

SECOND LEGISLATIVE COUNCIL

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

Thursday, 1st October, 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.

ex officio

Financial Secretary, Hon. F. W. Essex, C.M.G.

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

„ „ **B. H. Benn** — *Member for Essequibo River*
(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)

„ „ **B. S. Raj** — *Member for Central Demerara*
(Minister of Community Development and Education).

Mr. **R. B. Gajraj** — *Nominated Member*

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

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

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

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

Ajodha Singh — *Member for Berbice River*

„ **R. E. Davis** — *Nominated Member*

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

Mr. I. Crum Ewing — Clerk of the Legislature

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

ABSENT :

Mr. A. L. Jackson—on leave

Mr. Jai Narine Singh—on leave

Mr. E. B. Beharry

Mr. F. Bowman—on leave

Mr. R. C. Tello—indisposed

Mr. A. M. Fredericks—on leave

Mr. A. G. Tasker, O.B.E.—on leave.

The Clerk read prayers.

MINUTES

The Minutes of the meeting of the Council held on Wednesday, 30th September, 1959, as printed and circulated, were taken as read and confirmed.

ANNOUNCEMENTS

Mr. Speaker: I wish to announce that the hon. Nominated Member, Mr. Tello, is still ill and is unable to attend today; the hon. Member for Georgetown North, Mr. Andrew Jackson, has asked to be excused from today's sitting; and the hon. Nominated Member, Mr. Fredericks, hopes to attend at a later stage today. He has been called away to Atkinson Field.

STATEMENTS BY MEMBERS OF
EXECUTIVE COUNCILWITHDRAWAL OF LABOUR
(AMENDMENT) BILL

The Minister of Labour, Health and Housing (Mrs. Jagan): Sir, I do not know if this is the appropriate stage but I wish to give notice of my intention to withdraw the Bill to Amend the Labour Ordinance which is listed in my name on the Order Paper. It will be re-introduced at a later date.

Mr. Speaker: When we come to Public Business.

PUBLIC BUSINESS

WITHDRAWAL OF LABOUR
(AMENDMENT) BILL

Mrs. Jagan: Mr. Speaker, it is my intention to withdraw the

"Bill intitled an Ordinance to Amend the Labour Ordinance".

and to have it re-published in the Official Gazette along with certain amendments which had arisen in the meantime. We have thought it proper to include them altogether in one Bill which will be easier for Members to understand.

Mr. Speaker: That will be all right.

Agreed to.

Bill withdrawn.

ORDER OF THE DAY

LAND BONDS BILL

Mr. Speaker: Council will resume consideration of the Bill intituled

"An Ordinance to make provision for the satisfaction of the whole or any part of the purchase money or of the compensation payable by the Government of British Guiana in respect of the purchase or compulsory acquisition of any land by the issue of bonds, and for the issue, negotiability and redemption of such bonds, and the payment of interest thereon and for matters incidental to or connected with any of the foregoing purposes".

think at the adjournment yesterday the Minister of Natural Resources was replying and he had not completed his speech.

The Minister of Natural Resources (Mr. Benn): When we adjourned yesterday I had reached a stage where I was referring to *Hansard*, and I re-quoted a minute by Sir Gordon Lethem appearing in the speech of Sir Frank McDavid at col. 1863 of the *Hansard* of 5th April, 1957. That Minute dealt with "Powers of Land Acquisition", and I feel that there are one or two other points that must be made before I conclude on this note. In doing so may I quote from col. 2051 of the *Hansard* of 24th April, 1957, where Mr. Jailal quoted from page 208 of the World Bank Mission Report (on British Guiana), as follows:

"A stronger policy on the disposition of neglected freehold land will be needed if agriculture is to continue to develop. In the irrigation and drainage works now under construction, considerable areas of such land are encompassed. The new agricultural land to be made available by these works will soon be exhausted, and all the abandoned freehold land will be needed. Such basic resources should not be kept out of economic use".

The World Bank Mission went further than that, and urged that wherever

possible land should be properly utilized, and that land is the concern of the whole community. May I also quote from col. 1846 of the *Hansard* of 5th April, 1957, where Sir Frank McDavid said:

"In the case of land re-distribution, for example, they vary from the one extreme under some totalitarian regimes where land is expropriated without compensation (and even with liquidation of the owner) to the other extreme in other countries where the land-owner is compensated by payment of actual market value or assessed value for taxation. In the case of control of land utilization, they vary from the extreme now presented by the U.S.A. where subsidies are paid for putting land out of beneficial use, to the other extreme in the U.K. where the land-owner is arbitrarily deprived of his land if he does not farm it properly in accord with prescribed strict agricultural standards".

From those quotations it should be clear to hon. Members that the efforts of this Government to acquire land should not be suspect. What is being done here is in accordance with action taken in the United Kingdom — legislation passed in the Parliament of the United Kingdom, which has been described as the Mother of Parliaments. Yet some people think that as a result the Government will be the only land-owner and people will be in slavery.

It has been said that Government already has much of its own land. It will be remembered, however, that much of it is not accessible, and we found Sir Gordon Lethem saying that it was necessary to use up all land which was in the accessible areas. Some Members would like us to start housing schemes in the Pakaraima mountain areas, but such places are not easily accessible.

In many of the schemes started by Government, Mara, for instance, it was necessary to acquire the front lands, because it was necessary that the front lands be properly drained and irrigated and cultivated before the whole area could be properly utilized. Schumakers' Lust was such an area, where the front lands were under bush. Then

there was Black Bush, in which case in order to utilize the area properly Government had to acquire certain small bits of lands which were owned by private persons.

I saw an aerial map made in connection with a soil survey of the coastlands carried out by the International Co-operation Administration, and it was indicated that the most fertile lands were on the coast, and the most fertile areas of land were those approaching the Corentyne Coast; there was a narrow strip of fertile land on the Essequibo Coast, and a lot of white sand behind it.

