

# SECOND LEGISLATIVE COUNCIL

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

Tuesday, 24th February, 1959

The Council met at 2 p.m.

## PRESENT :

Speaker, His Honour Sir Donald Jackson

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

Financial Secretary, Hon. F. W. Essex.

} *ex officio*

The Honourable Dr. C. B. Jagan	—Member for Eastern Berbice (Minister of Trade and Industry)
„ B. H. Benn	—Member for Essequibo River (Minister of Community Development and Education)
„ E. B. Beharry	—Member for Eastern Demerara (Minister of Natural Resources)
„ Janet Jagan	—Member for Western Essequibo (Minister of Labour, Health and Housing)
„ „ Ram Karran	—Member for Demerara-Essequibo (Minister of Communications and Works).
Mr. R. B. Gajraj	—Nominated Member
„ W. O. R. Kendall	—Member for New Amsterdam
„ R. C. Tello	—Nominated Member
„ L. F. S. Burnham	—Member for Georgetown Central
„ S. Campbell	—Member for North Western District
„ A. L. Jackson	—Member for Georgetown North
„ S. M. Saffee	—Member for Western Berbice
„ Ajodha Singh	—Member for Berbice River
„ R. E. Davis	—Nominated Member
„ H. J. M. Hubbard	—Nominated Member
„ A. G. Tasker, O.B.E.	—Nominated Member.

Mr. I. Crum Ewing—Clerk of the Legislature

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

## ABSENT :

The Hon. the Chief Secretary, Mr. M. S. Porcher (acting) — on leave:

Mr. F. Bowman — on leave.

Mr. B. S. Rai.

Mr. Jai Narine Singh.

Mr. A. M. Fredericks — on leave.

The Clerk read prayers.

## MINUTES

The Minutes of the meeting of the Council held on Friday, 20th February, 1959, as printed and circulated, were taken as read and confirmed.

## ANNOUNCEMENTS

## LEAVE TO MEMBERS

**Mr. Speaker:** I have to announce that the hon. the Chief Secretary has been granted leave as from today until the 3rd of March. He is on official duty out of the City.

Mr. Fredericks and Mr. Bowman have asked to be excused from this meeting.

## ORDER OF THE DAY

## LOCAL GOVERNMENT (VALUATION OF PROPERTY) BILL

**The Minister of Community Development and Education (Mr. Benn):** I beg to move the Second Reading of the Bill intitled :

“An Ordinance to provide for valuation of property for rating purposes and for purposes connected therewith”.

This is a most important measure since it attempts for the first time to take a step in bringing some uniformity into the system of Local Government in this country. Before I go much further I should like to say that this Local Government (Valuation of Property) Bill is in keeping with Government's ardent desire to reorganize Local Government in this country. Dr. Marshall visited this country in 1954-55 and made recommendations on Local Government, and I should be failing in my duty if I did not bring to the attention of hon. Members certain points which Dr. Marshall made on this question of valuation of property. On page 59 of his report, he says :

“I do not propose any change in the rating system which is based on annual rental value and appears to work reasonably well.”

He said this in respect of the rating system in Georgetown. With respect to other Local Authorities I should like to quote his comment on page 46 of his Report :

“The value for rating purposes would be the full market value at the time of valuation. Systematic revaluation would be made every ten years by valuers appointed from a list to be kept by the Local Government Service Commission or the Regional Board. They would be part-time persons, not professional valuers, but knowledgeable on the prices of property. Varying conditions in the rural areas, the scattered nature of the work, and the need to employ many different people would make the professional techniques of valuation employed in Georgetown unsuitable and too expensive.”

With respect to New Amsterdam Dr. Marshall said in his report that the town of New Amsterdam had been considering seriously the adoption of the annual rental value basis as applied in Georgetown. However, Government's proposals, as set out in the Sessional Paper, make it clear that it does not accept the recommendation of Dr. Marshall on this score, and in the Sessional Paper it is proposed that all valuations will be done on the capital replacement value.

The main object of the Bill, therefore, is to have a uniform system of valuation based on the capital investment value, in the case of buildings or other erections, with an age allowance, and the market value in respect of the land. In this respect, therefore, it would seem that Government has taken a decision which is not in keeping with the recommendation of Dr. Marshall, but whether Dr. Marshall came to this country or not to submit proposals for the reorganization of Local Government, it is abundantly clear to any person who knows what goes on in this country, in the rural areas and in our Municipality, that there is great necessity for putting the valuation of property in Local Government areas on a uniform basis.

