

# LEGISLATIVE COUNCIL

(Constituted under the British Guiana  
(Constitution) (Temporary Provisions)  
Order in Council, 1953)

MONDAY, 22ND FEBRUARY, 1954

The Council met at 2 p.m. His Honour the Speaker, Sir Eustace Woolford, O.B.E., Q.C., in the Chair.

## PRESENT :

His Honour the Speaker, Sir Eustace Gordon Woolford, O.B.E., Q.C.

### *Ex-Officio Members;—*

The Hon. the Chief Secretary,  
Mr. John Gutch, C.M.G., O.B.E.

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

The Hon. the Financial Secretary,  
Mr. W. O. Fraser, O.B.E.

### *Nominated Members of Executive Council :—*

The Hon. Sir Frank McDavid, C.M.G., C.B.E. (Member for Agriculture, Forests, and Lands and Mines).

The Hon. P. A. Cummings (Member for Labour, Health and Housing)

The Hon. W. O. R. Kendall.

The Hon. G. A. C. Farnum, O.B.E.

The Hon. G. H. Smellie.

The Hon. R. B. Gajraj.

The Hon. R. C. Tello.

### *Deputy Speaker;—*

Mr. W. J. Raatgever, C.B.E.

### *Nominated Officials :—*

Mr. W. T. Lord, I.S.O.

Mr. J. I. Ramphal.

### *Nominated Unofficials :—*

Mr. T. Lee.

Mr. W. A. Phang.

Mr. L. A. Luckhoo.

Mr. W. A. Macnie, C.M.G., O.B.E.

Mr. C. A. Carter.

Rev. D. C. J. Bobb.

Mr. H. Rahaman.

Miss Gertie H. Collins.

Mrs. Esther E. Dey.

Dr. H. A. Fraser.

Lt. Col. E. J. Haywood, M.B.E., T.D.

Mr. R. B. Jailal.

Mr. Sugrim Singh.

Clerk of the Legislature—

Mr. I. Crum Ewing.

Assistant Clerk of the Legislature

—Mr. I. R. King.

### *Absent :—*

Mr. E. F. Correia.

The Speaker read prayers.

The Minutes of the meeting of the Council held on Friday, the 19th of February, 1954, as printed and circulated, were taken as read and confirmed.

## GOVERNMENT NOTICES

## INTRODUCTION OF BILLS

The Chief Secretary gave notice of the introduction and first reading of a Bill intituled:

"An Ordinance to amend the Co-operative Societies Ordinance, 1948 to provide for the minimum number of persons capable of registration and for the compulsory sale of produce through a registered society in certain cases."

Mr. Cummings (Member for Labour, Health and Housing) gave notice of the introduction and first reading of the following Bills:

"An Ordinance further to amend the Registration of Births and Deaths Ordinance."

"An Ordinance to enable Phrabhatranjan Dasgupta to be registered in the Colony as a Medical Practitioner under the provisions of the Colonial Medical Service (Consolidation) Ordinance."

"An Ordinance to continue in force the Medical Practitioners (Temporary Registration) (Extension) Ordinance, 1947."

## ORDER OF THE DAY

AUDIT DEPARTMENT (AMENDMENT)  
BILL

The Financial Secretary : I beg to move the first reading of a Bill intituled:

"An Ordinance further to amend the Audit Department Ordinance for the purpose of increasing the salaries of the Directors of Audit and the Senior Auditor."

Sir Frank McDavid seconded.

Question put, and agreed to.

Bill read a first time.

DRAINAGE AND IRRIGATION (BOERASIRIE  
EXTENSION PROJECT) (SPECIAL  
PROVISIONS) BILL, 1954

The Chief Secretary: I beg to move the first reading of a Bill intituled:

"An Ordinance to make special provisions with respect to the declaration of certain areas as Drainage and Irrigation Areas."

The Attorney-General seconded.

Question put, and agreed to.

Bill read a first time.

Mr. Speaker: It is rather an urgent matter, is it not?

The Chief Secretary: Yes, Sir; it is rather an urgent matter, and if the Council agrees I would like to take the Bill through its remaining stages tomorrow, provided I can obtain the Governor's permission to move the suspension of the Standing Orders. I cannot proceed further now.

## APPROPRIATION BILL, 1954

The Financial Secretary: I beg to move that this Council resolves itself into Committee to resume consideration of the Bill intituled:

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

Sir Frank McDavid seconded.

Question put, and agreed to.

Council in committee.

## SOCIAL ASSISTANCE

The Financial Secretary: I beg to move that this head be numbered XLIII

and passed at \$1,067,240, as recommended by Finance Committee.

Question put, and agreed to.

Head passed at \$1,067,240 as recommended by Finance Committee.

#### TRANSPORT AND HARBOURS

**The Financial Secretary:** I beg to move that this head be numbered XLV and passed at \$1,392,703.

**Mr. Ramphal:** I rise to move the reduction of this head by one dollar, to say—

**Sir Frank McDavid:** If I may interrupt—one cannot move the reduction by a dollar.

**Mr. Speaker:** Speak on it, or move its deletion.

**Mr. Ramphal:** Thank you very much, Sir. I understand that the post of Marine Superintendent was understood, more or less, to be one which Guianese with proper qualifications could have occupied. There is quite a great deal of dissatisfaction in the Harbour Master's Department because qualifications for that post are now required which Guianese could not fulfil. For example, one of the requirements is that the person must be qualified as having captained an ocean-going ship. For obvious reasons to which we need not refer here, no Guianese for a long time will be able to obtain that qualification. There is also a counter-qualification in respect of the post of Harbour Master in that he must have a Chief Pilot's Certificate of British Guiana, and it is pretty well-known that neither the expatriate officers who come to us nor our officers can have all the qualifications required for both posts. I wish to say that there is a great deal of dissatisfaction among

qualified people—qualified from our own standards and point of view—and I wish that the proper authorities will take heed. It is not that the Civil Service Association does not say there should be qualifications, but what it demands is uniformity of qualifications, and we find in this case there are qualifications which exclude outside and inside applicants.