One Member spoke of the danger of taking away land from people who did not put it into cultivation. I should like to point out the danger farmers face when the adjoining land to those which they cultivate is under bush, thus providing a hiding-place and breeding place for acoushi ants. The Agriculture Department is now carrying out a campaign against acoushi ants. Fort Island is one of the places which is struggling against this pest.

I think it was the hon. Nominated Member, Mr. Davis, who suggested that Government should provide loans for people to develop lands which are not under cultivation, because these people often do not have the money to do so. It is my understanding that the British Guiana Credit Corporation has been trying to help in this direction. As hon. Members are aware, the Elected Ministers have been criticizing the attitude of the Credit Corporation in directing most of its loans to the social sector when more should be given to agricultural development.

It seems to me that because of criticisms in the Corbois Report there has been considerable change in this matter of lending.

Most of the points brought up by the other side in this debate had no bearing on the subject-matter of this Bill. One Member dilated upon the question

[MR. BENN]

of leasehold and freehold land; although this can be done later on, I think I should take up the gauntlet thrown down by certain Members of this Council on this question. I mentioned in my speech on the Second Reading the contents of the Caribbean Economic Review. I would like to quote from page 87 of Vol. III, Nos. 1 and 2, where Professor W. Arthur Lewis, in his article on "Issues in Land Settlement Policy" says:

"(g) *Terms of Tenure.* There has been considerable discussion in the West Indies as to whether tenants should be settled on freehold or on leasehold tenures. In fact, the use of these terms is unfortunate. There are many different types of freehold tenure, and many different types of leasehold tenure, and, since these types overlap, the battle between them is largely a battle of words.

There are two principles at the basis of a good system of tenure: first, the good cultivator must have security, and secondly, the bad cultivator must be subject to dispossession; these two follow from the principle that the welfare of the land is paramount in any community where land is terribly scarce. These two principles can both be fulfilled under either a freehold or a leasehold system. Freehold tenure can be made subject to dispossession for bad cultivation, and is in fact ringed around with this and other prohibitions in some countries. And, similarly, leasehold tenure can be made secure, by law, to all good cultivators. It does not, therefore, help very much to discuss these issues in terms of a choice between freehold and leasehold tenures. What it is important to emphasize, in public discussion, is that the use of any land, by any cultivator, whatever his legal status in relation to the land, must be subject to dispossession; these two following maintaining the productivity of the land."

Another person had something to say on this subject of freehold and leasehold, and here I shall mention again Mr. Frank Brown who came to this country in 1953, I believe, to go into the question of Land Settlement. In paragraph 14 of his interesting study, in which he referred to another scheme of freehold or leasehold, he writes:

"The tenancy was of 40 acres, comprising 10 acres cotton, 5 acres grain, 2½ acres fodder, a small area of vegetables,

the balance being fallow. Only one cotton crop was taken from the land in 4 years.

The lease was renewable annually, but it was understood that, provided a tenant observed the rules of good husbandry, renewal was a matter of course."

Then later on, in paragraph 34, he writes:

"There is a good deal of disagreement over what should be the best policy.

The overall object from the country's point of view is to protect and increase the fertility of the soil. This is likely to deteriorate if an inappropriate contract is in force, where neither the tenant nor the landlord has any incentive to maintain or increase fertility."

After stating that certain sections of the Guianese population prefer freehold, he writes in paragraph 36:

"There are, however, many grave disadvantages in this system. Where large-scale organised farming is in force, everyone must grow the same crops, at the same time, and in the same place, and for the general well being, must conform to certain rules. It would be practically impossible to insist on this, if the farmer owned his farm. British Guiana has already suffered through the granting of land freehold to those who are either incapable or unwilling to farm in a reasonable manner."

That is Mr. Frank Brown. Perhaps we may go back to the *Hansard* report of the debate on the Acquisition of Land (Land Settlement) Bill, at column 2300, in which the Member for Agriculture, Forests, Lands and Mines (Sir Frank McDavid), in discussing the question of freehold v. leasehold in 1957, said:

"May I add that this question of leasehold *versus* freehold is an old one. I have listened in this Chamber to many debates on it: the arguments have waxed warm on both sides, and there is much to be said on either side. The late Commissioner of Local Government, Mr. Laing, was perhaps the chief exponent in this Council and in his Department of leasehold for small farmers, and nearly all the experts on land settlement have lent their weight to leasehold. Mr. Sugrim Singh quoted from the Frank Brown Report, but he was another of the experts who came here and resisted the idea that freehold is the better course for farmers;

and the latest of the experts to come to British Guiana, Dr. Shepherd, an agriculturist of great experience, emphasized his own belief in leasehold and in another somewhat similar form of title, "usufruct"; so that the position is this: our experts have all emphasized leasehold, and there is good reason for it."

So that this is not a question of freehold vs. leasehold or, as one or two Members said, that the land policy of the Government provides an opportunity to communize or collectivize the country.

The hon. Member for Eastern Demerara (Mr. Beharry) spoke at length on what businessmen do, and suggested that people should be allowed to buy land. We heard a lot of that talk yesterday. I have taken the trouble to do a little research into the question of the purchasing of land by farmers. It was my experience last year at Zeelandia, Wakenaam, that more than a dozen farmers bought large areas of land for rice cultivation. They borrowed money at 12 or 15 per cent. to pay for those lands, but after two years they came to me in 1958 to ask me to help them to get the Credit Corporation to take over their loans at a lower rate of interest than had been charged by the person from whom they had bought. This sort of thing goes on every day with people who, the hon. Member says, will buy and cultivate land, and so increase the national income. But the people find it extremely difficult to do so after they have purchased land.