Why do we want uniformity? Uniformity for uniformity sake is not the best thing, but uniformity which will help in putting any system on a proper

footing is quite necessary, and one of the benefits of the uniformity we are suggesting is that it will give the Central Government an opportunity to make comparisons between all Local Government areas of competitive expenditure, either in respect of all the services or in respect of any one service. Another advantage of uniformity is that if there are several systems they could not be as easily understood by the people in the Local Government areas as if there were one system. Furthermore, when questions of valuation arise and they have to go to our Courts of law, our Courts will not have to look at one code for one local authority on one day and another code for another local authority on another day. On the score of uniformity I wish to quote from the Journal of The Institute of Municipal Treasurers & Accountants (Inc.), an extract from an article on "The Revaluation and its Implications" by Ian M. Cowan, on page 2 of which he says :

"Whilst one is naturally resistant to any suggestion which involves the transfer of local functions from local government to the state yet in regard to revaluation for rating the conclusion seems inescapable that satisfactory results could be achieved in only one way. This would be by employing an organization which had all the necessary technical resources and experience, and which was removed from the influence of rating authorities which, it has been said, did in all too many cases regard the level of assessments as a matter which was not outside the range of local policy".

Locally we have seen how in some areas there have been difficulties on this question of valuation. We have seen in our rural areas, in the country districts and village districts, how much time has passed without revaluation taking place.

How should valuation of property be done? There are certain methods which can be suggested for the valuation of property. Valuation can be done by the appraisal system, as it is presently done in the rural areas where, in some cases, the overseer of Local Authority "A" does the appraisalment for Local Authority "B", and *vice versa*. In my opinion many

of those persons who do this valuation are not trained, and many of them have little or no knowledge of building works. In some cases a village carpenter is recruited to do the job on behalf of the Local Authority.

As a result of this limited knowledge considerable inequalities in the valuation of properties arise and lead to accusations by persons in the area of the local authorities that the people who did the valuation were under pressure of some sort.

Another point which makes it incumbent or necessary that valuations should be taken out of the hands of appraisers — it must be remembered that the appraiser system was employed in Georgetown until 1943—is that the persons who make the appraisements are not regularly employed on the job, therefore when changes are made in the structure of the buildings or additions are made, when the general appraisalment takes place years afterwards it becomes necessary to back-date the valuation of properties, and this places severe burdens on property owners. Chapter 150 of the Local Government Ordinance does not make any provision for regular valuations.

Another system which can be used is the system whereby a list of professional valuers are kept, and from time to time these professional valuers go out and do the work. The primary object of this system is that these very capable people in many cases have their work to do sometimes as Building Assistants with Insurance Companies, or Engineers employed by Building Companies or Surveyors. Even if this system were agreed to be a better system than the appraiser system, one must come to the conclusion that these persons would be kept so busy that valuation of properties would be put on a list of long priorities and would not necessarily be done as quickly as they ought.

Another method which could be employed is the Assessment Committee



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system which obtains in the City of Georgetown at the moment. There is an Assessment Committee comprised of Elected Councillors and other persons who are regarded as independent, but in truth and in fact they are either employed or have interest in Building Societies, Insurance Companies and the building industry.

We know about the Assessment Committee system and the Appraiser system. The Appraiser system was used prior to the present system, but under this system it is known that Councillors who have an interest in properties which are to be valued sit on the Committees and it is not outside the realms of possibility that pressure could be brought on the person who makes the assessment.

While under this system of Local Government we are proposing that the properties of Local Authorities should be rated, it ought to be agreed that it is not unreasonable to think that a Councillor or a number of Councillors who have to rate the properties of a Local Authority would not give the valuation the same objective look as they would give the property of other persons.

The valuation system in the City of Georgetown is supposed to be based on rental value. I will discuss the manner in which this is supposed to be done and how I understand it will be done in a few moments. With regard to the three methods which I have mentioned: the Assessment Committee system, the Appraiser system and the Professional Valuers system, the important point that must not be lost sight of is the fact that many valuations go beyond the specified time they are supposed to take place. Delay in valuation is a very serious matter in Local Government.

The next method which has been suggested is the one we propose to adopt in this Bill. Government proposes to set up a valuation section of the Local Government Department of the Ministry of Community Development for the purpose of carrying out valuations all over the

country. On examination of the Bill hon. Members will realize that the Valuation Officer will be assisted by several other persons who will be employed in his Department.

I understand that in one or two cases some persons have suggested that the Bill does not state categorically what are the professional qualifications of the Valuation Officer. I wish to assure hon. Members that the Valuation Officer will be a trained Chartered Surveyor and a man who would be professionally capable of carrying out the job he has to do.

Under the system which we propose the Valuation Officer, as hon. Members will notice in the Bill, does not have unlimited discretion. When appeals are made he looks up his valuation list and sees whether everything is in order. He will make corrections, if necessary. If he makes a decision which the owner of a property does not agree with, the owner can submit a petition which goes before a Committee. If the owner does not like the decision of the Committee the matter can be taken before a magistrate, or a judge of the Supreme Court. Hon. Members will observe that provision is made in this Bill whereby any person who is dissatisfied with the valuation of his or her property can take the matter as far as the Federal Supreme Court.

