

SECOND LEGISLATIVE COUNCIL

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

Wednesday, 11th February, 1959

The Council met at 2 p.m.

PRESENT :

Speaker, His Honour Sir Donald Jackson

Chief Secretary, Hon. M. S. Porcher, (acting)

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

Financial Secretary, Hon. F. W. Essex.

} *ex officio*

The Honourable Dr. C. B. Jagan — *Member for Eastern Berbice*
(Minister of Trade and Industry)

The Honourable B. H. Benn *Member for Essequibo River*
(Minister of Community Development and Education)

„ „ **E. B. Beharry** *Member for Eastern Demerara*
(Minister of Natural Resources)

„ „ **Janet Jagan** *Member for Western Essequibo*
(Minister of Labour, Health and Housing)

„ „ **Ram Karran** *Member for Demerara-Essequibo*
(Minister of Communications and Works).

Mr. R. B. Gajraj *Nominated Member*

„ **W. O. R. Kendall** *Member for New Amsterdam*

„ **R. C. Tello** *Nominated Member*

„ **F. Bowman** *Member for Demerara River*

„ **L. F. S. Burnham** *Member for Georgetown Central*

„ **S. Campbell** *Member for North Western District*

„ **A. L. Jackson** *Member for Georgetown North*

„ **S. M. Saffee** *Member for Western Berbice*

„ **J. N. Singh** *Member for Georgetown South*

„ **R. E. Davis** *Nominated Member*

„ **A. M. Fredericks** *Nominated Member*

„ **H. J. M. Hubbard** *Nominated Member*

Mr. I. Crum Ewing—Clerk of the Legislature.

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

ABSENT:

Mr. B. S. Rai — on leave.

Mr. Ajodha Singh

Mr. A. G. Tasker, O.B.E.—on leave.

The Clerk read prayers.

MINUTES

The Minutes of the meeting of the Council held on Friday, 6th February, 1959, as printed and circulated, were taken as read and confirmed.

ANNOUNCEMENTS

LEAVE TO MEMBERS

Mr. Speaker: I beg to announce that the hon. Member for Central Demerara, Mr. B. S. Rai, is on leave from the 10th to the 17th February, 1959, as he will be away in Jamaica attending a meeting of the University College of the West Indies.

PAPERS LAID

The Financial Secretary (Mr. Essex): I beg to lay on the Table —

- (i) Annual Report of the Inland Revenue Department for the year ended 31st December, 1957.
- (ii) Report of the Finance Committee of the Legislative Council on its consideration of the 1959 Draft Recurrent and Development Estimates (laid in the Legislative Council on 8th January, 1959), together with the Minutes of the Meetings of the Finance Committee thereon.

Mr. Speaker: Honourable Members, the question is, "That the Report of Finance Committee together with its Minutes be adopted."

Agreed to.

Report adopted.

The Minister of Natural Resources (Mr. Beharry): I beg to lay on the Table —

Annual Report of the Director of Agriculture for the year 1957.

MOTIONS

The Financial Secretary: I beg to give notice of the following Motion:

"Be it resolved: That this Council approves of the Estimates of Development Expenditure for the year 1959 which have been laid on the table, with the amend-

ments recommended in the Report of the Finance Committee of the Legislative Council dated 7th February, 1959, totalling twenty-one million, four hundred and fifty-four thousand six hundred and sixteen dollars as detailed by Heads in the undermentioned schedule and of the projects therein being financed from the Development Fund Ordinance, 1954.

SCHEDULE

Head No.	Head of Estimate	Estimate in 1959 \$
I.	Agriculture	772,965
II.	Civil Aviation	85,990
III.	Drainage & Irrigation	7,684,878
IV.	Education	694,400
V.	Finance	—
VI.	Forest	174,445
VII.	Geological Survey	496,385
VIII.	Health	543,620
IX.	Housing	891,168
X.	Lands & Mines	22,000
XI.	Land Development	999,227
XII.	Post Office	1,528,930
XIII.	Public Works	4,733,144
XIV.	Transport & Harbours	2,158,998
XV.	Miscellaneous	180,554
XVI.	Rural Self Help	300,000
XVII.	Social Welfare	30,172
XVIII.	Local Government	59,732
XIX.	Rural Electrification	36,000
XX.	Amerindian Development	62,008
		\$21,454,616"

INTRODUCTION OF BILLS

The Attorney-General (Mr. Austin): I beg to give notice of the introduction and First Reading of the

Full Court (Final Decisions) Bill, 1959.

Mr. Beharry: I beg to give notice of the introduction and First Reading of the

British Guiana Rice Producers' Association (Special Provisions) Bill, 1959.

ORDER OF THE DAY

BILLS — FIRST READING

The following Bills were read the First time :

A Bill intituled "An Ordinance to preserve the finality of certain decisions of the Full Court of the Supreme Court."

A Bill intituled "An Ordinance to provide that Members of a Committee of a District Association and of the Council of the British Guiana Rice Producers' Association shall continue in office as such for certain specified periods, and for matters connected therewith."

APPROPRIATION BILL

BUDGET DEBATE

Council resumed consideration of the Second Reading of a Bill intituled:

"An Ordinance to appropriate the supplies granted in the current session of the Legislative Council."

Mr. Speaker: The Second Reading of the Bill has already been moved by the hon. Financial Secretary, but I do not know whether he wishes to say anything further on it.

The Financial Secretary: No, thank you very much, Sir, I have completed my speech on the introduction of the Bill.

Mr. Kendall: In opening this debate, I would like to say that I am afraid I cannot comment on the hon. Financial Secretary's Budget Statement with the same amount of enthusiasm I may have shown in previous years on Budget proposals presented to this Council. This, I believe, is due to the fact that this is an apparently strange marriage between the Official section of the Government and the Majority Party led by Dr. Jagan, the Minister of Trade and Industry, who has influenced the thinking of the hon. the Financial Secretary in presenting a Budget for increased taxation on consumer goods which, to my mind, is unrealistic, uncharitable and untimely at this period of our economic climate when the situation is not as healthy as we would like it.

This Government appears to be unmindful of the unprecedented unemployment situation in this country, especially as it affects the rural areas where the cost of living is steadily rising and the opportunity for gainful employment rapidly declining. In the face of this

large scale retrenchment in our industrial undertakings coupled with the Government's direct or indirect labour reduction policies under the guise of economic measures, this Government has elected to increase taxation and, like the vampire, it hopes to suck its revenue out of the life-blood of an already over-taxed people.

It is significant that very early in the hon. the Financial Secretary's Budget Statement, which, incidentally I think, is the longest one he has delivered in this Council, he has admitted that we are passing through very trying times in our economic history. The basic cause, he says, is due to a world-wide industrial recession which has had an adverse effect on one of our major industrial undertakings, a concern which contributes very largely to our revenue.

In the face of all this the Government seems to have forgotten the many hardships experienced by hundreds of people who have been struck off from the Reynolds Metals Company in the Berbice River, the Demerara Bauxite Company in the Demerara River, and the British Guiana Consolidated Gold Fields in the Essequibo River. I think in these areas the constituencies are being represented by Members of the Government.

This is the people's Government, and I expect that Government will look after the interest of the people instead of trying to squeeze from them \$2 million by way of taxation on consumer goods. I think this is very uncharitable and unrealistic in the face of these circumstances, especially when we take into account that the \$2 million is needed to further the expansion of an industry that, at the moment, cannot find a ready market for its surplus production.

I think it was in the Federation debate when we were discussing whether or not we should join the West Indies Federation, that those who opposed our entry said that it was very easy to find a market for rice other than the West

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Indian market. Venezuela was cited as a place that would give more money for our product.

At some cost to the taxpayers who, incidentally, are not all rice producers, we were able to find out that this place Venezuela is not interested in the purchase of rice but rather in buying padi; and I understand that the Rice Marketing Board, an organization set up solely for the sale of rice, is negotiating now for the sale of padi to Venezuela.

I wonder whether the good doctor, the Minister of Trade and Industry, who is also Vice-Chairman of the Rice Marketing Board, realizes that in doing that he would be putting hundreds of people out of work, people who work in these rice mills to produce rice.

I do not know whether it is the studied policy of the Government in power to do everything in its powers to reduce opportunities of gainful employment in various fields of industry.

It is very easy for a party or an organization to bray at the street-corners and tell about the failures of previous Governments, how they were unable to prepare blueprints that would bring prosperity to the country and the electorate. It is very easy to tell the people that you are going to, if given the opportunity, create a more contented peasantry and higher standard of living in all parts of the country.