**The Chief Secretary:** I am not quite sure what the hon. Member is raising this for, and I am not in a position to answer him.

**Mr. Ramphal:** It is found that one of us who has held the highest post has laid down a heavy burden which no one else can bear.

**Mr. Speaker:** The matter will, no doubt, be sent by the Chief Secretary to the Department concerned.

**The Chief Secretary:** Has the hon. Member made representations?

**Mr. Ramphal:** No, Sir. I was only approached about it on Monday.

**The Chief Secretary:** It would be a good thing if he should do that.

Question put, and agreed to.

Head passed at \$1,392,703.

#### VOLUNTEER FORCE

**The Financial Secretary:** I beg to move that this head be numbered XLVI and passed at \$180,800 as recommended by Finance Committee.

Question put, and agreed to.

Head passed at \$180,800 as recommended by Finance Committee.

## LOANS FROM PUBLIC FUNDS

**The Financial Secretary:** I beg to move that this head be numbered XLVII and passed at \$45,100 as recommended by Finance Committee.

Question put, and agreed to.

Head passed at \$45,100 as recommended by Finance Committee.

## COLONIAL EMERGENCY MEASURES

**The Financial Secretary:** I beg to move that this head be numbered L and passed at \$1,486,000 as recommended by Finance Committee.

Question put, and agreed to.

Head passed at \$1,486,000 as recommended by Finance Committee.

## DEVELOPMENT BUDGET

**The Financial Secretary:** I am asking the Committee for permission to increase the contribution from revenue under this head from \$1,000,000 to \$1,180,000 and I therefore move that the head be passed at \$3,223,383.

Question put and agreed to.

Head passed at \$3,223,383.

Total Schedule passed at \$31,096,392.

**The Financial Secretary:** I beg to move that the figure in clause 2, that is \$30,926,095; be amended to read \$31,096,392 which agrees with the total in the Schedule.

**Sir Frank McDavid:** When we were in Committee the Financial Secretary was moving in various amounts, therefore the Schedule is now filled up.

Amendment put, and agreed to.

**The Financial Secretary:** I beg to move that the figures in the preamble—\$33,823,000—be amended to read \$33,815,687; and the figures \$30,926,095 be amended to read \$31,096,392.

Amendment put, and agreed to.

Council resumed.

**The Financial Secretary:** I do not propose to move the third reading of the Bill now, I will take it tomorrow, Sir.

AUDIT DEPARTMENT (AMENDMENT)  
BILL 1954

**The Financial Secretary:** I now beg to move the suspension of the Standing Orders so as to enable me to take the Audit Department (Amendment) Bill, 1954, through all its stages today.

Sir Frank McDavid seconded.

**Mr. Lee:** I am objecting to the suspension of the Standing Orders for the purpose mentioned by the Financial Secretary, for the simple reason that I think this Bill requires a little more careful consideration.

**Mr. Speaker:** What about the other Bill on the Order Paper—the Bill seeking to make special provisions with respect to the declaration of certain areas as drainage and irrigation areas? Does the hon. Member propose to object to that also?

**Mr. Lee:** No, Sir.

**Mr. Speaker:** The hon. Member must allow me to say what I would

have said to the Mover in different circumstances and that is, before the motion for the suspension of the Standing Orders is moved the mover usually gives a reason for asking to be allowed to do so. I think the hon. the Financial Secretary should give some reason by explaining that the Bill is connected with the Budget discussion. I do not know if the hon. Member, Mr. Lee, was present, but the reason given was that there was a general discussion on this matter in Finance Committee. Although the expression, "agreement" or "disagreement" has not been used, I do not think I can accept the hon. Member's objection.

**The Attorney General:** I think the whole point is that this Bill is tied up with the Estimates and with one of the heads in the Estimates. The hon. the Financial Secretary has deferred the third reading of the Appropriation Bill and, I daresay, it is for the purpose of dealing with this particular item contained in the Bill. This Council itself can express its opinion on the Bill.

**Mr. Speaker:** The hon. Member, Mr. Lee, has not furnished any particular reasons for taking his objection.

**Mr. Lee:** The reason is that after the Finance Committee had passed the Estimates, it was brought to my knowledge that certain things recommended and passed by the Committee have not been accepted and, therefore, I do not think this Council should pass the items referred to in this Bill. I do not want to say publicly what I have heard and whether it has any foundation, but I know that certain things recommended in Finance Committee with respect to certain Officers have not been accepted by Government. My point is that Government

should not accept some of the recommendations of the Finance Committee and reject others, and that is the reason why I am suggesting that this Bill be deferred. I shall certainly speak to the hon. the Financial Secretary and explain what has occurred.

**Mr. Smellie:** May I, with great deference to the hon. the Attorney-General, Sir, and with a certain amount of deference to the hon. Member (Mr. Lee), say that the motion before the Council is whether the Standing Orders should be suspended. I do submit that it is for the Council to decide whether we should suspend the Standing Orders.

**Mr. Speaker:** That is what I am trying to point out. The reason given by the hon. Member, Mr. Lee, is one to oppose the Bill and not one for opposing the suspension of the Standing Orders.