It has been suggested in some quarters that taking over the valuation of properties from the municipalities of the City of Georgetown and New Amsterdam would be in effect taking away the ancient rights and privileges of these Councils, especially in the City of Georgetown. I wish to point out that the question of valuation is a very serious one, and it must not be thought for one moment that the Government does not have regard to the rights and privileges of the municipalities or any local authority for that matter.

It has been found necessary in other places for the Central Government to take over the valuation of properties. Even in the U.K. where local authorities held

charters from the very early days of William the Conqueror and Henry II, people had their ancient rights and privileges which were taken over by the Central Government in England in 1948. Therefore the ancient rights and privileges of the boroughs and local authorities in England were much more ancient than the ancient rights and privileges of the local authorities in this country.

The main task of a local authority is not valuation. In my view the important task of a local authority is the collection of rates and the wise spending of money which it receives. It also has to look after the various services which have been given to it by the Central Government. Therefore the taking over of the valuation of property from the municipalities of the City of Georgetown, New Amsterdam and from various other local authorities is absolutely necessary in order to arrive at some sort of uniformity.

I mentioned the question of reappraisal, and I would like to discuss very briefly the different methods of valuation, how they are arrived at, as well as the difference between the system Government is proposing and the system which is now in vogue in this country. With regard to local authorities in the rural areas, it can definitely be said that, although the local authorities purport to make their valuation on capital value, there is really no simple way of understanding the different methods by which they arrive at the valuation of properties.

And so, although it is supposed to apply to the village and to the country districts, and it is supposed to be done on capital value, it is certainly not easy when one compares valuation at Den Amstel with Buxton Village, and so forth.

But considerable attention has been given to the valuation of property in the City of Georgetown, and it is proposed, as I said, in this Bill, that valuation would be on capital replacement value in the case of buildings. I do not want replacement allowances to be confused with depreciation allowances. What obtains in the City of Georgetown is supposed to be

set out in "A Manual of Rating Law in Georgetown" by Alfred V. Crane, former barrister-at-law and Senior Magistrate in British Guiana. This Manual contains, or is supposed to contain, the basis of valuation in the City of Georgetown. I should like therefore to spend some time in examining what was said by Crane in his "Manual of Rating Law in Georgetown."

On page 5, he sets out his system. This is the system which the Municipality of Georgetown is supposed to be following. He puts the net value at 6%, taxes and rates at 4%, cost of repairs 5%, insurance 1%, and expenses of management at 1%, and all of this give a gross annual value of 17%. He described how he had put up a memorandum suggesting three new bases on which taxes and the rate might be levied—the net annual rent, the gross annual rent, and the capitalized gross rent; but what the Georgetown Town Council decided to go on was, as he says in the Introduction on page xxii, the "gross annual value" instead, and he believed that the Council of the time was "unnecessarily timid."

The system proposed in the present Bill is that lands and buildings should be valued separately; the buildings will be examined, the cost of construction will be taken into consideration and the capital replacement value will be arrived at. There will be what is described as an age allowance. With respect to the land, it will be rated according to the market values of land, and according to the various zones in this Colony.

It may be argued that the main difference between rental value and capital value is that rental value takes into consideration the profits, what goes on in the building, the income, and so on and so forth. I should like to quote from Crane's Manual, at page 2:

"Taxation for local purposes is levied on the *value* of the property, and so partakes of the nature of a levy on capital."

He adds:

"In practice the owner of the property pays the taxes and rates out of the rent



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or income he receives from the property. But even if the owner receives no rent, either because he himself occupies the property or because the property has been without a tenant for the whole year in respect of which the levy is made, he must still pay the taxes and the rate."

Later on in the same study, Crane suggests that rating valuation must not be confused with income tax. Wherever there is a building and it is suggested that the owner of it makes a profit from that building, it must be remembered that the profit made from that building is taxable under the income tax law. On the other hand, valuation for the purpose of rating is to be done merely on the capital value of that building.

I should like to bring another aspect of the Bill to Members' attention. Are we going to arrive at the different types of buildings in order to rate them properly? This whole matter will be set out for everyone to see and understand. But I should like to give one or two examples which have been put to me. Under the system there will be 14 types, and they can be broken down into 154 possible formulae to suit any building of whatever condition possible. One building may be a boarding house, and it is suggested as category 2; if it is built of concrete, it should be in category 5; an ordinary house will be category 1, and if it rests on pillars and is of concrete construction, it will be in category 4.