I should be a little more objective and give Members an idea of what they are recommending to this Council when they quarrel with Government for not allowing very poor people to purchase land. The hon. Member said that the people were poor; that businessmen cannot get sales because people cannot buy without money. How does it work out? Let us take an example of this type of business. Let us take the Black Bush Polder as an example. It is about 28,000 acres, and to provide the area with drainage and irrigation works will cost about \$14 million — about \$500 per acre for drainage and irrigation

alone. So that a man who buys 15 acres with drainage and irrigation costs at \$500 per acre will have to face an expenditure of \$7,500 to start with. Then he has to clear the bush. Mr. Craig-Martin, the World Bank expert who came here early this year, went into the matter very carefully and agreed that it would cost between \$150 and \$200 per acre to do bush clearing. The hon. Member says that everything Government does is very expensive, therefore let us say that a farmer clears his 15 acres of land at a cost of \$50 per acre. He needs 2½ acres for his house, and let us allow for a very cheap house costing about \$1,000. All this has to be added to the \$7,500 for drainage and irrigation, and he has not planted a grain of padi.

Every year he has to pay interest on his loan at about 6 per cent. In addition he has to put the land under cultivation, and for ploughing I understand that it costs between \$10 and \$11 per acre. So that this very poor farmer has to find another \$11 per acre to put his land under the plough. Then he has to pay drainage and irrigation rates and Local Government rates annually. He will have to borrow crop loans from the Credit Corporation which he will have to repay at the reaping of his crop. So that with all this debt on his head which the businessman would like to put on him, the poor farmer is supposed to produce quickly and pay back all he has borrowed in 25 years.

The position would be even worse at Garden of Eden and Boerasirie where land is being allotted in 25-acre blocks. For coconuts and cocoa a farmer has to wait five years before he can reap a crop. So that he starts paying back the money for his land before he begins to reap anything. So that those people who shed crocodile tears for the poor man who will make businessmen richer are only putting a very heavy burden on the farmers of British Guiana. By telling them that they should demand freehold land they are only putting a millstone around their necks. By the way,

[MR. BENN]

I think the hon. Member referred to it as "milestone."

Miss C. O'Loughlin, who made a study of the rice industry of this country, made it quite clear in her report in the U.C.W.I.'s "Social and Economic Studies" that the amount of money obtained from an acre of rice land was uneconomic. I wish that Members would do a little research before they speak on matters in this Council.

At page 125 of her report — "The Rice Sector in the Economy of British Guiana" — she says this, and I quote:

"The gross national income from the rice production is thus estimated on average, for the four years, at approximately \$10 million. The Gross Domestic Product at factor cost for the whole British Guianese economy is estimated at approximately \$206 million for 1956. The share of the rice industry is thus approximately 5 per cent. of the Gross Domestic Product. This is a very small part of the national income and indicates that in view of the large numbers employed in rice at some time or other, the earnings are shared out very thinly over those involved."

This is an expert. Then at page 124 she refers to one of the main problems of rice-growing in British Guiana and the uncertain weather conditions.

These are in the "Social and Economic Studies" of the U.C.W.I. of June, 1958, and I wish to quote further, where she drew certain conclusions from her very interesting study of the rice economy of this country. At page 142 she said:

"Firstly, although farm profit is probably understated it appears that it is certainly low relatively to that for most tropical crops and there is little room for price falls unless costs of production can be drastically reduced."

Then she went on in the next paragraph to say:

"Secondly, although profit per farm is higher on larger farms, profit per acre is higher on smaller farms. This is to some extent due to the wider use of unpaid family labour on the latter."

In other words, because the farmer uses his wife, son and everybody to work on the farm it is still not so economical. Coupled with this, the man who buys 15 acres of land has to clear the land, secure a loan for the breaking in of the land and a further loan for putting in his rice crop.

Then she said:

"Fifthly, although other sources of income were probably understated, there was a significant difference in farm net income when other activities were undertaken. Coconut and dairy products could in nearly every case be sold at a profit which was a greater percentage of sale value than that on rice."

These comments which have been quoted indicate very clearly that the buying up of this 15 acres of land by those people who will spend is not an economical proposition, and I am ashamed that one who calls himself a businessman should come into this Council and say if the land is sold to the people you will have a better and contented agricultural holder.

Why do people want to own their piece of land? — mainly because they want to get money to cultivate it; and if provision is made, as my Friend, the hon. Nominated Member, Mr. Davis, has suggested, for the Credit Corporation to make loans to these persons as is done now in the rice sector, as is recommended for permanent crops and as is done for breaking in lands, then the farmer is able to get what he wants and does not have to dissipate his small earnings to pay off all the debts which he had accumulated over one year, plus his drainage and other charges, and is thus able to pay for the loan. I should like those who believe that the Government's action is heinous to think carefully.

One hon. Member spoke about getting capital into this country. That is quite irrelevant. He added that the whole trouble about British Guiana is that no capital is coming into the country and that the Elected Ministers are certainly the cause of that; but I should like

the hon. Member to study certain aspects of the Report of the proceedings of the Commonwealth Parliamentary Conference which was held in New Delhi and the discussions on the problems of under-developed countries. I should like him to take a little more time and read about the problems of under-developed countries and I am certain that attempts would not be made to draw red herrings across the trail. I should like the hon. Member to read this Report.

Mr. Burnham: Which paragraph?

Mr. Benn: We heard a speech, which I may describe as a speech of 'shrinking indecision', from the hon. Member for Georgetown Central, because one cannot, from the words of his speech, find out whether or not he is supporting the Bill. But the hon. Minister of Labour, Health and Housing referred to him in another debate as 'a very good ballet dancer.'

Mr. Burnham: That takes training.

Mr. Benn: I am glad the hon. Member, in his aside, says that it takes training. We like to hear that people are proud of their training in deception, but we await the decision on this Bill.

The hon. Member mentioned one or two things and I said that we are in the season of cricket, and I think that the Attorney-General took him up on one or two points which he mentioned yesterday —

Mr. Burnham : And convinced whom?

Mr. Benn: The hon. Member convinces no one else but the Mayor of Georgetown. However, as I have said, there was considerable straying from the main objects of this Bill. Government believes that by adopting this measure it will be able, very quickly, to secure more lands and to put them under beneficial occupation.