**Mr. Lee:** If I remember rightly, in Sir Gordon Lethem's time if anyone objected to the suspension of the Standing Rules and Orders, the item intended to be discussed was never taken. I have given my reason for opposing the motion and I think it should be accepted.

**Mr. Speaker:** Again I say, the hon. Member's reason is not one for opposing the suspension of the Standing Orders, but one for opposing the Bill itself. There is no Order for the suspension of the Standing Orders, and a suspension may be required for various reasons. I shall therefore put the motion for the suspension of the Standing Orders, as moved.

**Mr. Lee:** Let us have a division, please.

[Mr. Lee]

Question put, the Council dividing and voting as follows:—

For	Against	Did Not Vote
Mr. Jaillal	Mr. Lee	Mr. Singh
Lt.-Col. Haywood		Mr. Tello
Dr. Fraser		
Mrs. Dey		
Miss Collins		
Mr. Rahaman		
Rev. Bobb		
Mr. Carter		
Mr. Macnie		
Mr. Luckhoo		
Mr. Phang		
Mr. Ramphal		
Mr. Smellie		
Mr. Farnum		
Mr. Kendall		
Mr. Cummings		
The Financial Secretary		
The Attorney General		
The Chief Secretary		
19	1	2

Motion carried.

Standing Orders suspended.

The Financial Secretary: I now beg to move the second reading of the Bill intituled—

“An Ordinance further to amend the Audit Department Ordinance for the purpose of increasing the salaries of the Director of Audit and the Senior Auditor.”

In doing so, I should like to explain that the salaries of the Director of Audit and the Senior Auditor, as the latter is now designated, is provided for by law—Chapter 200 of the Laws of British Guiana — and it is now proposed in the 1954 Estimates that the salary of the Director of Audit which is £1,300 per annum should be carried out at £1,400; and the salary of the Senior Auditor which is £1,000 be carried out at £1,100 per annum. Provision for the new salaries has been made in the Draft Estimates for 1954. The reason for increasing the salary of the Director of Audit is the fact that a post has been created in

the 1953 Estimates, styled Treasurer. This was done as a result of the separation of the duties of the Financial Secretary and Treasurer. The two posts were separated and the Financial Secretary and Treasurer became the Financial Secretary and the new post of Treasurer was created. The salary provided for the latter Officer was £1,400 but it was overlooked at the time that the salary of the Treasurer — or the Accountant General as the Officer is called in other Colonies — is on parity with that of the Director of Audit, and no steps were taken to have the salary of the Director of Audit changed at the time. Steps are now being taken to remove what is an anomalous position. At the same time, opportunity is also being taken to revise upward the salary of the Auditor, now called Senior Auditor, to the same salary as that of the Deputy Treasurer which is also a new post. That is the reason for the revision of the salaries of these two posts. In Finance Committee where the matter was considered at some length, certain Members took exception on the ground that it was a piecemeal revision. I do not regard it as such. It was really a regrading of salary to remove an anomaly. This is something we have been doing ever since salaries were revised in 1949.

There is another such case which came before the Finance Committee some little time ago. The salaries of certain unclassified officers were revised and, as a result of that revision which went back to 1949, anomalies were created with respect to Stewards at the hospitals. We are now going back to the Finance Committee and asking that, in the circumstances, the anomalies be removed as it were. It is felt that the salary of the Steward at a hospital should be higher than that of a clerk and it seems to me that, as in the question of the Stewards, this is a case where we should try to put our-

selves in order. I am surprised, therefore, to see that certain hon. Members are endeavouring to make an issue of this matter. We have, in the past, refused to undertake certain revisions because they meant piecemeal revision, but I cannot truthfully say that I regard this case as one of piecemeal revision. There is only one Officer concerned, and it seems to be only fair that we should place his salary on the same level as it would have been if he was serving in another Colony. I hope that hon. Members will see the justice in what we have done.

**Sir Frank McDavid** seconded.

**Mr. Lee:** I beg to move an amendment to the effect that this Bill be moved six months from date. My reason for doing so is that if Government in their wisdom think that they should increase the salary of one officer—and I have nothing against this officer but rather thinks he is deserving of an increase—I think Government should also accept similar recommendations by the Finance Committee with respect to other officers and amend the Estimates accordingly. I understand that the Finance Committee recommended that Magistrates should be given two increments, and if this has been accepted by Government why has the necessary provision not been made in the Estimates. If it was necessary to have the Civil List amended that should have been done, in a similar manner to how this Audit Department Ordinance is being amended. I do not agree with the principle under which the Ordinance is being amended, since there are other officers who deserve and need an increase. It is not the question of salary, but the question of principle that I am concerned with. If Government give an undertaking that when the Civil List is amended the increases recommended by the Finance Committee will be made retrospective as from January 1, 1954, I

will withdraw my amendment. Otherwise, I shall vote against the motion, since other recommendations made by the Finance Committee have been ignored.

**Mr. Speaker:** Has anyone seconded the motion?

**Mr. Lee:** I do not know if any Member will second it, otherwise it would fall through.

**The Financial Secretary:** The motion has been seconded, Sir.

**Mr. Speaker:** Does any other Member wish to speak on the motion or on the amendment?

**Mr. Ramphal:** I rise to oppose the motion, and to say that it is a matter of some deep regret to me that I should rise to oppose an increase in salary to a colleague in the Civil Service. I am under a duty, however, which I cannot but appreciate, to oppose the motion because the Civil Service Association of which I am President has asked me in its name to express as strongly as I can, regret that Government should have chosen this moment to introduce this Bill. What I shall say, Sir, in the course of my remarks this afternoon, I have already said to the Auditor; and I have also made my position quite clear to the hon. the Chief Secretary.