Now, admittedly this is a bit complicated and not easily grasped if persons do not have an opportunity of examining these proposals in detail, but the system we propose is a much simpler one. It is a system that can properly be carried on by a Centre for valuation, and a system that is superior to the present rental value system now in vogue in Georgetown, because if the correct method, as suggested in Crane's *Manual of Rating Law* in Georgetown, were followed, valuation of property in Georgetown would be extremely complicated, and I do not think that persons would have the time, even if they sit on the Assessment Com-

mittee, to go into all the details and ramifications of valuation as set out in the Manual which the Georgetown Municipality is supposed to follow.

There may be certain other questions which will arise as to the different types of buildings, but I tried just now to explain the types of buildings and the manner in which the valuation of those two types can be arrived at. I would not like to tire the Council by referring to the various types of buildings and the manner in which they will have to be valued, but I have been reading in the "Journal of African Administration" an article on "Reorganization of Local Government in Ghana", by C. A. G. Wallis, in which I discovered just a few days ago that considerable agitation and discussion was going on over the question of valuation of property for rating purpose. I would like to quote from page 24 of that journal:

"In large and more complex communities, however, the system is not so satisfactory, because the local committee will have less personal knowledge of the individual, and its decisions will tend to become more and more arbitrary. In urban areas the basic rate should gradually be replaced by a property rate based on the replacement value of premises which is easier to assess than annual value."

An attempt to unify the system is an attempt to remove the inequalities which may exist in the present systems of valuation in our country. I mentioned a few moments ago that there is ample provision in the Bill for appeal, so I should like to invite hon. Members' attention to the question of the treatment of plant and machinery. On page 79 of his interesting study Crane says:

"The existence of machinery and plant in a factory building must be taken into account in valuing the building for the purposes of levying rates. In theory the machinery and plant is not to be considered apart from the building, but in practice it would be impossible to give effect to its existence unless a certain percentage of its value were added to the building value."

So Crane suggests that on the whole question of rating, the value of machinery



must be taken into consideration. I believe that that is done in Georgetown, but with all due respect I am wondering whether the Assessment Committee is able to take into consideration the prices of machinery, the extent of depreciation and so on, on its own account, or whether it arrives at the prices as a result of information received from the owners of machinery and plant. It must be admitted that the system of rating machinery provided in this Bill is arbitrary. In the Second Schedule, Part III, paragraph 6 says:

"6. The valuation of any industrial property shall not take account of any machinery, plant or equipment installed in or upon such property, but the value as computed under Part I of this Schedule shall be weighted by a percentage according to the category of the industrial property in accordance with the following table:

Heavy industrial, 20%, Light industrial, 10%, Workshops and similar premises of superficial area under 1,000 square feet employing more than 10 full-time employees, 5%."

It is certainly true to say that the valuation of machinery under the Bill is arbitrary.

I should like to turn to three other aspects of the Bill which concern the valuing of Government properties. On page 78 of his Report Dr. Marshall suggests that all Government properties should be valued. He also suggests that Local Authorities' properties should be valued, since it would give a better idea to the Central Government when the question of grants was being considered. Dr. Marshall also suggests that properties which are exempted from rating, such as churches, school buildings and so on, should be valued. All this in effect is to give a clear idea to the Central Government when it considers the whole question of grants. The Bill provides that the cost of valuation should be recouped from the Local Authorities.

The Bill provides certain other less important powers and changes, but some of these powers are found in the existing

Ordinance. It provides power to enter and survey property in a Local Government area, alternative settlement of disputes by arbitration, alterations of the draft list by the valuation officer, the service of notice by the valuation officer on the owner of property and on the Local Authority, the use of premises of Local Authorities by the valuation officer, etc.

There is no doubt that there are adherents to the present system in Local Authorities in the rural areas and in the City of Georgetown, but on this question of Local Government an attempt is being made through Local Government to, as it were, provide the basis of local self-government and for a stronger system of central Government in this country. It is an attempt to bring all the people in the rural areas and in our towns and cities into much closer contact with Local Government, and make the system much more recognizable and understandable by all. I do not doubt that there may be objections to certain Clauses of the Bill, but anyone who wishes to see the system of Local Government in this country properly organized will agree that this is a very necessary step.