They have been given the opportunity to run the country. What do we find? We find after a year of blundering that here is a Budget bringing increased taxation on consumer goods, at the time when this Colony is facing a crisis.

Getting back to this unemployment situation, I think it is a function of any Minister, and an elected Minister at that, charged with the Portfolio of Labour, when a situation arises where there is this large-scale unemployment in industrial undertakings to make it his or her duty to negotiate with the sources con-

cerned and see whether it is possible to bring about some measure of relief by way of appealing to their good senses in keeping these people employed, at least for such periods that would enable them to get three square meals a day.

But what do we find? The Minister never took any action in trying to assist these unemployed people. Apparently she relied on the fact that there were similar conditions existing in other parts of the world, so why worry? Perhaps she would have been embarrassed to make suggestions to the management of various concerns against reducing staff when in certain departments in her own Ministry staff was being laid off, working class people were being put out of work without any thought about where they would find work or any means of livelihood. This is the type of Government that caters for the masses. Maybe they do cater to the masses but only those areas of the country where they are satisfied they can guarantee support not only for now but for the future political position.

I feel that the whole Development Programme should be recast to meet this new situation facing the country, and I would like to suggest for the consideration of the Government that the time has come when the Minister of Communications and Works should see to it that his colleagues agree that there should be immediately started work on extension of the road from Parika to a point opposite Bartica, and the road leading from Bartica to the Rupununi.

I feel that if that was done Government would be able to reduce the unemployment figure and thereby open lands for people to work in cultivation of food-stuffs other than rice. After all, the Leader of the Government has said time and time again there is need for diversification of the economy, and we should produce some of the things we import. That is a laudable aim, but if it is to be pursued and carried out, then it is the duty of the Government to not only think about Drainage and Irrigation

and make it such a top priority that all other things are overlooked.

A little before I came here I saw a poster outside where I live—I do not know whether it was put there intentionally—and this poster supported the tax-proposals of this Government. The point was made that the money they get from the extra taxes would go to build more schools, carry out drainage and irrigation projects and give gainful employment. I do not know if these posters are intended to apply to areas other than rural areas. They certainly are not applicable to the urban areas. I saw in the poster that the Government listed as non-essentials, items like beer, whisky, cars, and sugar—I do not know whether this is a non-essential, but it was there.

These taxation proposals, as the hon. Financial Secretary hinted in Paragraph 69 of the Budget Statement, are aimed at getting revenue from the resources of this territory for its Development Programme, and I agree with him to some extent that it is an obligation on the territory to provide a certain sum to carry out certain development schemes. But the timing is bad and I think the hon. Financial Secretary has admitted it in Paragraph 12, because he indicated that from 1960 and onwards the manganese and the alumina production would be reaching a point where commercial production would be done, thereby giving added revenue; so that it would have been well if he had waited until next year to think of those proposals affecting the consumer since during that period the opportunity for gainful employment would have been far better than it is today. That is why I feel that the taxation proposals as I said earlier, are untimely.

If the Financial Secretary feels that taxation amounting to \$2 million cannot give the added surplus to 1959, then why did not the Government accept the suggestion of the Secretary of State for the Colonies by issuing Government debentures, so that the people locally can

show their faith in the country by subscribing to Government loans thereby showing that they accept the obligations of the Development Plan Programme? I am wondering if there is some fear on part of the Government that these loans would not be taken up, and that is the reason for resorting to an increase in taxation on consumer goods.

I feel that the fear is real because the Government is satisfied that the people of this country are losing faith in the promises they have made over the years to run this country on an even keel and because of the higher standard of living that they have promised.

I think it was from 1947 to 1953 that the hon. Minister of Trade and Industry, when he was a Floor Member, was a great opponent of the manner in which the hon. the Financial Secretary had tried to get increased taxation, and it is significant to observe that the very items which the hon. Minister of Trade and Industry criticized all those years, saying that it was not the way we should increase taxation but other methods should be adopted, that he is now using to squeeze \$2 million out of the taxpayers. I think during that period he was the one who advocated that the profit on bauxite was so great that instead of trying to get taxation from rum and beer and tobacco, cigarettes and other things we should take it from a land tax or we should take it from sugar. Today sugar is the only one he has remembered—the others he has forgotten. I do not know if this is wilful, but now he has become a capitalist he has no desire to squeeze the wealth from the poor.

I feel that the tax on locally manufactured beer is uncharitable, and my reason for saying so is that for the first time in the history of this country the people have——

The Attorney-General: To a point of order! May I draw attention to Standing Order No. 33 (13) which says :

“A Member shall not speak on any

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matter on which he has a direct personal pecuniary interest, without disclosing the extent of that interest”.

I do not know if it is relevant to this particular case.

Mr. Kendall: Although I have not reminded myself of that Standing Order I can say publicly that I have an interest in Banks beer and I will not speak any more on it, but I know that I am not the only Member who is interested, and I know also that maybe one or two Members on the other side of the Table are interested. I do not see any harm in that, because I as an individual have for the most of my life been connected with a local industry, and my desire is to show my faith in my country and not to cry at all times about absentee proprietors and imperialists being people who suck the life blood of this country. By investing and showing faith in my country in a tangible manner I do so because I have faith in British Guiana; I want to go nowhere else but to remain here. But if the Standing Orders must be upheld in this particular instance, as suggested by the Attorney General, I shall await the ruling of the Chair, and I will not speak on the tax on beer, although I feel that I am dealing with the proposed tax objectively—not because I have shares in the company but because I feel that the imposition is uncharitable.

Mr. Speaker: The Standing Order is clear, it reads thus:

“A Member shall not speak on any matter on which he has a direct personal pecuniary interest, without disclosing the extent of that interest”.

It is couched in language which is not ambiguous and not equivocal. It does not prevent a Member from speaking. I shall read it again. (*Order read*). It is a matter entirely for a Member, if he has any direct personal pecuniary interest in a matter under discussion, to disclose the extent of that interest. It has never been the practice, as soon as a Member gets up to speak, for the Speaker to question whether he has any pecuniary interest in the matter. It is a matter for the indi-

vidual and his conscience, and if he transgresses he will have to abide by the consequences, whatever they are.

Mr. Kendall: Thank you, Sir. I think I understand the position now that I have indicated that I have an interest. It is a consumer tax and I am speaking on it on that basis.

Mr. Burnham: To a point of order! If the hon. the Financial Secretary says that it is a consumer tax a shareholder has no pecuniary interest in the tax.

Mr. Speaker: I have read the Standing Order and I desire to say nothing more at the moment. If a Member transgresses, certain consequences may follow.

Mr. Kendall: I feel that this tax is uncharitable because here is a company founded on local capital. A large section of its shareholders are ordinary people who have shown faith in the development of this country in a diversified manner. This Government has suggested that Guianese should take a greater interest in the improvement of their country, and I consider it uncharitable to increase the tax on a local industry which has been in production for just over a year, and which by efficient management has not only been able to fulfil the expectations of the Government but to provide it with revenue which it never expected by way of excise duty. I think it is also untimely to try to get more revenue from this concern when Government knows that it is the intention of the company to expand its production and to embark on other enterprises from which the country would benefit.

I think that when the excise duty of 50 cents per liquid gallon was decided upon it was estimated that only a certain quantity of the product would be produced in the first year, and I think the Financial Secretary then realized that in view of the tax concession given the company, and the competition of its product with the imported article, Government would lose Customs revenue on the imported article. But the local product has taken the market so well that instead of losing revenue Government has been able to

get as much or more revenue in the form of excise duty on the local article than it would have got in Customs revenue on the imported beer. I think that is very good, and such an industry should be encouraged as an incentive to the establishment of other industries. But instead of that Government has elected, because it is a good milch cow which has yielded \$500,000 in revenue which it never expected, to try to squeeze some more revenue out of it, and in doing so it might hamper the future productivity of that cow.

There is another aspect to be borne in mind, and I think the Vice-Chairman of the Rice Marketing Board, the Leader of the Majority Party, should realize that in the first year of the manufacture of beer the Board was able to sell \$36,000 worth of broken rice which has no export market. It is well that these things should be remembered, because if you want to win confidence, and if you want to have money circulated in British Guiana, then we should encourage these enterprises. We have always been saying that people come here, make money and take it out of the Colony. Here is a company that is making money, and I have no doubt it is making a lot of money, but it is not a foreign company. It is a local company and the money it is making is circulated in British Guiana.

