of the Caribbean group. While it relates to Trinidad, Barbados and the other islands

it does not relate to British Guiana and for that reason if the name British Guiana was added it would not be out of place. The other Colonies cannot contend that it is something for which they could also ask.

Mr. WIGHT: May I suggest to the hon. Member that the ignorance of the outside world as to where British Guiana is cannot be obliterated merely by putting the name British Guiana on the currency notes. We have today a West Indian cricket team engaged in a very important Test match, but it is not described as a West Indies and British Guiana team. If we take the generic term and split it up we will have each Colony requiring its own name to be mentioned so that people would realise that it is a part of the Caribbean. If we accept the general outside ignorance as to where these Colonies are situated it seems to me that Leeward Islands could get lost in the generic term just as much as British Guiana could. If we assume that outside knowledge is that Caribbean Territories, for the purpose of this particular Ordinance, is a term describing all the participants in this agreement then it seems to me there is no necessity to break away into fragmentation of particular units.

With regard to the point made by the hon. Nominated Member, Mr. Smellie, I do not know if price control will go on forever, but at the present moment a half-cent coin would help the Control Authorities because, instead of having to sell certain items at 2 lbs. for 7 cents, and having everybody trying to sell one pound of that articles for 4 cents, the Control Authorities would be able to see that one pound was sold for 3½ cents. Therefore, while price control lasts we would be able to control blackmarketing to that extent.

The CHAIRMAN: I do not think this Colony will get any of these half-cent pieces unless it asks for them. There is a recommendation on page 7 of the report of the Conference which reads:

"(ii) While it is considered that there might not be a great demand for the half-cent coin, it is suggested that the Board should be prepared to

arrange for the minting and supply of this coin to any Colony where the Government so requested."

I suppose it is a matter for this Government to decide whether we should have any of those half-cents. It does not follow that we will get them unless we want them.

The FINANCIAL SECRETARY & TREASURER: That is so, Sir.

Mr. FERNANDES: On the question of Caribbean Territories, for the information of my friend, the hon. Member for Eastern Demerara (Mr. Debidin) I would like to say that it is generally accepted in the Caribbean that British Guiana is part of the Caribbean territory because, as far back as 1947, I attended a Conference of the Caribbean Colonies which embraced Cayenne, Surinam, British Guiana, Venezuela, Colombia and as far as Costa Rica and Cuba, and it was called a Caribbean Conference. I would like to assure the hon. Member that he need have no fear because, generally speaking, it is accepted that we are part of the Caribbean Territory.

The CHAIRMAN: When we are thinking of the Caribbean Sea it is perhaps different.

Clause 3 put, and agreed to.

Second Schedule—

The FINANCIAL SECRETARY & TREASURER: I move that in the column "Standard Weight" the figures 240, 96, 48 and 24 be substituted for the figures 160, 80, 40 and 20 respectively. We have recently been advised by the Royal Mint that these weights are more convenient for making up the coins in packages for the Banks. I may say that we have not been given details, but that advice, coming from the Royal Mint, should be taken, and there is provision for amendment of the Schedule from time to time should it be found for any other reason that other weights are desirable.

Dr. JAGAN: I wish to make reference to the one-cent piece to which I referred a moment ago. If it is possible to make

that coin of lighter weight than 87.5 grains, something equivalent to the five-cent piece, I think it would be more convenient to carry around.

The FINANCIAL SECRETARY & TREASURER: The weight proposed for the one-cent piece, 87.5 grains, is related to the present half-penny. It is more or less the same size as the half-penny, and I think the people who have been considering this have always felt that they should not make a violent change; that the population of this part of the world have become used to the cent, and that the new Caribbean cent should be more or less the same size. I think that will be borne in mind. If the weight of opinion is for a smaller coin it would be changed. We will not go into this coinage business in a great hurry.