I have pleaded with both of them not to press this Bill at this particular time, but when I did make protest the matter had already reached too far and it was completely out of their hands. I wish that I could have said what the Auditor thinks on this particular matter, but I shall not allow my feelings to get the better of me on this occasion. The hon. the Financial Secretary has said that the reason for the Bill is to regularise the salaries of the Treasurer and the Auditor. If I were the Auditor, I would certainly have been dissatisfied with the Bill as it is.

[Mr. Ramphal]

On the 1st January, 1953, the new salary for the Treasurer was put into operation. If we accept the statement of the Financial Secretary that this Bill is to put the two posts on par, then I would say an injustice was done to the Auditor in that his salary was not put back from the 1st January, 1953. I have said that to the Auditor and to other people. I wish to give to this Council very definitely the basis for my opposition to this Bill. As it is constituted it disputes what the hon. the Financial Secretary said — and he could not truthfully say otherwise — that it is for revision. I am sure the Financial Secretary will agree with me that there are other officers on the same scale. In 1949 the Public Service Salaries and Wages Commission made recommendations which the Government had put into operation. Some officers were put on a flat basis and there was a certain group called A8—for officers earning \$6,240 *per annum* in other words \$520 per month—including the Director of Education, the Commissioner of Income Tax, the Commissioner of the Interior, the Commissioner of Police, the Postmaster General, the Controller of Customs, the Director of Audit and the Director of Geological Surveys. Those officers are all put in the same line. There was no Treasurer then. The Treasurer was brought in and he was put on a higher scale.

It appears very simple indeed that if you are going to remove the Auditor from his present scale and place him on a higher one, it is nothing short of a piecemeal revision. And now that revision has been agreed upon and the Auditor's salary

is not taken back to 1953, I cannot see what reason there can be to force this Bill through at this particular time. It appears to me from what I have said that we can come to no other conclusion than that Government is discriminating between officer and officer. It is only the posts of the Treasurer and the Auditor that are related.

But there are other financial officers, for example the Commissioner of Income Tax and the Controller of Customs. I have before me the comparative salaries in respect of the West Indies and perhaps all over the British Empire of officers, and there it is found that the Treasurer, the Auditor, the Income Tax Commissioner and the Controller of Customs are all closely related. If you are going to take one out its proper place, then you are creating discrimination. On top of that, there are other officers in the Service; the Director of Education, the Commissioner of Police, the Postmaster General and the Director of Geological Surveys. Can we say that any one of them is not equally deserving of being kept in line with the Auditor or the Treasurer? Take the case of the Director of Geological Surveys. He is the man who is doing everything to bring more mining concerns into this country at a time when we cannot get Geological officers to come out.

There is one basis on which I believe the relationship between the Administration and its Officers must exist, and that basis is consistency. I am sure the Chief Secretary will tell this Council if I am wrong in saying that if senior officers of Government must await a general revision of salaries, there is no case for the Auditor's post to be regraded. The Financial Secretary has said



it is to remove an anomaly. In so doing we will be creating several other anomalies. I regret to say that Government is treating some of its officers as fish and others as fowl, to use a common expression.

I hope Government will see the wisdom of withdrawing this Bill because it is creating a great deal of dissatisfaction, particularly in the minds of senior Civil Servants. We do not want any confidence which the Service has in the Administration at any time to be reduced. This is one of the ways in which that confidence is being broken down. I feel we should try to maintain that confidence, and it can only be maintained by strict impartiality on the part of the Administration in dealing with its servants. I feel that if the Auditor's post were to be regraded he would be better treated than he would be in some Colonies. I ask Government to let this matter wait. By withdrawing this Bill Government would be prevented from taking a decision which would be very unsavoury in the mouths of Members later.

**Mr. Speaker:** Does any other Member wish to speak on this motion?

**The Chief Secretary:** I feel I should reply as Chief Secretary to some of the points raised by the hon. Member who has just spoken. He made an eloquent attack on this measure designed to increase the salaries of the Director of Audit and his "Number Two". But I did not myself find his arguments very convincing. He himself said if he were in the position of the Director of Audit he would be dissatisfied with these proposals because, from the arguments of the

Financial Secretary, the increase in salary should really have been made retroactive from the 1st January, 1953, but I can assure him that the Director of Audit is dissatisfied; and I must personally, on the ground of logic, say that I would like to see this increase in salary antedated to 1st January, 1953. However, I do not think that fact should be used as argument against increasing his salary as from 1st January, 1954.

The Financial Secretary explained the reasons behind this increase. I can assure hon. Members that the sole purpose behind this increase is to remove an existing anomaly. As he said, the salary of the Director of Audit must bear relation to that of the Accountant General whose accounts are subject to his inspection and supervision. Hence it would be quite anomalous that the salary of the Director of Audit should be below that of the Accountant General, as he is sometimes called.

The hon. Member who spoke last insisted that this was a piecemeal salary revision. Of course it is revision of salary, and it is a revision of an individual salary or two individual salaries. To that extent it should be regarded as a piecemeal revision, but the purpose is to remove an anomaly, and this has been done on several occasions since the last revision. I did not want to embarrass the hon. Member when he stood on his feet and argued that no post should be revised without a general revision. Other anomalies in this country which have come to notice have been removed previously and I can see no reason why similar equitable treatment should not be applied to the Director of Audit.