It must also be remembered that British Guiana is not the only country that is offering concessions to industries of this type. I understand that one of the neighbouring Colonies within The West Indies Federation is offering better concessions to industries than the five-year tax holiday which we think so much about. They are offering a seven-year tax holiday. Barbados is offering a seven-year tax holiday; its excise duty on beer is less than 50 cents per gallon, and its anticipated consumption is more than that of British Guiana. If the Government of this country does not wish to see would-be investors going outside of British Guiana it would not persist in the proposed increase of this tax, which I think is uncharitable. It is not right;

it is not morally right. I know that the Government has the right at any time to increase excise duty; that is its legal right, but there are other things that must be taken into consideration. I feel that in increasing the excise duty on beer, which I say is untimely, this Government will be hampering the local company from investing in other schemes which can be economically beneficial to this country.

I now turn to potatoes. It is suggested that the proposed tax on potatoes would prevent people from eating potatoes and encourage them to use our eddoes, tannias, cassava and other local products, and because of that the Government is putting an extra tax of \$3 per 100 lbs. on potatoes, but I would like to tell Government that this tax will not prevent people from buying potatoes because there is no known local substitute for that article.

The Financial Secretary: It is not an extra tax of \$3 but an increase of the present tax to \$3 per 100 lbs.

Mr. Kendall: It is \$3 more than last year per 100 lbs. Whatever is the amount it is an extra tax which will cause potatoes to be sold at 3 cents per lb. more than it is sold at today, but that will not prevent people from buying potatoes, and the Leader of the Government should know that it is a national product which is known by some people as "ahloo."

Mr. Speaker: I have heard you constantly referring to "the hon. Leader of the Government". Are you referring to the Chief Secretary?

Mr. Kendall: I apologize; I mean the Minister of Trade and Industry, the Leader of the Majority Party, the Government that is in power today. He appreciates that this increased tax will not prevent people from using potatoes, and the only conclusion I can come to is that it is a wilful attempt to increase the cost of living. It is true that some people can pay the extra tax which will not hurt them, but there are others who

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cannot afford it, and if it is the Minister's view that they should use local products he will be surprised to know that local products will be more expensive than the imported article.

If he had any interest in the common man and would like him to use local products, it should have been his first duty to see to it that all local products are being sold at a figure to compete favourably with that of the imported article.

Then there is another side of it, and here is where the Government is lacking in foresight. The Government should appreciate, and if the Members of the Government did not appreciate it when these tax proposals were suggested, they have been told in no uncertain manner by the Canadian visitors that the imposition of this tax is indeed to create an embargo on potatoes which are produced in Canada and sold in British Guiana.

If this Government would like to have its products sold in markets where they can be sold easily, if the Members of this Government would like to have technical assistance, and would like other countries to assist in our Development Programme from a monetary standpoint, they should sit down and consider the commodities that are imported from those countries and do nothing that will impair that relationship which is so necessary for the progress of this country. There is where the Government, in its indecent haste to find revenue, did not spend any time in finding out whether the imposition of some of the tax proposals would not have interfered with countries where this Government is seeking aid.

That also applies to some of its juice taxes. However small it may be, the Government feels that it is a protective tax, and that people will use more local oranges, grape fruits and other fruits. I would have thought that the Government instead of doing that, would have created a canning industry and canned some of our surplus fruits. Government could have established a Canning Factory in

the North West District or in the Pomereroon. Our surplus fruits should be canned, and after they have reached the quality of the imported articles, then Government could seek to protect the industry. You are trying to protect something that does not exist at the moment.

In view of these circumstances I feel that the whole of the Budget proposals for 1959 are unrealistic, uncharitable and untimely. The Government has failed hopelessly in proving that it has a proper plan for the development of this country. This country is comprised of six peoples; we want to be able to live better, and we do not want to be tied down to a future of uncertainties and frustration.

I hope, Sir, that before this debate is ended, the Government will see the need to review its entire taxation proposals in the light of existing circumstances in the country.

Mr. Tello: It would appear that it is always my lot to speak on these Budgets when I am not quite prepared to do so. However, that will not minimize my appreciation of the very commendable way in which the hon. the Financial Secretary has presented the Budget. Unlike other civil servants who adhere to the usual language, he likes to entertain us with language admirably coined. Whether or not we agree with what he has said, we must recognize the thorough research and exhaustive preparation his Budget must have caused his associates and himself.

I would like to thank him for maintaining his high standard of efficiency. I know, through him, I can thank those officers who are not here for the work they have done in this connection. I am sure that he will tell us in his reply of the full co-operation he received from his staff, especially those who are closely associated with him.

In his statement or annexed statement to the Governor's Speech the hon. the Financial Secretary said that "in consultation with all the offices and ministries he prepared the budget and

there is nothing special he would like to mention." Therefore we must regard this Budget as one with nothing special in it that he would like to put before this Council, but on the advice of the offices and ministries he presented the Budget to us. There is evidence of collective responsibility in the presentation of this Budget, and naturally in the reply to criticism there will be collective explanations and defence of policy.

I am a) sincere, humble Trade Unionist. I have never been one of those dynamic, spontaneous fellows. I like always to fill the role of the small fellow who does not like to show his good deeds. There is a statement which impressed me, coming from the hon. the Financial Secretary. He said that "he continues to be surprised that it was expected that this Budget would provide the panacea for unemployment". The Trade Union Movement never expected any such thing, and while he continues to be surprised we continue to be disappointed that the Government has not yet recognized its responsibility to find employment to reduce the incidence of unemployment and to work very hard towards full employment.

The hon. Financial Secretary said that while there is a great deal of criticism about the amount of unemployment in the country, there has not been any constructive suggestion to rectify the matter. That is as far as the hon. the Financial Secretary is aware of. The Trade Union Movement has always promised and has always fulfilled its promises that it is willing to co-operate fully with the Government, and it could be relied upon for any advice, suggestion or recommendation. The Trades Union Council is an organization or central body, but I do not know that it is the responsibility of those who sit on this side of the Table to offer advice on such matters. As I understand it, our constructive co-operation is more or less restricted to constructive criticism in order to point out the weaknesses of certain motions, plans and programmes coming before this Council for consideration.

I wonder what the history of democratic Government would have been in the United Kingdom or the U.S.A. if the Government enjoyed freely the full and complete advice of the Opposition. Possibly we would have had one Party in power all along—either labour or conservative — and they would never have been any change in the Government, because in secret conclave the Labour Party would have been imparting to the Government in power, the Conservative Government, every workable idea and spending a great deal of its time convincing Ministers in office of the right thing to do. I do not think it is for us on this side of the Table to be given the responsibility of accepting the initiation of programmes, or the making or creating of them in such a manner that we would have the responsibility of the Government on our shoulders.

One goes to the polls to impress upon the electorate that one's policy is better than the other Party's. Having convinced the electorate, one is given a job to do. It is unfair for this Government or any other Government to ask those who are in the Opposition to be partially responsible for the formulation and administration of programmes and policies.

The reason why I make special reference to this particular statement by the hon. the Financial Secretary is because we, the working class people, are increasingly worried about the state of affairs as it relates to the problem of employment, unemployment and under employment in British Guiana. The worthy effort of a Trade Union movement and an intelligent progressive Government is to recognize that when a job is redundant it is the duty of the the Trade Union to press upon the employer and to assist him in finding ways and means for alternative employment.

It has been good industrial relation practice, and very much so in British Guiana, that in private enterprise when it is found that work is being decreased because of redundancy, employers and

[MR. TELLO]

trade unionists get together and examine their industrial and economic programme so as to readjust the employment structure with a view to accommodating the people who are unemployed. It is accepted that whether it is a large or a small business, whether it is insurance, electrical distribution, or the special service of selling and hiring cars, it caters for the ordinary man and directly or indirectly the working man participates in it.

It is a known thing that out of every ten individual purchases in every store, the working-man contributes from seven to nine of those purchases; and the same thing applies to the use of public transport. If you take a survey, you will find that the working-man is a great and consistent customer in business. If a man employs another in the building of a house and he has cause to retrench him, this will in its own way affect the business carried on generally in Water Street. So instead of telling a man to go home, to starve or to live in the best way he can, something should be done to help him find other employment. Whether we want to admit it or not, the record of the present Government does not show this.