Mr. DEBIDIN: The weight of the coin will be very nearly half an ounce, which means that if someone paid you 16 of them you would be carrying around half a pound in your pocket. I do not think the new coins should be cumbersome and so difficult to carry around. As a lawyer I am paid very much in coins and I may be ambushed if my pocket looks too bulky. I think the position should be examined now and again and a request made for lighter coins. I do not know if the hon. the Financial Secretary is able to tell us what will be the markings on the new coins.

The FINANCIAL SECRETARY & TREASURER: Although the design of the coins has not yet been decided upon I can say that the reverse side will undoubtedly have His Majesty's portrait, but the composite design on the other side has not yet been decided upon. The table is based on 400 grains equal to $\frac{5}{6}$ of an ounce Troy, and I suggest that we leave it to the Royal Mint and the experts, except that we might express the desire that the coins should be lighter and smaller if possible.

Mr. DEBIDIN: I move as an amendment that coins of a denomination of not less than 20 cents should be legal tender for an amount up to \$25 instead of \$10 as proposed in this clause, and in the case

of coins of a lower denomination legal tender should be up to an amount of \$10 instead of \$2 as provided in the clause. Some people regard silver as more valuable than notes, and after all \$25 worth of silver is just a small parcel. It does not make any difference at all if \$25 worth of silver is handed over in payment.

The FINANCIAL SECRETARY & TREASURER: I agree with the hon. Member that there is nothing in it, and I cannot understand the reason for his contention. In spite of this provision which restricts legal tender in the case of 20 cent coins to an amount of \$10 I am perfectly sure that if anyone to whom a debt of \$15 is owed is paid in silver coins he is not going to refuse the money paid in that way. The law must make some provision which would allow a creditor some freedom as to what money he can legally be made to accept, but in principle and in fact we know that transactions are not governed by this at all. In normal practice nobody refuses money however it is tendered, but if anybody owed a debt of \$100, and through spite tendered a thousand pennies then legally the creditor could refuse to accept it. We know, nevertheless, that no creditor refuses money in whatever form it is paid.

Mr. DEBIDIN: I do not think it is just as easy as that, and I do not think it is correct to argue that because somebody is paid \$25 in silver and accepts it there is no need for my amendment. I am thinking of the convenience of the public. We know that there is a Rent Restriction Ordinance, and that if a landlord is not paid his rent there might be proceedings against the tenant for ejection or distress. In Court the tenant might say that he had tendered the amount of the rent, and the landlord might say that it was tendered in silver coins which he refused. We know that rents have been increased considerably, and that \$25 per month is not a high rental. A huckster in the market is expected to have more silver than notes in the course of his business, and he should not be expected to go around to change his silver into notes.

The CHAIRMAN: The hon. Member himself spoke about the weight of coins a while ago and said that \$25 in silver would weigh a couple of pounds. If he had many clients coming in to pay him and they all paid him in coins he would have rather a bulky parcel. It is all a matter of convenience. There may be people who, out of spite, would pay \$25 in bits and half-cents. We want to discourage payment of large sums in very small coins. It is done in every country, and it is so in our present law.

The FINANCIAL SECRETARY & TREASURER: I was about to say that one reason is that it is the present law. There is no reason why we should change the existing law which is perhaps the law in all the other Colonies. I do not think we should suddenly change our present law.

Mr. WIGHT: I feel sure that in his practice the hon. Member must have had several instances, as I have had, in which a tenant living, say at Kitty, sent his landlord who also lived at Kitty, a postal order payable at Cornhill Post Office in Georgetown. There is nothing to restrain him. Perhaps the hon. Member feels that his clients would pay him in weight of coins because of the weight of his legal opinions. I would hate to receive payment in half-cents if I am to be paid substantial fees, because I understand that today lawyers are paid substantial fees.

Clause 6 put, and agreed to.

The Council resumed.

The FINANCIAL SECRETARY & TREASURER: I move that the Bill be now read a third time and passed.

The COLONIAL SECRETARY seconded.

Question put, and agreed to.

Bill read a third time and passed.

The Council was then adjourned until 2 p.m. on Thursday, June 15.