In discussing the problems of Local Government one must take into consideration the difficulties, the frustration and the delays by past Governments over the years — from the time the little village of Queenstown, on the Essequibo Coast, became a Local Authority, until today — and realize that today it is vitally necessary that some attempt at re-organization of the present system should be made. There have been, and there will always be, objections in part and to the whole system, and I should like to quote from the preface to Dr. Marshall's Report, written in May, 1955, on the question of delays in taking the necessary steps for improvement in Local Government and other spheres of activity in this country. We may not all agree *in toto* with what Dr. Marshall says, but there is much in what I will quote him as saying here:

"The clouds on my horizon are of a different kind, and I hope that I shall not



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be taken amiss if I seek to explain their nature. My fears come from the disturbing way in which in British Guiana so much conspires to ensure that so little is achieved. That so much energy and effort seem to be expended in negative processes is not due to apathy or indifference. It is accounted for, I think, first by a tendency to strain after unattainable ideals and to reject practicable compromises which might have helped British Guiana on its way. Secondly, I would attribute this difficulty of achievement to over-anxiety to ensure that every objection is disposed of and every minority interest meticulously considered before a step forward is taken. Thus difficulties are apt to be over-emphasized and elaborated; one problem is allowed to bedevil another; and criticism is placated at the expense of progress."

I appeal to hon. Members to support this Bill because it is the first step towards a uniform system of Local Government in British Guiana, and it will also be a springboard to national progress.

**Dr. Jagan:** I beg to second the Motion.

**Mr. Gajraj:** I wish to say at the outset that I am opposed to this Bill. In so far as Georgetown is concerned and its municipality I am opposed *in toto*, and so far as the rest of the country is concerned I am opposed to the Bill in part.

The hon. Minister of Community Development and Education has been very careful to urge that one of the reasons for bringing this measure here is the desire and the need for some degree of uniformity in the method of assessing properties in Local Government areas for the purpose of taxation. In that respect I would have expected him to have placed greater emphasis upon those parts of British Guiana where there has been for a long time a degree of controversy regarding the method of assessment.

I have listened in vain to hear him make a charge that the system of assessment adopted by the municipality of Georgetown has failed. If the hon. Minister could have claimed that the system which was being used since 1945 in the

City of Georgetown had failed, then there would have been good grounds for a wholesale abrogation of the rights of the municipality such as are contained in the measure before this Council.

I am dealing with this as a matter of principle, because it is proposed in this Bill that the power to assess all property in the valuation list should be given to the valuation officer who will be appointed by the Government. During the whole life of the Mayor and the Town Council of the City of Georgetown the power to assess properties has resided in the body known as the Mayor and Town Council. We have guarded that power very zealously, and we have tried to take into consideration the views of every section of the community. We believe that is the right way to go about these things and, perhaps, that is why, in deciding upon a new system of valuation, the Mayor and Town Council of Georgetown allowed a number of years to go by before a final decision was made. Not only did they obtain advice from people who were competent to give it; not only did they obtain and study literature on every aspect of the subject; not only did they give serious consideration to the system in vogue in Metropolitan countries, but they invited from time to time those who were interested in the matter to express their opinions on the proposals. In that manner they were able to arrive at a basis and a system which I claim has fully justified its existence.

The Georgetown (Valuation and Rating) Ordinance was passed in the Legislative Council in 1952 and the work of assessment commenced. The first valuation list came into operation on the 1st January, 1945, so it is nearly 15 years since this system has been in vogue. I have been making inquiries as to the number of assessments made by the Committee since its inception. The information I have received is that 11,928 assessments have been made up to the year 1958, and of this total only two appeals from the decision of the Mayor and Town Council have reached the Magistrate's Court. It is quite natural



that a number of petitions and appeals will be made in such matters, because no matter what one does one can never satisfy everybody.

The Mayor and Town Council is the first body to whom a rate-payer can appeal. If he is dissatisfied with the decision of the Mayor and Town Council sitting as a court, then he has the right to make an appeal to a magistrate and then to the Supreme Court. It is a record that only two appeals from decisions of the Mayor and Town Council have reached the Magistrate's Court: one was made by the Town Council itself, and the other by a ratepayer. Although provision exists in the Ordinance for appeals to the Supreme Court, during nearly 15 years of existence the Georgetown Assessment Committee have never had an appeal made to that august body. If anyone can call that record a failure, then such an individual is surely not to be considered as thinking rightly. The figures I have quoted are proof enough of the remarkable success of the system in vogue.

We have heard so much said about the need for uniformity. In Georgetown that was recognized more than 15 years ago. The method of appraisal which took capital value into consideration was the one used in Georgetown like other parts of British Guiana for a long number of years prior to the introduction of the Georgetown Assessment Committee. It was because of the fact that there was a great deal of difference between the assessments and the appraisals as they were called in those days — there was always the question of an appeal going before a magistrate — that that system was properly denounced as unsatisfactory. In the search for a uniform and scientific system the system now in use in Georgetown was evolved. It was a new system and it worked well because we took the advice as well as the experience of other people together with that of other municipalities before we embarked upon the system. There is no doubt whatsoever that a

uniform system was evolved and has existed all along.