It is recorded in *Hansard* that the hon. Minister of Labour informed us that retrenchment in the Housing Department came upon her in such a manner that she reluctantly had to dispense with a large number of employees; but she never told us anything as to whether her Department or her Ministry had investigated the possibility of finding alternative employment. This is the first responsibility, because nobody is elected or elevated to the high station of a Minister of the Government just to do the obvious; nobody is given a Minister's job in order to do what the ordinary man can do, and that is, telling these employees, in effect, "I have no further interest in you—go."

In the last year or so we have had the privilege of being led by a Government that has repeatedly said that it advocates a policy of socialism. But people who

know the ideals of socialism recognize that each and every man is a brother or every woman a sister in the working life of the world, and they carry with them the continued interest of such people.

I desire to compare the behaviour of the present Government—and I freely admit that the present Government is operating at a difficult time—during last year when recession was almost universal and employment opportunities became less. At that time it was also true, as we were informed through the columns of the Press, that in every metropolitan country and in every colony where recession had made its impression on the economy there was forced retrenchment and economy of labour, but every effort was made by their Governments to find new avenues of employment.

It has always been so in every democratic government, to make available to the working-man his daily bread. It has never been different in British Guiana. I would like to refer to the years from 1932 to 1935. In the year 1932 there was a terrible recession or depression in British Guiana and employment opportunities had frozen quite a bit; unemployment was terrific, as statistics tell us. In those years we did not have a party system of Government and, admittedly, we had not made as much progress generally as we have now. We had not fully accepted the true responsibility of the relation between Government and the working-class people. The Administration was made up primarily of Officials and expatriate people who did not have a close connection with the Guianese and whose interests were not bound up with the prosperity of British Guiana. They were mostly people who preferred to perform efficient service and be promoted to a better job.

But while our Executive Council in 1932 had a majority of Government officials, and besides this handicap the same Government had to deal with a deficit of \$543,000, yet in answer to the cry of the unemployed for daily bread that Government ordered the commenced

ment of public works, one of the measures embarked upon being the construction of Broad Street Government School. But depression was not so easily removed. It continued into 1933 with its financial difficulties, which seemed to be pursuing the local Government, the current deficit being \$291,000. The Government embarked upon relief work. Extensive general repairs were ordered for the Public Hospital, Georgetown, general repairs to the Alms House, general repairs to the Georgetown Prison. Having had two bad years of unemployment, that is what a conservative Government did — it embarked on public works even more extensively than was anticipated.

It was what was referred to locally as a reactionary Government, yet it saw the needs of the people; it saw that it was impossible for people to live honestly and happily, not being employed. It reached even further, down to the man in the street, when from December 1934 to March 1935 it provided money for soup kitchens and hundreds of people were able to receive hot meals.

What is the position in 1959? In 1958 this Government found itself with a surplus of \$1.9 million, nearly \$2 million, and though in fact thousands of people are unemployed, the Government closed its socialist ears to the cries of humble people for the right to sweat so that they may eat bread. What a comparison with the Government of 1932. No longer shall I join with anyone to denounce the reactionary, until the socialist can justify his claim to being a socialist.

When we make this comparison and we examine our position, we have to wonder whether we are truly going forward, whether it is true that we have made all this progress we claim to have made.

I wonder if the progress is simply for a special purpose. Probably we have grown up in ability to clamour for constitutional advance, and I join in that clamour, but now that I re-examine the whole situation I recognize that the

people's choice, who now enjoy a majority in the Government, have failed hopelessly to carry out the mandate they were given at the time of election, to make the people happy and make them live and not exist.

It is regrettable to say that Government was quite aware that there was a recession, and we were told that private enterprise was forced to retrench workers, but trade unionists who enjoy collective bargaining agreements with those private employers have reported on the willingness of those employers to reduce the incidence of unemployment as much as possible by adopting ways and means of opening new avenues to absorb the unemployed. But what do we find in the case of the Government? We find Government simply saying "We need money. Our money is exhausted and we need money for a particular programme. Money is more important than men and women, and because we have no money you people must be contented to be unemployed."

That is what it amounts to, because while the Government was aware that private enterprise was retrenching some of its workers it was the duty of the Government to embark on projects in order to take care of those people who were being laid off. But instead of that Government chose that very time, when people were coming down the rivers from the bauxite industries on the Demerara River and the Berbice River, and Sir Lindsay Parkinson Co. and other employers were laying off workers, as the time psychologically best suited to join in the retrenchment programme. We find that Government followed that pattern and carried out retrenchment in the Housing Department, the Public Works Department, the Transport and Harbours Department, and in other places. Where were those people to go for employment? There is no employment being offered in private enterprise, and no effort being made by Government to find employment for them. Isn't that an invitation by Government to those retrenched people to beg, steal or resort to whatever means they can to eke out a liv-

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ing? Sometimes I wonder what has become of those champions of the poor and downtrodden workers." How often have I not heard and read of that outside? What has become of those champions of the people; have they fled our shores? I am very much worried about our future but I cannot find words to express my feeling, because in this Budget we have seen a concerted effort to make the life of the working man even more unhappy—almost pushing him off the moral road.

While we have this record of what may be regarded as a conservative Government being far more generous to the working class people, we now have a Government with a surplus of \$2 million sheltering behind the excuse that there is no money. A gentleman who may be regarded as a conservative, an employer and a capitalist, told me himself and publicly stated in the Press that people were more important than money, ships and machines, but we find this elected and popular Government trying to demonstrate the reverse.

They say that we must have a surplus which is more important than people. I am very glad that my friends on the other side of the Table recognize that I am saying these things as a duty and with no personal feeling, and that they are willing to smile. But while we are smiling and conducting our business in an amicable and friendly atmosphere I want them to take what I say seriously, because in their anxiety for constitutional advance they have forgotten their first duty to the rank and file. Perhaps in the confusion at the Ministerial Building they have forgotten their very close associations and their many promises to the working-man, and I take this opportunity to remind them of those promises and to ask them to use this opportunity to re-examine the position, because everything I say here is 100 per cent. true and in the best interest of the Colony.

I want to say that as acute as the unemployment situation is, I am not satisfied that the Ministers of this Government

have done enough. As a matter of fact, at one time I thought the Ministry of Trade and Industry was enjoying a ministerial slumber, because there has been strong criticism throughout the last half of last year regarding the marketing of local produce. There has been serious criticism of the rice crisis and of the milk crisis, and in his haste to awaken from his slumber the hon. Minister flew across to Venezuela to seek a market for what has been described as our surplus rice, but I would prefer to say stored rice. On his return to the Colony we in the Trade Union Movement received a tremendous shock. We found that the hon. Minister was willing to negotiate a market for our padi. I see nothing wrong with negotiating a market for padi, but in the Press releases made by the Minister he has made no mention of any provision being made for the rice mill workers whose hours of work will be reduced by the shipment of padi direct to Venezuela instead of being converted into rice at the mills. Workers at the mills already suffer hardship through seasonal employment. There are very few workers at the rice mills who are employed throughout the year.

I am sure that the hon. Minister, as a member of the Rice Marketing Board and the Rice Producers' Association, is aware of that, and if he were interested in the rice industry, and especially the workers in the industry, I think he should have tried to sell rice to Venezuela instead of padi. The people in Venezuela seem to have more interest in their workers than he has in the rice mill workers of this Colony, and they refused to buy our rice because they want to ensure employment for their mill workers by purchasing padi from this country. I am certain that the hon. Minister has sufficient knowledge and experience in the skill of negotiation, and I would have expected him to have made some provision in the contract for the welfare of our mill workers. In his hasty flight to find a market for the excess stored rice he has forgotten his responsibility to the workers in this Colony, as the entire Budget has demonstrated. In its anxiety to find revenue and money for development

the Government has put forward taxation proposals which will result in the working class people having very few full meals until the Development Programme is well on its way. That is the position whether the Minister accepts it or not. The rice producers are more or less drawn from the working class people.

Here we find a Minister of Government, who in his local, public life has been associated in some form or another with the working man. I recall that for some five years he has been President of the Saw Mill Workers' Union, and he could not forget his relation with mill-workers having been so closely associated with them all these years. It is almost unforgivable that the Minister in his ministerial functions should have forgotten the lowly and most reliable class of people, the working class.

This may appear to some of us as a small matter, but it is not a small matter. We have seen that the travelling allowance for the Labour Department has been reduced. One can say that it is not the only Department where the travelling allowance was reduced. What is the Labour Department there for? It is there to assist people who cannot afford to pay people to represent them in labour matters.