One hon. Member who went gallivanting on the Essequibo Coast told Members that the Government should acquire Spring Garden. Spring Garden is a private estate but his colleague says something else. I wonder if they are not members of the same political party.

Another hon. Member says that Government's intention is to acquire all the freehold and make them leasehold. What nonsense! The aims of the Bill are clearly stated in the Objects and Reasons. The hon. the Attorney-General and the hon. Member for Western Berbice went over it very carefully. It is important at this time when there is so much unemployment all over the country that something may be done and done quickly to ease this problem. I said, and I quoted from authorities to prove, that such demands as we are making today had been recommended more than 30 years before and I shall like, in ending my reply, to quote from this very interesting report which was written in 1931 by the Small Farmers' Committee. This is what was stated at page 8, paragraph 15:

"If those directing the destinies of this Colony would claim that the future of the Colony lies in its agricultural development, and if the people must win their livelihood from the soil, the question of providing what is the chief agent of production, namely land, must be faced resolutely, and decisively solved."

That is what was said by the Committee and I stand convinced, and I am fortified, by what I have read and I think that all thoughtful Members of this Council should feel that the attitude of Government in producing this Bill and trying to get it passed by this Council is action resolute and decisive. We have been blamed and accused of many things, but I would say on behalf of Government :

"What stronger breastplate than a heart untainted; Thrice is he arm'd that hath his quarrel just."

I beg to move that the Bill be read a **Second time**.

Mr. Speaker: The question is that the Bill be read a Second time.

Question put, and agreed to.

Bill read a Second time.

COUNCIL IN COMMITTEE

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

Clause 1—*Short Title*—passed as printed.

Clause 2 passed as printed.

Clause 3 — *Payment in land bonds with consent of vendor.*

Mr. Gajraj: I move that the word “of” be substituted for the word “between” in the third line, and that the words “and the Government” appearing after the word “vendor”, also in the third line, be deleted. The reason why I move this Amendment is that while part of this Bill reads that there will be payment in bonds to the vendor, when one reads this Clause one finds that this is not the case. Clause 3 reads:

“Where any land is purchased or acquired by the Government the purchase price or compensation payable to any vendor in respect of such land may by agreement between such vendor and the Government . . .”

and the operative words are “by agreement between such vendor and the Government —

“be paid either in whole or in part by the issue to such vendor of land bonds . . .”

When we look at Clause 4, however, we find that when the Government takes over land, it is “in the absolute discretion of the Governor in Council” whether compensation will be payable either in whole or in part in land bonds.

I would have thought that both parties would have to agree with the mode of payment, but judging from

Clause 4, if there is a disagreement, then perhaps there is no payment. If the Government were to say, and hold out, that it would pay only in land bonds, then the vendor is in no position to insist on another form of payment. This is not in keeping with the marginal note to Clause 3 which, as Members will observe, reads: “Payment in land bonds with consent of vendor.”

There is one other point in connection with both Clause 3 and Clause 4 which, for my own part, needs some clarification. The phrase, “a nominal amount equal to the whole of the purchase price or compensation . . .” is used in Clause 3, and the phrase, “a nominal amount equal to the whole of the compensation payable . . .” I do not know if I am right, but my understanding of the word “nominal” is something that is not real, not of full value, a token. Possibly there has been a change in the meaning of this word since I left school, but it does seem that if the word “nominal”, used in this Bill, still carries the meaning I attribute to it, then how can we speak of land bonds being equal to the purchase price unless we are going to be told that the purchase price to be paid by Government will be nominal. I am not going to move an Amendment in this respect; it seems confusing, and I would like to hear what it means.

The Attorney-General (Mr. Austin): I wonder if I can answer first the second point raised by the hon. Member. It is of course well known that there are two values which exist with regard to securities; one is the nominal value and the other the market value. It is in this case important that we should retain the use of the word “nominal”, because when read with Clause 6 it is clear that the Accountant-General can issue bonds in such denominations as can be described.

The true meaning of “nominal” in this context is clear because one might say that if the rate of interest on the bonds was very low they may, immedi-

ately they are issued, have a market value appreciably less than the nominal value. What we want to ensure is that the compensation is covered by bonds to the same amount, the nominal amount. The denomination of the bonds is a separate issue. While I appreciate the doubts of the hon. Member, I feel that the section is clear, and the Financial Secretary is in agreement with me.

The first point raised by the hon. Member is a distinction without a difference. The whole object of the legislation is to ensure that where the land is beneficially occupied, land bonds are issued only with the consent of the vendor; agreement implies consent. The marginal notes are not part of the law, although they are intended to facilitate references to the law. They do not govern in the law but are notes of reference. That being so, I cannot appreciate the necessity of a change in the drafting of Clause 3. Do I understand that the hon. Member feels that the Clause should reflect the actual wording of the marginal note? If so, that would amount to the tail wagging the dog.

The Minister of Community Development and Education (Mr. Rai): I think the Clause gives full effect to the marginal note, because agreement is implied, and none of the powers can be exercised without the consent of the vendor. Where two or more persons are involved, agreement must be by consent.

Mr. Gajraj: I think the hon. Minister of Community Development and Education missed my point. As the Clause reads, it is to be an agreement between the vendor and the Government, I agree, but observe what comes later. The vendor would very well wish to be paid in cash, and in as much cash as possible, but will he have that choice having regard to Clause 4? If not, the marginal note to Clause 3 is absolutely wrong.

The Attorney-General: If a section in an Ordinance is clear, a Court of

Law is going to follow the wording of the section, and not what the marginal note says.