One would have thought that, if the Government in its wisdom desired to carry out some of the recommendations of Dr. Marshall and change the normal practice of "on the spot appraisals", it would have used the system in Georgetown and expand it to the rural areas, which do not have a scientific or uniform system. If Government had done that, I would have been the first to congratulate the Members of Government. But it seems to me that there is something of far graver importance which may be read into this measure in the Bill before us.

One wonders whether there is not a degree of political outlook in this measure. Why should this Government, with the assistance of Members on this side of the Table, be demanding an improvement in our constitutional status and at the same time attempt to remove a longstanding and traditional right from the main municipality in this country? This is a right which has been enjoyed for a long number of years. We cannot think of it in any other way than a removal of a right because, as I have pointed out earlier, the power to assess properties has resided in the body known as the Mayor and Town Council of the City of Georgetown. This matter is interfering with a question of principle, and I propose to fight it to the end whilst this Bill is being considered.

In so far as the areas outside of Georgetown are concerned, it is true that in his report Dr. Marshall indicated the need for uniformity and he was strongly of the opinion that there should be a uniform system of valuation. So far as the scientific system is concerned, Dr. Marshall has himself stated in his report that "whereas he has recommended that the capital value system should be used in those areas which are presently not served by this scientific system, he was not recommending that it should take the place of the assessed value on a rental basis which is currently in use in Georgetown".

[MR. GAJRAJ]

On page 59 of the report on Local Government in British Guiana by Dr. A. H. Marshall dated May, 1955, the first two lines are as follows :

"I do not propose any change in the rating system which is based on annual rental value and appears to be working reasonably well."

These are Dr. Marshall's own words.

At a time like this when Government tells us that they see the need to pare down expenditure in many branches of Government spending in order to meet the great demands we have for development and other things, we have this proposal in which lies the germ of very great expenditure on the valuation system.

I admit that some measure of expenditure must be incurred if we are to bring about a proper system in the rural areas, but it is an absolute waste of public expenditure for proposals to be brought before this Council which will encompass and include large portions of areas in British Guiana where there is a satisfactory system at work and which is costing the ratepayers of Georgetown a small fraction of what I believe they will be called upon to pay if the proposal of Government is to be carried into effect.

I want to pay tribute here to the body of public-spirited citizens who have served on the Georgetown Assessment Committee in the 15 years or so of its existence. The Assessment Committee comprises in about half of its number Elected Members and others from the Mayor and Town Council, and others drawn from among public-spirited citizens who, like the Councillors, give of their time and energy, skill, knowledge and ability free of cost to the citizens of Georgetown. Are we to tell these people who have so served that they have served badly? Or that because some of them in the course of their work have to exercise their special skill and knowledge in valuing properties for the purpose of loaning money in mortgages and in other respects, they should not participate in a system of scientific and equitable assess-

ment? That is the way I interpret some of the points which the hon. Minister has put before this Council.

Are we going to say that because Elected Councillors of the City of Georgetown, or those who have been nominated to serve, because they may own a few properties they cannot be men of integrity and do their duty in accordance with the dictates of their consciences based upon a system that has been laid down? If we are to say, "off with these people", then it is time for us to despair for the future of this country. For men who are charged with doing public duties still have some interest in their country and some knowledge and ability from which we benefit.

Are we going to pick people who own nothing and say, "because you own nothing you can deal more fairly and equitably with these matters"? I think that is an indictment on the citizens of Georgetown and the people of this country.

I do not think it will be necessary for me to spend more time in pointing out that the system we have in Georgetown should not be scrapped with the service of those persons who gave of their time freely, and should not be thrown overboard, but rather, I would certainly agree and lend my support to a system of assessment for those areas outside of Georgetown which are definitely in need of a proper scientific system, provided that system is reasonable.

But let me point out that under the proposed Bill one finds upon examining it *vis-a-vis* the Georgetown Valuation and Rating Ordinance, that Government has seen fit to propose higher penalties for non-compliance with certain requirements of the Ordinance. Firstly, if a ratepayer or property owner is called upon to make a return — I agree that it is his right and duty to make a return — whereas the penalty for non-compliance under the Georgetown Valuation and Rating Ordinance is \$100, Government now proposes five times as much — \$500,



One must realize that there are and there can be cases where the ratepayer may be, through no fault of his own, precluded through circumstances from answering the call within the prescribed time. A man may be ill, or he may be out of the Colony and may not have left a legal attorney to act on his behalf. When a proposal like this comes up it is time for us to pause and consider where we are going.

Another point I would draw attention to is the dissatisfaction of a ratepayer who may be aggrieved at the amount put against his property as having such a value. One of the great desires of the Municipality of Georgetown is that we should make appeals against assessment as easy and as inexpensive as possible so as to permit, say, a poor widow, if she wishes to appeal against an assessment, to do so in accordance with the provisions of the Ordinance while not costing her a halfpenny. That is not now provided for in this new Bill.