One hon. Minister said that if the Trade Union Movement was strong it would not be necessary to have a Labour Department. That Minister was once a Trade Unionist, and he has just returned from the United Kingdom. He should know that the Trade Union Movement has been active in the United Kingdom for over one hundred years, and there is still a Department of the Ministry of Labour there which is similar to the Labour Department in British Guiana.

The Labour Department will always remain so long as this country is run along democratic principles. I say that the travelling allowance for the Labour Department is not on all fours with other Departments. Travelling allowances are paid to Labour Inspectors so that they can answer the call of the working man who is finding difficulty in personal nego-

tiations with his employer in the country.

Let us take a hypothetical case of a man who is dismissed wrongfully from a job twenty miles away. He rushes to Georgetown, lodges his complaint with the Labour Department and is told by the Labour Inspector on the twentieth of the month that he has exhausted his travelling allowance and will not be able to investigate the matter before the first of the next month—eleven or twelve days later. In what frame of mind will the employer be when the Inspector arrives twelve days later? He has already dismissed the man and, perhaps, has become accustomed to doing without his services. What service can that Labour Inspector then render the working man or his Department?

We should not be penny wise and pound foolish. If that man happens to be an influential person in his community, and he is very much disappointed because he could not receive the assistance of the Labour Inspector at the right time by virtue of his having to wait for a fortnight, when he goes back to the country disgruntled and succeeds in sowing seeds of discontent, can you expect to see any industrial peace in this country? You are exposing the industrial community to a certain amount of danger in an effort to save six hundred or one thousand dollars. Is it a proper investment to save one thousand dollars and at the same time permit the industrial relations in this country to break down, to destroy the people's faith in industrial relations, to encourage hate, malice and so on for the sake of saving money? If the Labour Inspector is in a position to settle matters at the psychological moment a lot of trouble can be avoided.

On the surface these things might not have their gravity exposed to everyone, but when one looks deeper down one finds the real problem. Government Members are always saying that we are not assisting them. I can assist now publicly and suggest that they should reconsider this matter and change their views regarding the reduction of this item in the Labour Department. This matter was raised in Finance Committee, and Members of the Government felt

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that the arguments were not sufficient to convince them, but sometimes a second attempt might do so.

Another very important matter in relation to the Labour Department is Government's refusal to accept a recommendation from this side of the Table to create a post of Senior Inspector in the Labour Department. I want to point out that when this recommendation was made there was no question of personalities involved.

Mr. Ram Karran : Is that so?

Mr. Speaker: Does that fit in with this part of the Bill?

Mr. Tello : It deals with a question of principle—the principle of cutting down expenditure in order to create a Budget with a surplus of so much. There is a principle involved. We are saying that it is bad policy and it lacks principle to simply impose the paring down of expenditure vigorously with the object of having a certain surplus. I am just trying to point out that in Government's anxiety to reach its objective it may be undermining the industrial structure which may involve greater expenditure than the surplus proposed to be saved by embarking on the reduction of travelling allowance.

We, in the Trade Union Movement, feel that when we have experienced and knowledgeable officers in the Labour Department to deal with matters of conciliation it is helpful both to employers and Trade Unions. We feel that, in order to retain persons with the necessary experience, it is necessary to create this new office in order to offer gradual promotion to officers, rather than pursuing the policy of transferring in order to accommodate them with promotion! That is the position and we, in the Trade Union Movement, feel that it is an oversight on the part of Government because this sort of thing has been going on for several years. Because there was some slight revision in the Department we made the recommendation that, inasmuch as there is step by step arrange-

ments for promotion in other similar Departments, the same principle should be applied to the Labour Department so that continuity of policy could be carried out without any degree of problems cropping up to the disadvantage of industrial relations.

I would like to mention one other small matter which relates to the employment of the working class people. It is said that if we cannot find employment, it is useful and necessary for one to employ himself. The co-operative movement lends itself readily to the working class people who can pool their small resources and put up the necessary capital so that they can be co-operatively employed. We find that the co-operative movement has certainly carried itself to the fields and factories and to a great extent to the saving and borrowing through the Credit Unions. But the co-operative movement itself complains that, while every effort and encouragement have been offered to co-operators to produce, to save and buy collectively, very little has been done for marketing the products of co-operatives. This omission has caused the Co-operative Movement, through its official organ, to comment very disparagingly on this matter. I would like, with Your Honour's permission, to read a portion of an article. I am reading from "The Co-operator" dated January, 1959. The leading article states :

"In what we may call the recent Agricultural drive initiated by Government, the Union played a full part and the results to some extent were gratifying. The snag, however, was that thousands of pounds of produce were either dumped or given away not because the Union and the Co-ops failed, but rather because no one went to the trouble to estimate the yield and to plan in advance for the proper distribution of the bountiful crops. Government, in order to satisfy producers, lost heavily, and is now at its wits end to make up for this loss".

This is an indictment on the Government. This is not what I have said; this is the voice of the people who have co-operated fully with the Government's production drive. One asks himself, what sort of magnetism is there that the Min-

ister of Natural Resources could have influenced the co-operators to such an extent that the agricultural drive proved a success and the fruits were bountiful? What could have influenced that Ministry or Minister? What is the particular personal magnetism in the Minister that has caused the people to rally to his call for greater production? What is it in that Ministry that is not in the Ministry of Trade and Industry? What is it in that Ministry that it cannot dovetail things in order that the results of the programme will be bountiful and can be distributed in the interest of the people in the country?

“The Co-operator” went on to state, and I will use its own words :

“Government, in order to satisfy the producers, lost heavily, and is now at its wits end to make up for this loss.”

Are we going to come here each year and vote money down the drain because some officer or some Minister has failed to do the job? That is exactly what we are asked to do here. If we are going to have this sort of thing each year we must raise our voices in protest, and as yet I have not heard or seen anything about marketing on a large scale—I must say that Government has a great deal of reluctance to inform this Council of its policy and plans; it prefers to release its policy through the columns of the Press.

I have read in the Press that markets for rice are being sought. That is what the Rice Marketing Board is there for; but if success is achieved the credit would go to the Ministry of Trade and Industry. I would not say that Government did not participate in the effort—actually, I am not sufficiently informed to say whether this is right or wrong—but if the Ministry is going to take sole charge of negotiating markets for rice, then the time has come to ask ourselves, what is the function of the Rice Marketing Board? Is there a possibility of the Board and the Ministry clashing?

As far as I know, the Rice Marketing Board has no political interests; its in-

terests are solely to serve the rice industry the Colony over.

I wish to repeat that I have the greatest respect for the hon. Financial Secretary's ability, but that does not deprive me of the right to inquire as to the need for all this paring down of almost every head of the Estimates; it is fictitious when in 1958 there were Supplementary Estimates of a little more than \$2 million, which did not interfere with the surplus that was intended. The objective of the surplus was reached, in spite of the fact that there was a high supplementary rate throughout the year.

I come right back to the taxes now. If in 1958 we approved of Supplementary Estimates of more than \$2 million and despite this the objective of a surplus of \$2 million was realized, then what is the objective of this new tax on commodities like potatoes? What is the real objective?

Last year, 1958, you had just come into office, you were not sure of yourselves and you wanted the necessary experience. You discovered you wanted supplementary provisions of more than \$2 million. You got that, and you still achieved a surplus. Why resort to a tax on consumers goods?

The Majority Party in its printed Manifesto made a public promise that it would stop indirect taxation that reaches down to the working-man.

I maintain that these taxes were badly conceived. I do not pretend to know much about budgetary policies. I do not pretend to have made a study of all the thought that goes into budgetary preparation, but I have read quite a bit about the practices of other governments, and I want to suggest that I firmly believe that the Government in office, especially the Majority Party, in advising the hon. the Financial Secretary did not give enough thought to the subject. The ordinary Government, like an ordinary businessman, in embarking upon a development plan usually relies

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firstly on using its own resources, and secondly, floating or raising a loan.

We must ask ourselves, can this country raise a large loan and pay interest on that loan? We must ask ourselves, too: if money comes along in dribbling bits through normal channels, can the money be enough to embrace an exhaustive programme in the interest of the colony as a whole? A businessman would certainly ask himself those questions. Is it not better to raise a large loan of say \$100 million and do the whole job at once? This "appendage" would pay for itself, a businessman would think, but to gamble with raising the prices might embarrass his customers and he would probably lose them.