Mr. Burnham: If the Attorney-General finds himself the butt of any further strictures, then that is his own fault for having misquoted and misread the law of British Guiana with respect to marginal notes. There is a decision by Chief Justice Worley on this point. Marginal notes are considered for the purpose of construction in British Guiana, and all I think the hon. Member had to do was to point out to the hon. Member, Mr. Gajraj, that the marginal note would control the tenor of the section. This is one of the few departures in British Guiana from the law of Construction of Statutes as it applies in the United Kingdom. If the hon. Attorney-General doubts me, I can get him that decision tomorrow, and Maxwell will not help us. Apart from that, from what I know the law of British Guiana to be, I cannot see much point in the hon. Nominated Member's objection, because it is the consent of the vendor that is the operative word.

Mr. Gajraj: Since the legal minds seem to agree that my Amendment is not necessary in order to ensure that the vendor's rights are protected, I ask leave to withdraw it.

As regards the question of the nominal amount with reference to the land bond, I still do not see that the description of the nominal amount in relation to the value of a land bond is properly provided in the Clause. If the intention is to make sure that the face value of the bond is to be a multiplying factor in arriving at the number of bonds which will be given to a vendor, then we should stick to face value. Actually, I have never come across any reference in any of our Ordinances which deals with the issue of bonds, to those two values — the market value and the face value.

The law only considers the face value of a bond. It is true that Clause 6 speaks of the right to issue bonds in

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various denominations — perhaps \$500 or \$1,000 — but when one speaks of the nominal value, and the dictionary tells you what it means in relation to price, it always indicates something below the true value. Does one feel that the price to be paid to a man for his land is going to be the face value? I checked up on the word “nominal” in the Oxford Concise Dictionary in the office of the Legislature. It is my duty to point this out to the Council, but if the majority feel it is all right, and that there will be no confusion, it is all right with me, but one has seen so often the Judiciary reading the actual words of an Ordinance and coming to a conclusion different from the intention of the framers.

One last point on which I would like to have some clarification. In this particular Clause mention is made of loan bonds again, but Clause 7 says that the bonds shall be of three types—fixed-date bonds, drawing bonds and annuity bonds. Who is to decide which type of bonds should be issued to a person who agrees to sell his land to Government? I understand that where land is being acquired compulsorily the Governor in Council has the right to do what it considers right, but there must be some consideration for the owner of land who agrees to sell to the Government. I do not know if his consent will also extend to the type of bond. If that is so I would be quite happy.

The Financial Secretary (Mr. Essex) : Under this particular Clause, where the acceptance of bonds is optional to the seller, it is quite obvious that if the sort of bond which the Government proposes to give is not suitable, he would not agree to take bonds at all. So that it is quite obvious that the agreement to sell and to receive bonds implies that the bonds he receives must also meet with his satisfaction, otherwise the whole thing would be washed out, and he would not take bonds at all.

I would like to say something about the word “nominal”. It is a very common phrase which is used when you are talking about a thing which has a value which is named, accepted, prescribed on face value in terms of money, but is not money itself. A bond is not money, but it has a nominated value. It is descriptive of the fact that it is not real money, and that is where the word “nominal” comes in. You do not speak of the nominal value of a pound note because it has real or actual value. The bond has stated, or given value. But in this connection it does not mean that it is a trifling value, or one that is less than that stated on its face.

Mr. Burnham: I find difficulty in agreeing that the phrase “by agreement” covers both the acceptance of bonds and the type of bonds to be accepted. Let me illustrate what can happen. A proposal is made to a landowner to acquire his land, and he is asked to state whether he will take payment in currency or in bonds. He agrees to take payment in bonds, but that agreement having been made, Government would still be in a position to elect what type of bonds would be used for payment. So I feel that this Clause needs a bit more explanation, if we want what the Financial Secretary said to be really clear, otherwise a layman may be in this position: he may agree to accept payment in bonds, then Government may issue any type of bonds; but having opted to accept payment in bonds it seems to me that a landowner would have to accept whatever type of bonds Government proposes to give him in payment. I would suggest that the Attorney-General be asked to make it clear, because I think that anyone with a legal mind will see my point—that agreement in this context refers only to the fact of accepting bonds in payment, and not to the type of bonds.

The Attorney-General: I think there is something to be said for what the hon. Member has been talking about, and I am not able to satisfy myself that the

law is what we intended it to be. Clause 6 (1) states:

“6. (1) For the purposes of paying any purchase price or compensation which may be paid under this Ordinance by the issue of land bonds, the Accountant General shall, subject to the provisions of this section, create and issue when and as required land bonds in such form and of such denominations as may be prescribed.”

It may well be that the form relates to the type to be issued in certain circumstances which will be prescribed, and I would like time to look into the point, because I think it is an important point. We may have slipped up; I do not know. Perhaps we could go on, while reserving this particular point.

Clause 3 deferred.

Clause 4 passed as printed.

Clause 5.—*Persons not required to accept land bonds.*

The Attorney-General: There is a typographical error in subsection (2) (b). The word “know” should be “knew”.

Clause 5, as amended, agreed to.

Clauses 6 and 7 passed as printed.

Clause 8.—*Interest on land bonds.*

Mr. Gajraj: I know it must be the intention of Government to issue these bonds at the rate of interest that is current at the time, but in this particular Clause reference is made to the interest rate which the Governor in Council may prescribe for a similar type of debenture. I was wondering whether we should not tie the interest rate to the Bank of England rate because in British Guiana we know of a fixed rate; whereas, we do know that the Bank rate in England is available to all and that, in my view, is not the rate used in British Guiana, because money has got to be brought in and the commercial banks have got to make a profit.

Actually, while the Bank of England rate has fluctuated over the last

few years, my recollection is that the local banks worked at anything like 1½% to 2% above that rate. I was wondering whether Government would not consider seeing that the rate shall not be less than 2% above the Bank of England rate. That, in my opinion, is something we can work on rather than what is suggested here, because what is to prevent the Governor in Council saying ‘in order to stabilize things in this country we should drop the rate.’ What is to prevent them from taking up that position? I am not saying that they will do that, but it can happen if any Government in power wishes to make changes of that kind.