Council resumed.

**The Financial Secretary:** With the Council's permission, I beg to move that this Bill be now read a third time and passed.

Sir Frank McDavid seconded.

Question put, and agreed to.

Bill read a third time and passed as amended in Committee.

FRIENDLY SOCIETIES (AMENDMENT)  
BILL, 1954

**The Chief Secretary:** I beg to move the second reading of the Bill intituled:

"An Ordinance further to amend the Friendly Societies Ordinance."

The amendments for which provision is made in this Bill before the Council are designed to give effect to some of the recommendations by Mr. and Mrs. Wells as a result of the survey which they carried out in the West Indies in 1948 and 1949 under a research scheme from Colonial Development and Welfare funds. The Report has been laid in Council and I hope hon. Members have had an opportunity of studying it. Also bound up with the Report, as hon. Members will find, is a despatch from the Secretary of State for the Colonies in which he gives his views on the Report. The shortcoming of the Friendly Societies which Mr. and Mrs. Wells diagnosed are summarised in paragraph 2 of the despatch, and recommendations for remedying them are also summarised in paragraph 4.

Hon. Members will find an extremely interesting historical account which tells of Friendly Societies in the West Indies and British Guiana dating right back to the early 19th century. Nowadays when we think and

speak of social security, we think of something on the rather elaborate and also, I am afraid, the very expensive side of social security and social insurance in the United Kingdom. But that is no reason why we should not, within the means available to us, try to step forward on the road towards a comprehensive scheme of social insurance here. I hope that it will be possible to announce, fairly shortly, that an expert in these matters of social insurance will be visiting the Colony to guide us with advice as to the lines along which we should advance. In the meantime, however, I think hon. Members will agree with me that we should do everything we can to assist the friendly societies and to see that they are placed on a proper and firm foundation, so that they may be able to provide social security in some directions for their members. It may even be possible for the friendly societies to be merged into one body and play their part in whatever comprehensive scheme is eventually evolved.

As will be seen from this report, Mr. and Mrs. Wells found that all was not well with the friendly societies in the West Indies and British Guiana. I have already said that a convenient summary of their shortcomings, as found by Mr. and Mrs. Wells, is to be found in paragraph 2 of the Secretary of State's despatch in this volume. As regards the recommendations of Mr. and Mrs. Wells for overcoming these shortcomings, one of their main recommendations was that there should be a Registrar of Friendly Societies, with staff at his disposal sufficient for a proper oversight of the affairs of friendly societies. In the particular case of British Guiana, hon. Members will recall that at the time when this report was written, it was the Registrar of the Supreme Court who, in addition to his other multifarious duties, was also Registrar of Friendly Societies. I am

[The Chief Secretary]  
afraid that under that arrangement he was not able to give the societies adequate care and attention. He could hardly have been expected to do so. Further, the powers of inspection provided by the law were extremely limited. Mr. and Mrs Wells have suggested that wherever possible the duties of the Registrar of Friendly Societies should be combined with those of the Registrar of Co-operative Societies, and in 1952 that recommendation was implemented here, the Registrar of Co-operative Societies taking over responsibility for the other side—the friendly societies. In 1953 he was provided with additional staff by the appointment of two Inspectors of Friendly Societies, so as to enable him to carry out these duties, and I have no doubt that as a result of these administrative arrangements there has been a considerable amount of improvement in the care and attention given by the Registrar to the friendly societies.

I would like to draw the attention of hon. Members to the report of the Registrar for 1953, which was also laid in Council last week. Now we are proposing to take the next step forward and to amend our Ordinance so as to remove some of the shortcomings in the existing law which were referred to by Mr. and Mrs. Wells in their report. It may be that we have been rather lag-gard in bringing this legislation forward, but I should like to explain that the Registrar of Co-operative Societies submitted a draft Bill to the Attorney-General early in March, 1953, and the Bill was finalized by the Attorney-General at the end of that month. It was then, of course, too late to bring the amending Ordinance before the then Legislative Council, and it was necessary to postpone administrative action until after the new Government had taken office. I see in the file now

before me here, that the papers were submitted to the Minister of Local Government and Social Welfare within whose portfolio the matter falls, on June 10, 1953, and that the Bill was recommended for early introduction. Owing, I presume, to his many other pre-occupations, he was unable to take any action on it before he was removed from Office in October. The Bill has now been brought forward and, as hon. Members will see, it covers a number of useful purposes. First of all, it provides for the compulsory registration of friendly societies with a membership of not less than seven persons, whereas at present there is only voluntary registration for which provision is made in sections 3 and 12 of the existing Ordinance. It also provides for the due auditing of accounts under arrangements to be made by the Registrar or by some person authorized by him.

I am afraid that in their report Mr. and Mrs. Wells were finally impelled to single out British Guiana for some remarks on the question of audit. They referred to some errors which they found—rather grave errors—in the annual returns submitted by a certain friendly society with respect to 1948. Then they go on to say (in par. 311):

“The auditor, who stated that he himself had drawn up the Annual return, was invited to explain these discrepancies, but after working on them for some time during the period of a fortnight, professed himself quite unable to do so. He excused himself on the grounds that there had been a lot of noise from the street during the time that he was compiling the Return. This auditor seems to be popular among the societies; he was responsible for auditing the 1947 accounts of 22 societies and up to about the end of April of 1949 had audited the 1948 accounts of 11. We understand that dissatisfaction has been officially expressed with his work on previous occasions.”