To raise a loan would prevent us from doing the job in a piecemeal way, so piecemeal that we cannot even recognise it after millions of dollars have been spent, at the same time further burdening the already heavily taxed people. Which of the two policies is correct? In spite of the fact that I only a humble layman, I suggest that it is better to raise the loan. I am certain this policy of increasing taxation to meet the demands of the Development Programme is futile. It is a failure before it commences.

Never in the history of British Guiana has a Budget been so unpopular as this one. I say at once that this new taxation—so it will be regarded—to meet the cost of development is doomed to a failure because the money we would have got would not fully meet the objective, and it would not compensate for the ill will it has created publicly.

Government in its anxiety to raise money has gone straight down into the stomach of the working man. They have gone right down to disturb his eating habits. They have brought about a perpetual indigestion. All this is done in spite of a promise. The "People's Progressive Party Manifesto Programme and Policy" issued on behalf of Patrick Alleyne —

Mr. Speaker: How long ago was that? Are you going to read the whole of it?

Mr. Tello: It is dated 1957. I will not waste your valuable time, Sir. It says:

"We will raise and collect more by way of direct taxation from those who are able to pay and reduce the very high incidence of indirect taxation which falls heavily on the poor."

The potato is quite a familiar article of diet. I grew up among East Indians between the sugar estates of Port Mourant and Albion, so that the term "ahloo" is not unfamiliar to me. Children are fed on crushed potato soon after they leave their cradle, and it forms part of the diet of people from the lowest to the highest income group. I am sorry that the members of the Majority Party have advised a tax on potatoes, and I wonder why their official colleagues did not advise them that the potato is a popular article of diet in any part of the world. In England one knows of the popularity of fish and chips, and the potato is just as popular in British Guiana.

Although "The Co-operator" has claimed that farmers have produced local vegetables abundantly, the farmer himself will admit that he has not yet produced anything that can be considered a true substitute for the potato, and I say that if the tax on potatoes is intended to protect the farmer, Government is protecting him against his will. He is himself a great user of potatoes and he complains of the spiral of the cost of living, and that the tax on potatoes is not going to help him one bit. Nobody is going to buy more plantains, yams, eddoes or cassava than he needs. A farmer from No. 1 Canal has told me that no purchaser will substitute cassava for potatoes.

Mr. Speaker: I do not wish to limit you unduly in your speech, but perhaps you will permit me to refer you to Standing Order No. 35:

"35.(1) The mover of an original motion shall not be limited in the duration of his speech on such motion or in reply.

(2) Subject to the preceding para-

graph of this Standing Order, a Member shall not be entitled to address the Council for more than 30 minutes on any subject:

Provided that the Council may, by motion made and carried without amendment or debate which shall set out the extension, extend the time limited by this Order.

(3) The ruling of the Speaker as to the time taken by the Member shall be final."

I do not wish to stop you but only to direct your attention to the Rule, and that you have been on your legs already for an hour and 15 minutes. Go ahead.

Mr. Tello : Thank you, Sir. We know that you are always generous once a year when you allow Members to speak extensively on the Budget.

Mr. Speaker : I am fully conscious of it and that is the reason why I allow so much time. I have only directed your attention to the Rule. Please proceed.

Mr. Tello : Thank you very much. I was saying that I would be the first to accept a tax to protect a local product but I must first be satisfied that there is a reasonable substitute for the imported article which is to be taxed, and, secondly, that the machinery for distribution exists and is fully in motion to make the local product available to everyone in every part of the Colony and at a price comparable with that of the imported article. That is an accepted practice in the world, and it applies in the case of locally made "Lighthouse" matches which in quality and price are comparable with most brands of imported matches. I say that I believe that we are not serving ourselves when we essay to protect local produce which is still far out of the reach of the working man, as there is no distribution machinery to make it available to people in all parts of the Colony. Because potatoes are so much used by the working people the Trade Union Movement recognizes that the tax will increase the cost of living, and civil servants, Government and other workers will be

asking for more money, with the result that Government will regret having conceived the idea of imposing the tax on potatoes. Furthermore, the revenue anticipated from the tax is not such a large sum that some other means could not have been found to obtain it.

I have been looking at our *Hansard* reports in order to obtain some information about the history of the sugar tax. Perhaps I should say that I operate as a trade unionist in the West Indies and in British Guiana, and I know as a fact that the local price of sugar in Barbados and Trinidad is higher than that obtaining in British Guiana. I thought that had something to do with the proposed tax on sugar, and with Your Honour's permission I would like to read an extract from the *Hansard* report of the Budget Statement in our Legislative Council on December 12, 1952, at column 3202, in which the then Financial Secretary and Treasurer said :

"In His Excellency's Message No. 4 of the 26th of September, 1950, it was announced that the abolition of the three specific taxes falling on the sugar industry, referred to in Recommendation No. 39 of the Report of the Venn Commission, would be considered in connection with the 1951 Budget proposals, and by Resolution No. XXXVIII of 4th April, 1951, this Council accepted and approved the removal of these taxes as an aim of policy. It has not hitherto been possible to implement this undertaking but, in the light of the financial position now disclosed, it is proposed to introduce legislation to abolish the Acreage Tax and the Distillery Tax; and to permit the Sugar Duty of \$1.00 per ton on sugar manufactured in the Colony to lapse on the 31st of December, 1952."

A little further the Financial Secretary and Treasurer said :

"Furthermore, in order to hold down the cost of living it is still necessary for Government to continue a measure of subsidisation of food which was one of the considerations that justified the imposition of the sugar duty. Accordingly, it is only right that I should give a warning that the sugar duty may have to be revived, if it becomes essential to raise additional revenue for these purposes, and the circumstances of the industry justify a direct contribution from sugar producers."

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If I understand it correctly it would appear that the warning that the sugar duty might be revived at some future date was influenced by the possible need in the future for subsidizing the cost of living. What is the position today? The position is that the Government itself has moved to raise the cost of living by imposing a tax on a popular article of diet, and to counteract that it proposes to use the sugar tax to subsidize the cost of living. But there is no such intention. I have not gathered that from the Financial Secretary's Budget Statement in which he says that the imposition of the tax of \$1 per ton on the production of sugar is for another purpose—to raise revenue for the Development Programme. I want to say that while the Government may be politically, constitutionally and even legally correct, and it is not bound by anything stated by a previous Government, it is morally wrong, because a previous Legislature had decided to allow the tax to lapse on the recommendation of a Commission whose recommendation was respected, but in the event of the cost of living rising to such an extent that there was need for subsidizing it, the tax would be revived.

The position today is simply this, that for some time the Man Power Citizen's Association who cater for the sugar workers, have been trying to impress upon Government that the cost of living of the sugar worker and the standard of living he aspires to is of such that the sugar industry has, in their opinion, reached the ceiling of its ability to pay higher wages. The M.P.C.A. approached Government seeking an increase in the price of sugar so that the money could be used to increase the rates of wages paid to the sugar worker.

I will admit that this was not the policy of the Trade Union Movement, and it was not endorsed by the T.U.C. I merely mention it as a statement of fact that the M.P.C.A. tried to increase the earning power of the sugar workers by asking that the subsidy be increased. If the M.P.C.A.'s contention is correct, it simply means that the 2c. per pound

on sugar would have gone directly to the pay-packets of the sugar worker. If the local consumer of sugar would put himself on par with the West Indian consumer and pay 2c. more on a pound of sugar the money could be used to increase the wages of the sugar workers.

Be that as it may, I agree that if the local price of sugar was increased by 2c. per pound the cost of living would go up. The M.P.C.A. contends that the rate of production goes up year after year. In 1958 there was a windfall in the sugar industry, and I think the industry played the part of employers interested in their employees. In that year the M.P.C.A. received for its workers a once-for-all bonus exceeding \$1 million. The windfall in the sugar price was received by every producing centre in the West Indies, and the only territory that paid that once-for-all bonus was the British Guiana Sugar Producers' Association.

Another point that must be taken into consideration is that the time is ripe for the M.P.C.A. to commence negotiations with the Sugar Producers Association. In whatever way a tax is imposed it finds its way down to the working man. Whether it is company tax, income tax, or personal tax all the employer does is to readjust his expenditure, so that less money will remain in the margin for wages. That is the position in which the sugar workers have found themselves today. I do not know how much money will accrue from this. Suppose, we say, it will yield \$3 million, some of the money would go to the Government by way of company tax, income tax, etc., and a lot of money would go direct to the Treasury.