The Financial Secretary: The United Kingdom Bank rate to which the hon. Member referred is primarily something which affects interest rates for short-term borrowing. Its effect on long-term borrowing is very much less, though a change might, in the course of time, affect the rate for long dated stock. The Bank of England rate is the rate at which the Bank of England lends money to discount houses. It is not a rate which is prescribed for 15 or 20-year bonds. Though it has some effect on rates for long-term borrowing it is not the only criterion which can be used in this particular case.

It would not be possible to evolve a set formula which would ensure that the rate of interest which the Governor in Council fixes is a reasonable one having regard to all the factors. Only one of them is the Bank rate when the land bonds are issued. Another factor would be the current interest rates in the Colony and the rate of the last Government bond issued. We can only lay down general conditions to which the Court can apply its mind, and if it feels it necessary take evidence of all the relevant factors. I really cannot see any fairer way to do it from the Government’s point view or from the point of view of the vendor.

Mr. Chairman: The question is that Clause 8 shall stand part of the Bill.

Question put, and agreed to.

Clause 8 passed as printed.

Clauses 9 to 13 passed as printed.

Clause 14.—*Amendment.*

Mr. Burnham: Mr. Chairman, I beg to move an Amendment to Clause 14, but before doing so may I express my disappointment of the Minister of Natural Resources for his not giving us any reason for the introduction of his Amendment. Of course, he did say that the hon. the Attorney-General answered the point, but it was an unsatisfactory answer which was given—and an answer which is not sufficient. We want an explanation as to the purpose of this Amendment, and since no explanation is forthcoming I am still of the view which I expressed on the Second Reading. I beg to move an Amendment to Clause 14 by adding the following proviso thereto :

“Provided that if the part or parts of such land in beneficial occupation or utilized for agriculture are greater than the part or parts not so occupied or utilized the Commissioner shall not report that it is in the public interest that such land should be acquired for a land settlement scheme.”

The purpose of that Amendment is to make sure that if the commissioners are called upon to investigate and determine whether or not the acquisition of a certain land is in the public interest and they find that it is only the smaller part of that land which is not beneficially occupied or utilized for agriculture they should not report that the land can be acquired.

And when I look at Section 7 of the Principal Ordinance —No. 13 of 1957— it states:

“If the commissioners report to the Governor that it is not in the public interest that any land or any part of such land in respect of which it is sought to make an order should be acquired for a land settlement scheme, it shall not be lawful for the Governor in Council to make an order with respect to such land or part thereof as the case may be.”

So I am making sure that if the commissioners find that the greater part is beneficially occupied they cannot report that the land is to be acquired, in which case the Governor cannot make an Order under Section 3 of Ordinance No. 13 of 1957.

The Attorney-General: The Clause in this Bill which seeks to amend the 1957 Ordinance does so for the purpose of making a consequential amendment to the 1957 Ordinance and does not seek to change it in principle. As I said earlier, one of the objects of the Land Bonds Bill is that no vendor shall be obliged to take lands bonds as compensation for the compulsory acquisition of any part of his land that is beneficially occupied. In order to enable that object — and it is a very fair provision indeed — to be achieved, there is the requirement of the commissioners to state how much of the land is beneficially occupied and how much is not. The hon. Member's Motion would have the effect of altering the 1957 Ordinance very appreciably.

The idea behind Clause 7 of that Ordinance is to appoint commissioners — fit, proper, dutiful and sensible people — to answer the broad question whether it is in the public interest that certain lands should be acquired for land settlement. They are given broad guiding principles. But everything which the commissioners have to take into account is not put in. A good deal is left in this case, as in all other comparable cases, to the reasonable intelligence and consideration of the commissioners, and I would say that if the hon. Member's Amendment is inserted it would almost be an insult to the commissioners.

This Clause was put in because Government might find there is an area of land which was cultivated to a small extent, and it may be argued that because a small portion was cultivated none of the land should be acquired, but we all know it is a matter of saying what is reasonable. It might be that al-

though a small portion is cultivated the circumstances would be in favour of acquiring the whole lot. Therefore I would say that the hon. Member's Motion is quite out of place in the context of the Land Bonds Bill, because it seeks to alter radically the 1957 Ordinance.

Mr. Burnham: Sweet reasonableness, but sometimes sweet reasonableness is a trap for the unwary. He says it would be an insult to the Commissioners to make the suggestion, but what guarantee has he got that the Commissioners are that amount of reasonableness that he says? My practice in the Courts leads me to believe that presumptions of reasonableness in certain places are rebuttable presumptions.

I feel that as far as possible we should give certain guides to the Commissioners, and if this Council feels — and I hope it does, as I do — that if the greater part of land is beneficially occupied for agriculture that land should not be acquired, then this Council should say so, and not leave this vague provision to the Commissioners. The Attorney-General assumes that the average Commissioner will not want to report that it should be acquired if the small part is not beneficially occupied. That is what he assumes, but what is there in the law to prevent him from doing otherwise?

Though we may have to, though we ought to leave to the Commissioners a certain amount of discretion, we must not make that discretion too wide, and I cannot see that I am altering the scheme of things of Ordinance No. 13 of 1957. The Attorney-General said he does not expect any Commissioner to do what I fear may be done, but the intention of those who passed Ordinance No. 13 of 1957 was that where only the minority is beneficially occupied, there should not be an order. I am not altering the structure, or order, or intention of No. 13. I agree with the Attorney-General otherwise, and I can see a great deal of merit in what he said, but that merit does not persuade the Courts over which he does not preside.

The Chairman: The question is, that the Clause be amended by adding the proviso:

“Provided that if the part or parts of such land in beneficial occupation or utilised the Commissioner shall not report that it is in the public interest that such land should be acquired for a land settlement scheme.”

The Committee divided and voted as under :

<i>For</i>	<i>Against</i>
Mr. Davis	Mr. Hubbard
Mr. Gajraj	Mr. Ajodha Singh
Mr. Campbell	Mr. Saffee
Mr. Burnham	Mr. Rai
Mr Kendall.—5	Mr. Ram Karran
	Mrs. Jagan
	Mr. Benn
	Dr. Jagan
	The Financial Secretary
	The Attorney-General
	The Chief Secretary.