The aggrieved ratepayer is summoned before the Assessment Committee to state his or her views, when full information as to the manner in which the assessment was made is available. It is in such a manner of dealing with aggrieved parties that we have been able to gain the confidence of these people to such an extent that far from having a tremendous number of appeals from the assessments, numbering nearly 12,000, it is just a small number. We deal with ratepayers in a friendly manner, sitting around a table and hearing and expressing views. One would have thought that a popularly elected Government would have been anxious to keep up such an atmosphere whereby people can come and discuss and negotiate accordingly. But one does not find that in the Bill.

After due consideration the Mayor and Town Council stated that an aggrieved party who wished to take his appeal further, to the Magistrate's Court may do so, and the sum to be lodged for the payment of costs is \$15, so that a person who is aggrieved would not have to

dig too deeply into his pockets. This is in accordance with the Georgetown Valuation and Rating Ordinance.

What do we find a popularly elected Government providing? A party so aggrieved — who has had his property valued on a capital basis for just a few hundred dollars — would have to find \$50 to deposit. That, in my opinion, will be a deterrent to small property owners from taking advantage of what should be their right. But it is a matter for the Government. If they wish to put the provisions forward in that manner, they may do so, but it is our duty to point out that they should not make it so expensive that it would prevent poor people from taking advantage of the rights due to them.

One wonders whether the officer who is to be appointed, if this Bill is passed, the Valuation Officer, will be a man of such wonderful powers of endurance that within a short time he will be able to carry out assessments throughout British Guiana; perhaps Government will create such a large Department that a large enough staff will assist him. The answer will probably be that the Valuation Panels and Valuation Committees will be there. But I think it will depend on responsible officers: a panel might consider, but an officer will have to decide. He will be unable to shelter behind a Valuation Panel if his assessment list is challenged.

What worries me again is that in the Bill it is proposed that the Governor in Council may levy a percentage of the cost of the Valuation Department as a charge against a Local Authority. I have heard the Minister, toward the end of his speech, speak of the assessment of machinery as being arbitrary, but it strikes me that this will also be an arbitrary assessment. If there is no control of the expenditure on valuation one can foresee instances where Local Authorities without very much revenue will be called upon to pay sums far in excess of their ability to pay, and when such occasions arise it means that the millstone of taxation around the necks of those people will be



[MR. GAJRAJ]

come heavier as the momentum of the Department increases.

I am afraid that well-intentioned as Government may be in endeavouring to prepare for our consideration a uniform valuation Bill, there is, nevertheless, room for considerable amendment in order to justify its provisions. It is all right for us to say that the Local Government Act of England says so and so and we will follow its pattern. We have three experts here to advise us. This is British Guiana, and whatever may be good or may have worked well enough there, we must remember that we have to adapt to conditions here — conditions which we have found satisfactory and suitable. That is where the experience in Georgetown should be made use of by the Government rather than this wholesale attempt to completely wipe off the map the experience which has been gained and the work which has been done.

I expect to hear the Minister in his reply make mention of the fact that persons have indicated that there is room for some measure of change or improvement, or amendment of the Georgetown Valuation Ordinance. The Georgetown Town Council has been well aware of the necessity, and over a number of years it has been asking the Government of the day to make some small amendments to various Sections of the Ordinance in order to make the work of the Assessment Committee easier. Those requests have, apparently, been piling up in the offices of Government, and they have not been given the attention which the Council feels they deserve. Be that as it may, that in itself does not, I think, give anyone a justifiable right to suggest that the system has failed, because that is the only ground upon which any Government should come forward and try to wipe out the Georgetown (Valuation and Rating) Ordinance wholesale, and to remove the authority of the Local Government body which has been charged with carrying out those functions, and which has done so for years with satisfaction to the rate-payers and credit to the Town Council.

The question which I touched on

very lightly earlier in my remarks was one of capital value as against rental value. I know that the Minister has for some time been advised by outside experts in that field, but it is his right to have expert advice, and so perhaps he has been reading a good deal about the merits of capital value as against rental value. But I would like to know from him whether rental value is not the method that is normally adopted in the United Kingdom in these days. The late Mr. Crane, as he was at the time when he dealt with the method of assessment for Georgetown, in his very valuable treatise has referred to capital value and rental value, and it is quite true to say that one can devise a scientific system for both the annual rental value and the capital value, but one finds that the rental value has to be a reality which can be translated into terms of capital value.