Further, the amending Bill provides for the establishment of a

Reserve Fund by societies which have any surplus funds available to them as a result of their operations. It also provides for limitation of the practice of holding more than one office, which Mr. and Mrs. Wells found to be a frequent cause of financial malpractice. For instance, a person who held the office of Secretary of one society often held the office of Treasurer in another society, and he held in addition a number of other offices which gave him opportunities for these financial malpractices.

The amending Bill also provides for the reference of disputes to the Registrar in cases where one party only applies for such reference. Under the existing law such reference was only possible with the consent of both parties. It also provides the Registrar with powers of entry and inspection of the premises and the affairs of a society, and for holding an inquiry into the affairs of a society when he considers it to be necessary. This action can be taken by the Registrar on his own initiative, instead of having to wait for an application by a number of the members of the society itself. It also provides the Registrar with powers of inquiry into cases of negligence or such other acts on the part of officials of a society, and appropriate means of appeal for the officials concerned to a Magistrate are also provided in the ordinary way. The Bill provides also for the establishment of an Audit and Supervision Fund to which Government may contribute if it thinks fit. There are also provisions which will relieve friendly societies from income tax and certain other dues. Those are the main provisions of the Bill, and there are certain small items which I have not mentioned.

As hon. Members will realize, all these provisions are designed to imple-

ment the recommendations of Mr. and Mrs. Wells for improving the running of the societies. It may be thought by some that we have provided the Registrar with rather drastic powers of interference with the affairs of the societies, but I think hon. Members will agree with me that it is the duty of the Government to see that these societies are run properly—in the interest of members—and to see that the present opportunities for immoral practices are reduced to the absolute minimum. In short, it must see to it that the hard-earned savings of the people who contribute to these societies are used for the benefit of the members themselves and do not go into the pockets of officials, and are not misused by others who would squander them. I now beg to move the second reading of the Bill.

**Mr. Speaker :** I have been wondering what would be the position of certain societies—those known as burial societies—under this Bill. Ordinary people subscribe to them every month, so far as I know.

**The Chief Secretary :** This Bill applies to all societies with a membership of not less than seven, and it provides that all societies be registered, including burial societies.

**Mr. Speaker:** Does any other Member wish to speak on the Bill?

**Miss Collins:** On Saturday last I was invited to a meeting of executives of various friendly societies, and I want to say that they appreciate some of the clauses of this Bill. There are three clauses, however, about which they are concerned, and one of them relates to the question of a Reserve Fund. The Bill provides for the establishment by all societies of a Reserve Fund to which not less than five per

[Miss Collins]

cent. of their net profits must be set aside each year, but the societies concerned would like to have this figure reduced to three or four per cent. at the most, because they feel that five per cent. is too high. Some members complained that they were contributing to these societies for years and that they were now looking forward to better treatment for the support they had given, while some executives felt that the societies had not been properly treated by Government. Some of the societies are very small, but there are large ones in which the type of dishonesty referred to exists, and the executives appreciate the measures which Government have adopted in order to put an end to it. Further, the executives would like to know whether they would be able to use money from the Reserve Fund at any particular time, and whether it would interfere with the payment of bonuses by the societies.

Some Members have said that they would cease to contribute to the societies if the Reserve Fund is used for the payment of supervision or for auditors. Some of the societies complain that they are using 7 per cent. of their funds for the payment of auditors, and they feel that they should get some assistance from Government if they are to pay more than they are paying at the present time. Some of them have also pointed out that they have auditors who have been working for them for years for small fees and they feel that they should be given an opportunity to select or recommend their own auditors. That is the feeling of some executives. Other executives feel that the societies are doing social work and that the members are not being paid, therefore Government should assist them as re-

gards the Supervision Fund. They hope that they would not be burdened and caused to spend more money than they should.

**Mr. Speaker:** What particular clause is the hon. Member referring to?

**Miss Collins:** I am referring to clause 15 and also to clause 7.

**Mr. Speaker:** I am looking at clause 15.

**Miss Collins :** Clause 15 seeks to provide for the establishment of an Audit and Supervision Fund to which societies will be called upon to contribute. It also seeks to make provision for grants to be made by the Government to augment the contributions made by societies. The main purpose of the fund will be to provide revenue from which the expenses of audit and inspection under the Ordinance may be met.

The societies are hoping that they would not have to pay more for auditing their books in future than what they paid in the past. They feel that if Government send them auditors they would have to pay much more than they paid before, because they know what Government people are paid. There is no fixed amount in this clause and the payment will have to be made out of the Fund.

**The Attorney-General:** The hon. Member is saying that the societies are of the opinion that the cost of auditing their books might be increased through having to get outside auditors under these provisions.

**Mr. Speaker:** Has the hon. Member finished her remarks?

**Miss Collins:** No, Sir, I would like to refer also to clause 4 and clause 8. Clause 8 seeks to provide that no person shall hold the offices of President and Treasurer or Secretary and Treasurer in the same society, or shall hold the office of Treasurer in more than one society. The societies are saying, however, that they have no objection to a person being President of one society and Secretary of another. Some of them have also pointed out that they have auditors who have given them honest service for years, and these are well established societies—not small ones. They feel that they should also have the democratic right of selecting their own Secretary, because they feel that a Secretary cannot steal unless he and the President agree to do so. They also say that a Treasurer cannot be dishonest at all without the aid of the Secretary and the President.

**Mr. Speaker:** Clause 8 (1) says that no person shall hold two offices combined.

**Miss Collins:** The societies do not agree with that.

**Mr. Speaker:** A person cannot hold the office of Treasurer in more than one society. Do they object to that?

**Miss Collins:** Yes; they object to that. They say that there are persons who have done so quite satisfactorily in the past.