— 11.

The Chairman: The Amendment is lost.

The Attorney-General: The marginal note reads, “Amendment” only. I ask that the words, “No. 13 of 1957” be added to the marginal note. It was a printer's omission.

Agreed to.

Marginal note amended.

Question put, and agreed to.

Clause 14 passed as printed.

The Chairman: What are you going to do about Clause 3.

The Attorney-General: If necessary, we can re-commit it, or it can be left as it is.

The Chairman: Do Members agree that Clause 3 should be left as it is?

Members indicated assent.

Council resumed.

Mr. Benn: I beg to report progress.

Bill deferred.

COLONIZATION FUND ORDINANCE

Mr. Speaker: The next item is the Motion standing in the name of the Minister of Natural Resources, as follows:

"Whereas section 6 of the Colonization Fund Ordinance, Chapter 54, provides for the financing from the Development Trust Fund of schemes designed for the improvement of social conditions in any part of the Colony and for the promotion of agriculture and other industry; and

Whereas several small drainage improvement schemes whose object was the promotion of agriculture in the Colony have been from time to time approved by the Governor in Council, with the concurrence of the Development Trust Fund Advisory Committee, to be financed from the Development Trust Fund; and

Whereas the expenditure so sanctioned to be incurred on these schemes totals in the aggregate \$393,015; and

Whereas in fulfilment of the provisions of section 12 of Chapter 54, the Secretary of State's formal approval has been obtained for incurring expenditure of \$393,015 on these schemes as a charge against the Development Trust Fund; and

Whereas by Resolutions Nos. III of the 17th December, 1942, and XXVII of the 4th December, 1943, the Legislative Council formally approved expenditure on these schemes as a charge against the Development Trust Fund up to a limit of \$241,660 only; and

Whereas final expenditure on these schemes is now expected to total \$320,738.50:

Be it resolved: That this Council, in terms of section 12 of the Colonization Fund Ordinance Chapter 54, approves of additional expenditure totalling \$79,078.50 being incurred as a charge against the Development Trust Fund on the schemes approved by Council in Resolutions Nos. III of the 17th December, 1942, X of the 30th December, 1942, and XXVII of the 4th November, 1943."

Mr. Benn: The Colonization Fund was raised and established by enactments

of the Legislative Council dating back to 1917. The purpose of this Fund was to provide for the cost of introducing unindentured immigrants into the Colony.

In 1937, the Colonization Fund Ordinance (No. 7 of 1937) was enacted, which provided that (a) a sum of \$400,000 from the balance at the credit of the Colonization Fund should be set aside into a Reserve Fund and employed for continuing the policy of introducing unindentured immigrants into the Colony; and (b) the balance of the Colonization Fund, after deducting the \$400,000, should be placed into the Development Trust Fund and utilized to meet expenditure on approved schemes for improvement of social conditions and the promotion of agriculture or other industry in the Colony.

Between 1939 and 1942, the Drainage and Irrigation Board, in consultation with the Consulting Engineer, put forward proposals for meeting the cost of 11 small drainage improvement schemes from the Development Trust Fund. Those schemes were in the Ann's Grove-Clonbrook area, Golden Grove-Mahaica, Mahaica-Helena, Johanna Cecelia-Anandale, Three-Friends-Walton Hall, Canals Polder, Vreed-en-Hoop-Ruimzigt, Crabwood Creek, Sarah-Mahaicony, Mahaica-Clonbrook and North Klien, Pouderoyen. The Advisory Committee of the Development Trust Fund accepted the proposals, and recommended to the Governor in Council that the cost of such schemes should be financed from the Development Trust Fund, and this recommendation was approved by the Council. The Secretary of State for the Colonies was approached for, and he gave his approval of appropriations totalling \$241,660 being made from the Development Trust Fund to defray the cost of the schemes. The Legislative Council, as required by the Ordinance, was also requested to approve the necessary appropriations from the Development Trust Fund. The Council's formal approval was obtained by Resolutions Nos. III of the 17th December, 1942, X

of the 30th December, 1942, and XXVII of the 4th November, 1943.

In 1946, during a general review of the schemes, it was estimated that \$393,015 would be the total required to complete the schemes, making an additional amount of \$151,355 necessary. This increase in cost was attributed mainly to increased labour cost and payment of war-bonuses, increased cost of materials, and the necessity for executing more work on the schemes than had been previously envisaged. The Secretary of State's approval was obtained for increased expenditure of \$151,355 being met from the Development Trust Fund. Unfortunately, however, the Legislative Council's formal approval of this increased cost was not obtained, and the Director of Audit has recently drawn attention to this omission.

It is now estimated that final expenditure on the drainage schemes which were financed from the Development Trust Fund, will total \$320,738.50 only; and the Motion seeks legislative sanction for an additional expenditure of \$79,078.50 over and above the appropriations totalling \$241,660 already approved by the Legislative Council. I formally move the Motion.

The Minister of Trade and Industry (Dr. Jagan): I beg to second the Motion.

Question put, and agreed to.

Motion affirmed.

ANIMALS (CONTROL OF
EXPERIMENTS) (AMENDMENT)
BILL

The Minister of Labour, Health and Housing (Mrs. Jagan): In moving the Second Reading of the Bill intituled:

"An Ordinance to amend the Animals (Control of Experiments) Ordinance, 1957"

I should like to mention the reasons why it is necessary to amend this Ordinance. The origin of the Bill is that in 1956 the Secretary of State for the Colonies sug-

gested to Government that it was desirable to introduce legislation to control experiments with animals. The Government of British Guiana followed the Jamaica law of 1949 which was used as a model. A Bill was accordingly introduced in the Legislative Council in 1957 and was passed by that Council as the Animals (Control of Experiments) Ordinance.