I repeat that this is the unfortunate position of the sugar worker. He, through his Union, is therefore ready to negotiate, but since the stage is set for negotiation we have to deal with this new tax of about \$180,000. The Union recognizes that since the S.P.A. has seen the position it has revised its negotiation policy and argument, and it becomes obvious that the margin available for increased wages will be less.

I am not advocating the case of the Sugar Producers' Association, and I do not believe that the tax will hurt them. I believe that we could, truthfully, say that it will assist in impairing its relations with 30,000 people. I feel that 30,000 people is a number to be reckoned with. Let us take all the points surrounding this matter into consideration, and look at them with just and fair eyes.

Sugar is manufactured from the sugar cane. It is known that cane-breeding is an expensive affair. I do not know what it costs, but I understand that in Jamaica cane-breeding expenses are shared with the Government paying 45% and the industry 55%. In Trinidad the industry pays 50% and the Government 50%. In Antigua and St. Kitts the Government and industry share alike. In Barbados the Government carries the entire expenditure. In British Guiana the industry itself has to carry the entire cost of cane-breeding. If this industry was located in the territory of Trinidad 50% of the cost of cane-breeding would have been available to the workers as wages. In this Colony that amount is not available because Government, or the previous Governments have never contributed a penny towards the cost of cane-breeding in this country in order to keep such an important industry alive.

I would also like to say that every sugar producing centre in the Caribbean—from Jamaica to Trinidad—pays company tax and income tax at 40%. In British Guiana the S.P.A. together with other companies pay 45% as company's income tax. Added to this the average cost of producing and reaping cane is apparently higher in British Guiana to the producers than in any other place in the West Indies.

In spite of that their rates of wages compare favourably. In many cases the sugar worker in the other Islands receives a little more, but the reason for it is that the cost of drainage and irrigation in British Guiana is very heavy and that sort of expenditure does not affect sugar production in the West Indies.

I feel that the money paid to the working man is never lost. If this \$180,000 were relieved for payment of wages to the sugar worker, it is safe to say that nothing less than 70% to 90% of the money will go into circulation and will reach the Treasury by way of income tax or indirect taxation through the Customs. The community will benefit from it and the money in the Treasury will be increased.

I think it is shortsightedness on the part of the Government. I also think that Elected Members of the Government have forgotten how helpful the sugar workers were to them at the time of the Elections. I, myself, once worked in the sugar industry and operated with the particular Union, so I feel very strongly about this matter.

Further, I want to say that since June, 1957, the M.P.C.A. was in correspondence with Government regarding the payment of pensions to sugar workers. Up to this day the Government has neither been in a position to tell the Union when it will introduce a scheme that will embrace the sugar worker, nor in a position to tell the Union that it will exempt the sugar industry from the Government scheme so that the sugar workers will receive their pensions. I am assured that the S.P.A. was ready to implement the sugar workers' pension scheme.

Mr. Speaker: Are you not trespassing on my patience? Does the question of the pension scheme have so very much to do with this Budget? I will have to remind you about the time limit again.

Mr. Tello: I am sorry to trespass on your patience, Sir.

Mr. Speaker: You have already spoken for one hour and forty minutes. I do not wish to stop you, so if you wish to say something further on the Bill you might pass on.

Mr. Tello: It is regrettable that the Government found it necessary to introduce this particular tax when there is no

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need for subsidizing the cost of living and the money will not be used for subsidizing the cost of living.

Secondly, it has made wage negotiations much more difficult, and has made less money available for the payment of wages to the sugar workers.

Thirdly, in spite of this new tax Government is not in a position to accommodate the sugar worker with some sort of security in his old age. I feel that this tax, directly or indirectly, has brought up factors that will further postpone the day when the sugar workers will enjoy certain benefits.

I will now touch on the taxation of locally produced beer. I am not going to be long on this, and I hope that I will conclude in ample time for another Member to speak on the Budget.

I would not like to rehash all the arguments put forward by the hon. Member for New Amsterdam, but he has already told us that the local industry was born of the faith of local people, it represents local private enterprise and the confidence of the Colony as a whole. He has told us that a high percentage of the capital was subscribed by local people, especially the ordinary, small man in the street. He has also told us that it was the first time that any industry started on local initiative has so captured the imagination of the working-class people, and I want to pay tribute to the organizing ability of the leader of this industry.

To give Members some idea of what has been achieved in so short a space of time I would refer to the industry manufacturing confectionery in this Colony, which is over 50 years old and yet has not made such an impact upon the people. Hundreds of people in this Colony are not aware that local confectionery has been made here for so long.

What has happened in the case of locally produced beer? The organization responsible for creating the industry on such a thorough scale that it became the

people's industry has demonstrated the ability of Guianese. We cannot compare the machinery for the distribution of local produce generally with that for the distribution of Banks Beer. In its thoroughness one can see sleepless nights.

The beer has succeeded in putting itself in a place above anything produced in the Caribbean. My good friend, Ken Sterling, intimated to me here and in Jamaica that Banks Beer is better than any other in the Caribbean, and much better than Carib or Red Stripe. All this represents that it is not just another industry—it is an exhibition intended to catch the eyes of the world. We must always be willing to spend money and encourage others to do so in order to build our industries, and whoever attempts to bring about stagnation instead will be judged by posterity.

My hon. colleague, the Member for New Amsterdam, is in a better position than I to know if the brewery is making money. I would not be surprised if it is making money because the beer is being sold at a popular price. To upset that price after one year would bring about a drop in its popularity. Let us not look at this measure as a simple tax on production but as something that would have a most destructive effect on an existing industry and almost kill the initiative of the people of British Guiana.

For the past few years the people of British Guiana have been taught to be rather suspicious of the man with a few cents in his pockets, the capitalist. The fact that the working-class people have set aside all these prejudices and have pooled their money, confident that they are doing the right thing, not only doing it for themselves but for British Guiana, should not be overlooked by the hon. Minister. The hon. Minister of Trade—

Mr. Speaker: Please do not go yet, Mr. Davis; I have an announcement to make later on. All the Members seem to be leaving.

Mr. Tello: I was saying that this is a fact that would help the Minister of Trade and Industry later on: the argument could be used that the people have faith in their own country, when seeking loans or grants.

I expect the question to be asked, "If we do not tax Banks Beer, where will we get the money from?" Is it not fair to ask a question in return? "If the industry was not there, where would you get the money from?" And if the question is asked, "Why are you not satisfied with what you are getting?" it prompts this reply in return. "The people who invested their money have not yet received a penny in dividends

Sir, I want to finish so that somebody else can speak. I seem to have trespassed on your patience—

Mr. Speaker: Not my patience; the time limit.

Mr. Tello: I wonder how patient is time.

Mr. Speaker: You said just now that you wanted to give another Member a chance, but it seems you do not want to.

Mr. Tello: I want to say finally that in spite of the opinions expressed, I differ about the means of raising the necessary expenditure required. This does not in any way detract from the high regard for the officer who has presented this Budget, and who, in my opinion has done a very thorough job. I think the new taxation is unprecedented and considerable thought should be given to its being withdrawn.

Mr. Speaker: Hon. Members, I wanted to make an announcement before all hon. Members leave one by one, and that is the reason why I asked the hon. Member, Mr. Davis to remain. I understand it would be inconvenient for a meeting of the Constitutional Committee to be held on Saturday morning as we had proposed, and I thought that Members may agree if it is suggested to meet here instead

and continue with our Budget debate, so that Saturday morning would not then be lost to us, subject, of course, to whether Members wish to get on with it then. We can sit from nine o'clock to eleven o'clock, or a little later if Members wish, and push on with this Budget. This is only necessitated by the fact that Saturday would be inconvenient to one of the Members of the Constitutional Committee who is particularly concerned with the subject proposed to be discussed.

I may as well make at once this other announcement. During his speech the hon. Nominated Member, Mr. Tello mentioned that he did not have share in Bank Breweries Ltd.; some time earlier the Attorney-General brought to notice Standing Order 33, sub-Order (13), which says that a Member should not speak on any matter in which he has a direct personal pecuniary interest, without disclosing the extent of that interest. At that time I read the rule and I said that it was entirely a matter for Members themselves to consider.

As it has been referred to again I thought I should make the position a little clearer, so Members would be better able to understand it, and know how to take their stand. That question has been noticed before, and in the 1958 Edition of "An Introduction to the Procedure of the House of Commons" by Lord Campion, at page 185, there is this recorded under "Personal pecuniary interest", that the 'basic' ruling on the general question is that of Mr. Speaker Abbot on the 17th July, 1811, and I now quote:

"This interest must be a direct pecuniary interest, and separately belonging to the persons. . . , and not in common with the rest of His Majesty's subjects, or on a matter of state policy."