**The Attorney-General:** With regard to detailed comments on any particular clause, I think the hon. Member would be advised to reserve them until the Bill reaches the Committee stage. I think the Council is only

concerned with the principle of the Bill in the course of the second reading.

**Mr. Speaker:** The hon. Member (Miss Collins) is objecting in principle to this clause, 8, which forbids any person holding two offices at the same time in one society.

**The Attorney-General:** I cannot see it that way.

**Mr. Speaker:** I advise the hon. Member that when the Bill reaches the Committee Stage she should be prepared to move a specific amendment making clear what change or changes she has in mind. Opportunity will be given her to do so.

**Mr. Lee:** I think there is only one clause that needs clarification, and that is 45C dealing with the removal of an officer, at (1) (a) where it says

“If at any time it appears to the satisfaction of the registrar after due inquiry into the facts (the officer or other person being afforded a full opportunity of being heard)....”

In every legal document there should be stated the procedure to be gone about. Supposing that the registrar did it in the manner which he himself liked—

**The Chief Secretary:** Is the hon. Member making a speech?

**Mr. Lee:** I am commenting on the Bill, which is not properly drawn up so as to be explicit to friendly societies people, and I am asking Government to lay down the procedure to be followed when any person is charged.

**Mr. Macnie:** I feel from the hon. Member, Miss Collins's remarks that possibly a good many of the friendly

[Mr. Macnie]

societies will be affected by this Bill when it comes into effect and that they may not have had a full opportunity of studying it. I therefore ask the hon. the Chief Secretary whether such an opportunity was afforded the societies before or after publication of the draft Bill on the 30th of January last. I think we all know that there are many societies which come under the term friendly societies and which are doing useful work in this community—and there are others possibly in operation—but let us not fail to recognize that there are a good many friendly societies long established and doing good work. I do feel that in recognizing this, it is desirable that all those who go in for this form of social work should be given full opportunity of studying the Bill and making any representations they may care to.

I have read the report of Mr. and Mrs. Wells with a good deal of interest, because I happened to meet them when they came out to the West Indies and I was in another Colony. One of their recommendations relate to the drafting of Model Rules appropriate to each Colony, and the Secretary of State for the Colonies in his despatch—paragraph 4 (f)—refers to it. The recommendations include “that Model Rules appropriate to each Colony should be drafted by Registrars for the observance of Societies (paragraph 444a)”. We can also refer to paragraph 105 of the Report in this respect. As far as I know, Model Rules have not been drafted. There is provision for what these Rules must contain. Copies of the old volumes of the laws have been removed from the table in this Council, but I have looked up the Schedule to the old Ordinance, and it says there what the rules usually state. It does seem to

me that it is a pity that a draft of the Model Rules is not available. I think it should be available when we are discussing a piece of legislation like this, which I am not opposed to at all. Also, it should be made available to the bodies concerned.

I know that some of the societies in the vicinity of Georgetown had a meeting with the hon. Member, Miss Collins, but I do not know if they had an opportunity of studying the matter.

**Mr. Speaker:** Section 4 of Chapter II of the Report deals with Rules. There are certain societies which may adopt model rules, but is there such a thing as compulsory rules?

**Mr. Ramphal:** I wish to congratulate Government on the introduction of this Bill. The friendly society is the small man's society, and I wish particularly to congratulate Government on bringing forward compulsory registration. Clause 7 provides for the appointment of persons to audit the accounts of societies. I think it is necessary that society members should be protected, and impartial auditors appointed. I know from experience in the trade union field that since compulsory auditing has been introduced and the Director of Audit has taken over, there has been quite an improvement in the keeping of accounts of trade unions. I do not live very far away from where some societies keep their meetings, and I am very painfully aware of the quarrels which take place over the question of handling the societies' funds.

Right now I think a quarrel is ensuing and the president is under pressure. I think it was said to me that he was the only person who did not empty his pockets on a particular night. I refer to Clause 8 where it is



held that no person should hold more than one office in one society, and I think that sort of provision would be a good thing to save some of the people from themselves. It may be that there are persons who circulate from society to society, and that in itself is a form of speculation which we have to prevent. While a good man can serve many societies, the provision is a very wise safeguard.

Finally, may I suggest to Government that as these societies are small and their funds depend on pennies going in week after week—and believe me, I am amazed to see the regularity with which people go to pay their society dues night after night, and still more surprised to see the number of people who collect their money at Christmas time—that the expenses for the auditing of their accounts be provided by Government. This is the only policy in connection with which I would suggest any amendment whatever.

**Mr. Tello:** I also associate myself with the congratulations extended to Government for bringing forward this Bill. Indeed for many years we have accepted the friendly society as the poor man's insurance society. It has grown up from pressure of hardship and has proved especially useful in times of sickness and death. Those are the circumstances under which local societies have grown up; and with this growth there have always been associated practices which were not always complimentary. I appreciate that steps are being taken here to protect the funds of the poor man's society and to give him confidence in that society, and also to provide for impartial auditing.

While I agree that it might be a dangerous practice for one person to

hold more than one office at the same time in one or more of these societies, I say we also have to take into account that throughout the history of this social movement the treasurer has been always the one whose position has been criticized and who has always been held up to suspicion. One can appreciate the fact that the services of a treasurer with some degree of honesty will be in demand, and I am wondering if we are not being hasty by restricting him to the service of one society, after having made the provision in the Bill, at Clause 10 (2), that

"The Registrar may in his absolute discretion and without assigning reasons for doing so appoint an accountant to inspect and if necessary to audit the books of a society at any time and report to him thereon."