Arising out of the necessity to formulate Regulations under that Ordinance it was found that the definition of the word "experiments" led to a certain amount of difficulty. The Director of Agriculture expressed his anxiety over the definition and felt that there was need to distinguish between experiments on animals under laboratory conditions, such as were performed under the Central Medical Act, and the more general and extensive work of the Veterinary Surgeons of the Department of Agriculture. A Committee was set up with representatives of the Medical Department and the Department of Agriculture to consider draft Regulations. I have here before me two of the comments of the Veterinary Officer of the Department of Agriculture who said that the Ordinance as it stood at that moment would affect the work of Veterinary Surgeons in their routine activities. He wrote:

"This Ordinance directly affects all veterinary surgeons in their routine work. It is common practice to experiment in the sense of testing a theory, or in an endeavour to discover something unknown. Since one is dealing with animals unable to express themselves, such experiments, in one way or another, are often the only means of successful diagnosis."

The Veterinary Officer felt that if the veterinary surgeon had to fulfil the intention of the law as it stood it would put a considerable hindrance on his work. He wrote:

"It is difficult to differentiate between experiments and experimental treatment. The giving of an injection is an act which produces pain; the firing of a horse produces pain. This is treatment, but so often is it not also a trial and a hope of achieving certain results?"

[MRS. JAGAN]

Following the discussions between the Medical Department and the Department of Agriculture, and the comments of those concerned, it was felt necessary to introduce the amendments contained in this Bill to amend the Animals (Control of Experiments) Ordinance, 1957. Hon. Members will note that we now have before us a new definition of the word "experiment" which limits it to

"any experiment calculated to give pain performed on any animal which interferes with the normal health or comfort of that animal, but does not include any test carried out on an animal by a qualified person as an aid to the veterinary diagnosis of the condition of that animal."

I think hon. Members will see the point; that we are now making a greater distinction between experiments such as those carried out on animals in a medical laboratory under the direction of a scientific officer, and the normal testing which has to be done by a veterinary officer to find the correct treatment for an animal.

Subsection (2) of Section 8 of the Principal Ordinance is being amended by the deletion of the words "twelve months from the date on which it is granted" and by the substitution therefor of the words "such period as may be stated therein." This is to broaden the activities within the Ordinance to prevent it from being circumscribed to 12 months.

Finally, the other Amendment is to introduce a new Section 11A in the Principal Ordinance which gives the Director of Medical Services the power to cause all places specified in licences and permits granted under the provisions of the Ordinance, to be inspected and visited from time to time by inspectors for the purpose of seeing that the intention of the Ordinance is fulfilled. Subsection (2) gives the Governor power to appoint inspectors for the purposes of the Ordinance, or to assign the duties of inspectors to appropriate officers.

I do not think that Members will find this a controversial Bill, and I would

urge them to consider it favourably, as its intention is merely to make the work of our veterinary officers easier, and to withdraw the restrictions which formerly existed in the performance of their duties. I formally move that the Bill be read a Second time.

The Minister of Communications and Works (Mr. Ram Karran) : I beg to second the Motion.

Question put, and agreed to.

Bill read a Second time.

Council resolved itself into Committee and approved of the Bill as printed.

Council resumed.

Mrs. Jagan : I beg to report that the Animals (Control of Experiments) (Amendment) Bill has been considered in Committee and approved without amendment. I therefore move that the Bill be now read the Third time.

Question put, and agreed to.

Bill read the Third time and passed.

AMENDMENT OF FISHERIES REGULATIONS

Mr. Speaker : There is a Motion standing in the name of the hon. Minister of Natural Resources.

Mr. Benn : Mr. Speaker, I beg to move the Motion standing in my name on the Order Paper which concerns an Amendment for the making of regulations relating to the main Fisheries Ordinance by revising the charges payable by fishermen in respect of the sale of their fish at the Government Fish Marketing Centre.

Paragraph 2 of regulation 10 of the Principal Regulations is being revoked herein and substituted for it is:

"The sale of fish in the Fish Marketing Centre shall be subject to the approval

of the superintendent and shall be by wholesale. The owner or captain of each fishing boat shall pay to the superintendent a landing fee in respect of all catches sold as aforesaid in accordance with the tariff set out in the third schedule."

There is a schedule of charges in a copy of the Regulations. I beg to move that Council accepts the Motion.

Mrs. Jagan: I beg to second the Motion.

Question put, and agreed to.

COLONY AND T. & H.D. ACCOUNTS

PUBLIC ACCOUNTS COMMITTEE REPORT

Mr. Speaker: There are two Motions standing in the name of the Member for North Georgetown. He is not here and I am not aware that he has asked anyone to move them in his absence; they would therefore not be taken. We shall pass on to the Motions standing in the name of the hon. Member for New Amsterdam, Mr. Kendall.

Mr. Kendall: I beg to move that the two Motions standing in my name on the Order Paper be accepted by this Council, and to observe that I would like Government to speed up the consideration of these Reports so that there will be no overlapping from one year to another.

The Motions are as follows:

"Be it resolved: That the Report of the Public Accounts Committee of the Legis-

lative Council on the Accounts of the Transport and Harbours Department for the year ended 31st December, 1957, be referred to the Government for its consideration."

next,

"Be it resolved: That the Report of the Public Accounts Committee of the Legislative Council on the Colony's Accounts for the financial year ended 31st December, 1957, be referred to the Government for its consideration."

I beg to move that Council accepts the Motions.

Mr. Gajraj: I beg to second the Motions.

Mr. Speaker: I shall put the first Motion.

Question put, and agreed to.

Motion affirmed.

Mr. Speaker: Now I will put the other Motion.

Question put, and agreed to.

Motion affirmed.

Mr. Speaker: I think that is the business for the day.

The Chief Secretary: I beg to move that the Council do now adjourn *sine die*.

Mr. Speaker: I declare Council adjourned to a date to be fixed.