I want also to read to the Council what has been ruled in the House of Commons. I read from the Parliamentary Debates of the House of Commons 1931-32, Vol. 261, Cols. 192-93. I shall

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read sufficient in order that you may understand the whole situation. I quote:

“Mr. Mander: On a point of Order. I wish to ask your guidance, Mr. Speaker, on a matter of considerable public importance, and that is as to how far it has been in accordance with the Rules and customs of the House for a Member to vote in connection with a matter in which he is specifically and personally interested? One of the articles dealt with in the Schedule affects me quite clearly from a business point of view. I ask your guidance, and I dare say it will affect a great many other Members, as to how far one could, in accordance with precedent, record a vote on a question of that kind?

“Mr. Speaker: This question has often been raised before. Indeed, it has been put to me on several occasions. I have had always to remind hon. Members that they individually must be judges themselves on the question of personal interest; but, as a general Ruling, I would give the following:

The interest of a Member of a general or remote character on any Question before the House would not operate as a disqualification. The interest to disqualify must be immediate and personal.

There is a ruling given by one of my predecessors a very long time ago, and it is just as applicable today as it was then. Mr. Speaker Abbot used these words:

“This interest,”
that is the interest of Members—
“must be a direct pecuniary interest and separately belonging to the persons voting and not in common with the rest of His Majesty’s subjects or on a matter of policy.”

That means, of course, that an hon. Member, although he may benefit by some act of Parliament, as a matter of general policy would not be precluded from voting thereon. I take an instance. As a farmer I am not precluded from voting on a measure directly designed to benefit agriculture, although that measure might benefit me and the industry in which I was engaged. That instance shows how, although to a certain extent I am interested, I should not be disqualified from exercising my vote.”

The subject was again introduced in 1936-37. I am referring now to the Parliamentary Debates of the House of Commons, Vol. 323, at column 363. I quote:—

“Mr. Mander: On a point of Order. I beg to ask your Ruling, Sir Dennis, on a matter of which I have given you

Private Notice. Will you indicate how far Members of the Government are entitled to vote in any Divisions on Amendments to this Bill which may directly or indirectly affect their salaries?

The Chairman: I thank the hon. Member for having given me notice yesterday that he intended to raise this question. That has enabled me to look up the authorities, which I have done, to such effect that I have discovered that the hon. Member himself raised a similar point before. In 1931, I think it was, he himself was perturbed and doubtful as to whether he ought to vote on a matter in which he considered he was perhaps interested. On that occasion Mr. Speaker gave him absolution and allowed him to do so, and I think there is no doubt that I shall be able to take a similar course in regard to Ministers voting today. The case which the hon. Member raised was not entirely on all fours with the case under this Bill, because the type of interest was a little bit different, but there are at least three authorities to which I may refer which, I think, go quite directly to the question which has been raised now, as to whether Ministers can properly vote upon this Bill or on any Amendment in regard thereto. First of all, in 1896, this matter was the subject of a reference to a Select Committee, and that Select Committee reported:

“It has always been held that members of the Government might vote on Motions for a reduction of their salaries made in order to ensure their conduct, because the question of general and public policy involved would override the personal and pecuniary interest. The same argument would doubtless apply to Motions for a general or individual reduction of Ministers’ salaries on the ground of economy.”

Then, in 1898, Mr. Speaker Gully gave a Ruling, in which he used these words:

“To prevent a Member voting there must be a direct pecuniary interest of a private and particular, and not of a public and general, nature, and when the question before the House is of a public and general nature and incidentally involves the pecuniary interest of a class which includes Members of the House, they are not prevented by the Rules of the House from voting.”

Then again, in 1911, the question came up on the discussion of the proposal for the payment of Members, and the then Chairman of Ways and Means, Mr. Emmott, ruled that any Member of the House was entitled to vote in favour of a Motion for the payment of salaries to

Members of the House, including himself. I think these particular authorities are quite sufficient — at any rate, they are quite sufficient in my opinion — for me to rule that in this case there is no reason why Ministers should not vote, the reason being that the question is one of payment to a Minister of the Crown, as such, by virtue of his office, and not to a particular Member who happens to be holding office at that particular moment. All Members, of course, will realise that the holder of any particular Ministerial office at the present moment may no longer be the holder of that office in three or four weeks' time, and indeed he may cease to hold that office even before the present Bill, if it should successfully run its course, becomes law. But it seems to me quite clear that in this case, the proposal being for the payment of certain salaries to the holders of certain offices, there is, to use words which have already been referred to,

“a question of general and public policy involved,” which far overrides any question of personal or pecuniary interest arising.”

I have referred to this matter again and read these extracts from the rulings of Speakers in the House of Commons, and also from the authority of Lord Campion, so that Members may understand for themselves and remember the words of the Speaker, that Members themselves are the persons who must decide on the question of personal interest. We shall now resume the debate. Does any other Member wish to speak before I ask the Financial Secretary whether he wishes to say anything in reply to what has been said?

Mr. Jai Narine Singh: I move the Adjournment, Sir. It is now five minutes to five o'clock.

Mr. Speaker: I do not think you can. If no other Member wishes to speak perhaps the Financial Secretary might wish to say something.

Mr. Campbell: Mr. Speaker, I would like to speak but I see that the time is too short.

Mr. Speaker: You may make a start. You have the floor.

Mr. Campbell: I am not quite prepared.

Mr. Speaker: I am quite prepared to go up to half-past five.

Mr. Campbell: Sir, as nobody seems to want to take up the challenge I will say something on the Budget. The speakers before me covered a tremendous amount of ground and I do not think I should follow their footsteps. Last year when I made my maiden speech it was a very rambling one, and I suppose I will again make a rambling speech. I have been greatly troubled over the whole business of this Budget, and I think the concern of all governments ought to be the happiness of its people. Is everybody happy about the Budget? I am afraid not. The desire of the Government to raise \$2 million in revenue is causing all this trouble and anxiety in this Council and outside. I am wondering whether that \$2 million cannot be raised by loan. Are there in British Guiana today no businessmen of sufficient loyalty to come forward? Government might start the ball rolling by raising a local loan.

In all countries loans are raised by Governments from their own people, especially if they have an iota of loyalty to their country. Are we in British Guiana so bereft of loyalty to our country that businessmen and people who have money in the banks are not willing to invest their money so that employment may be provided for those who are unemployed? I am wondering whether there is a loss of confidence. It seems to me that there is a loss of confidence in the current Government. I have noted that Barbados, an island of 160 square miles, has been able to raise a loan of \$10 million. Jamaica has also raised millions of dollars to go ahead with its developmental plans. May I ask why in this country we cannot raise a loan of a paltry \$2 million in order to assist our Development Programme? May I ask for an adjournment at this stage, Sir?

Mr. Speaker: It is five o'clock and the time for Adjournment, but I was hoping

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that Members would be able to continue a little longer. I do not wish to press the hon. Member to continue if he is not able to do so this afternoon, but I wish to warn Members that tomorrow afternoon and subsequent afternoons they must come prepared to go on later, and probably we may have to sit at night if I find that our short-staffed reporters can stand it. I shall adjourn now but I wish it to be clearly understood that tomorrow afternoon and on subsequent afternoons we may have to sit later.

ADJOURNMENT

The Chief Secretary: I move that Council adjourn until tomorrow afternoon. May I also ask that we make arrangements now that we shall sit late tomorrow and every day, and that we may do what we have done in the past, that is, have some refreshment at half-past four and then continue until 8 o'clock.

Mr. Speaker: We may do that tomorrow. As far as refreshments are concerned, that is a financial arrangement

with which I am not concerned.

The Chief Secretary: We have a big legislative programme which we will never get through, unless we sit longer hours.

Mr. Speaker: We will go on until half-past-five, and if we can sit later we will make the point then.

The Chief Secretary: May I give notice that tomorrow I shall move that the sitting shall continue after five o'clock.

Mr. Speaker: After five o'clock the Rule says that the Speaker may decide to continue until half-past five if he thinks that the business could be concluded within that time, but that does not preclude a Motion later on, with the consent of the Council, to sit later.

The Chief Secretary: That Rule does not require notice, but I thought it fair to give notice.

Mr. Speaker: Council is adjourned until tomorrow afternoon at two o'clock.