As a matter of fact, as a trade unionist I am wondering if this amendment does not constitute undue interference, because it seems to me that when members are suspicious that the accounts are not in order, it should be their prerogative to notify the Registrar to take the necessary steps to assure them that their funds and auditing are being handled in the proper manner. I am in sympathy with steps being taken for correct conduct on the part of those who have to deal with the funds but, as a trade unionist, I cannot accept this thing.

I hope that the debate on the second reading will be marked with such liveliness that I may learn a little more of the thoughts of my colleagues on this subject. I suppose some members will be expressing the opinion of members of the societies, and I hope I will get an opportunity overnight to study the Bill.

**Mr. Speaker** (*addressing Mr. Carter*): What about your experience?

**Mr. Carter:** What did you say, Your Honour?

**Mr. Speaker:** I think the hon. Member, Mr. Tello, would like to hear of your experiences.

**Mr. Bobb:** There is no need for me to enlarge upon some of the aspects of this Bill which is before us. There is no doubt that some of its provisions will assist in removing what is described as malpractices, but what I am troubled about is whether the societies concerned are aware of this legislation. The answer is, of course, that it has been published and we cannot readily find a way by which societies can otherwise become aware of this important measure. It must be realised that it is prudent business for leaders to be in touch with development so that they may be able to guide their members at the proper time—and I am thinking of those small societies which, I may venture to suggest, would not know what is contemplated.

The effect of this legislation upon members of the societies would be something like this: they awake to find that they have to put their rules in order, have their accounts straightened out, maybe withdraw funds and suspend the financial statement, all of which would have the effect of disbursements from bonus at the end of the year. That may sound complicated. I am wondering if when this Bill goes through—as I expect it will—the mover will allow a reasonable time to pass before it actually takes effect. I know that some societies begin to plan in February or March what they will do in December and I am very uncertain as to whether they will have time enough to put their houses in order, so to speak.

I am supporting this measure but there is one suggestion I wish to make

and that is that the people must be made fully aware of what they have to do. I am sorry I have to express fear while at the same time congratulating Government, but it is to assist the people, and therefore every opportunity should be taken that the end-result is a good one.

So far, there is going to be a check on these societies. It is a fact that there is much room for the development of these societies and I was very pleased to hear reference to the possibility of these societies becoming later on, part of any insurance scheme intended for the benefit of the small man. I hope it will be possible also to include something which will enable the Legislature to give constructive help in the development of these societies. Merely to send inspectors to check accounts and settle disputes is not enough; I think the societies should be able to call upon the services of inspectors who could give them ideas for further development, such as is done in the co-operative field. In the present circumstances this is not a requirement but a demand. These societies have a long and maybe chequered existence; co-operative societies on the other hand, are more recent and have given quick and good results, but I do not think they will replace the friendly societies.

**The Chief Secretary:** Several hon. Members have spoken about the necessity for further consideration of the provisions of this Bill. I am afraid I am not in a position to say what consultation has taken place between the Registrar of Friendly Societies and representatives of the societies concerned with respect to the Bill. If this debate is adjourned for a day or two, however, I shall be able to make the necessary enquiry.

**Mr. Speaker:** I think it is right that opportunity should be given to these societies to give careful consideration to the Bill. Publication of the Bill in the *Gazette* does not help them very much. Unfortunately, there are no copies of the Bill available for distribution now, and I am wondering whether it would not be the best thing to defer it for a day or two so that the question of its consideration by the societies concerned might be gone into.

**The Attorney-General :** Perhaps tomorrow we might hear whether it is reasonable that further consideration should be given to it.

**Mr. Speaker:** Perhaps we might expect the Chief Secretary to be able to say something more about the opportunity for discussion among the societies concerned. Is there any objection to postponing further consideration of the Bill ?

**The Chief Secretary:** I have no objection. I have already stated that I am not in a position to tell the Council whether, in the course of the drafting of the Bill, the draughtsman and the Registrar of Friendly Societies consulted representatives of the societies. If the Bill is postponed until tomorrow or some other day, I shall be able to find out.

**Mr. Speaker:** Further consideration of the Bill is postponed until tomorrow, with the understanding that it may or may not be proceeded with then. Would the Financial Secretary like to take the Customs (Consolidation) (Amendment) Bill, 1954, now ?

**The Financial Secretary:** No, Sir. If I am permitted, I should like to complete consideration of the Appropriation Bill, 1954.

#### APPROPRIATION BILL, 1954.

Council resumed consideration in Committee of the Bill intituled—

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

**The Financial Secretary :** I propose to move an amendment to the preamble of this Bill, consideration of the other parts having been concluded. There is a sum of \$2,896,905 mentioned in the preamble, and in place of that I want to substitute the sum of \$2,719,295. This sum, added to the sum provided in the Bill, makes a total of \$33,815,687. I was unable to move this amendment until I knew what would be the fate of the Audit Department Bill.

Amendment put, and agreed to.

Title and Enacting Clause.

**The Financial Secretary:** I also beg to move the deletion of the Enacting Clause and the substitution therefor of the words “Enacted by the Legislature of British Guiana.”

Amendment put, and agreed to.

Council resumed.

**The Financial Secretary:** I beg to move that this Bill, as amended, be now read a third time and passed.

**The Attorney-General** seconded.

Question put, and agreed to.

Bill read a third time and passed.

**Mr. Speaker:** Council is now adjourned until 2 p.m., tomorrow.