But one of the reasons why the rental value method has been accepted so easily by the people of Georgetown as being the fairer way to arrive at the figure upon which they would be taxed, is the fact that in a country like this where different types of buildings are erected, where we have a wooden structure as against a part concrete and part wood and concrete, and as against a wholly reinforced concrete structure, it is the earning power of the building that should be taxed and not what it would cost to erect such a structure. Because if one has two or three buildings in the same area, in the same street (I say in the same street because there can be no question about difference in land value) built in exactly the same way, to carry the same floor area or cubic area, but built of different materials, it is obvious that the capital cost in each case would be different. To judge the earning power of those buildings at a time when a premium is being asked on rentals because of the shortage of houses, would be wrong. We have to do it at a normal period of time when there is not a greater demand than there is a supply. What do we find? We find that the rental value of each of those structures will be approximately the same. It is only fair, therefore, that in extracting from the



owner of a property his fair share of taxation it is the earning power of the building that must be taxed, and not the capital value.

In the country areas where Dr. Marshall recommends the adoption of the capital value system, one finds that, generally speaking, there was one general type of structure at the time of his Report, but one argument that Dr. Marshall used in his Report was that the capital value was the value that the people in the country areas seemed more accustomed to and would understand better. If that is so, then by all means have the capital value as the basis upon which taxation should be levied in the rural areas, but in the large section of the inhabited portion of this country, where the rental value has been used for nearly 15 years and everyone has become accustomed to it, why sit here and permit, in the name of uniformity, the sacrifice of so much valuable knowledge and experience and a change of the thinking habits of one-fifth of the Colony's inhabitants? If the system was not working properly one could see some justification for it, but I claim that the system is working well and can be extended to the rest of the country with only a slight change of method from rental to capital value, because the people in those areas understand that system.

I feel that there is a lot to be gained from this debate. I hope the Minister and his colleagues will understand that it is not my intention to say that they should do nothing in a matter of this kind. Having the responsibility for the introduction of a scientific and equitable system of taxation for the other Local Authorities which they propose to put into operation under the new system of Local Government, they should do that by all means, but my contention is that apart from the few changes, like valuation panels and easier facilities for appeal, I am strongly opposed to this Bill being used to bring the City of Georgetown within its ambit for no other purpose than this airy expression that we want uniformity, because uniformity already exists in Georgetown. Scientific methods exist in Georgetown

and the people of Georgetown are satisfied with the present system, as illustrated by the figures I have quoted, and I challenge the Minister and his Government to show that they are wrong.

I have said what I had to say and I have expressed the views which I hold as a member of the Local Authority of Georgetown. In this respect I can claim today (I say this for the benefit of the Members of the Government) that in my opposition to this Bill in so far as it relates to the City of Georgetown, I have the whole of the body known as the Mayor and Town Council of Georgetown four square behind me. It has been suggested in this Council in the past that Nominated Members represent nobody. In this case I am an elected member of the Georgetown Town Council, and I have the full backing of all of my colleagues there. Therefore I hope that the Members of the Government will treat the views which I have expressed with the considerable weight which they deserve.

If in spite of all I have said, and possibly other Members will say, the Bill is pushed through, I give an undertaking to the Minister right now that when we reach the Committee stage we shall have to deal with it Clause by Clause, and I am afraid it may take a lot longer to get the Bill through than it would if there was general agreement on both sides of this Council. I do not think one would wish to delay legislation that is proper. I want to assist the Government in its work, but if I feel so strongly on a particular part of this measure I think it is right that I should express my point of view forcibly and at every opportunity when parliamentary practice will permit me to do so.

**The Attorney-General:** I move that the Question be put. Nobody is debating the matter at the moment.

**Mr. Speaker:** I am not putting the motion yet.

**The Attorney-General:** Sir, I beg to move that the Question be put.



**Mr. Speaker:** I have a discretion and I am not putting the motion to the Council at this stage.

**Mr. Tasker:** I share the hon. Minister's view that a measure of this type should be the forerunner of a successful and vigorous form of local government in this country. I do not think any of us would argue with him on the desirability of arriving at a uniform system of valuation. The points I have to make, though separate from those Mr. Gajraj has just made, are none-the-less intended as constructive criticism which I hope Government will be prepared to consider.

On the question of the appointment of the valuation officer, the hon. Minister said that nobody need be worried by the fact that no qualifications are stated in the Bill before us. He was at some pains to explain that the valuation officer referred to in Clause 3 would be a qualified man, but I cannot understand why, with all the assurances we have received about qualifications, these qualifications cannot be specified in the Bill.

I recognize that it is not entirely the same problem, but the position is surely similar in Bill No. 3 of 1959 (The Land Registry Bill) so far as the appointment of Commissioners of Title is concerned. Clause 11 of the Land Registry Bill deals with the appointment of Commissioners of Title, and Clause 12 deals with the qualifications for appointment as Commissioners. It seems to me to be proper to specify precisely the type of person to be employed, the qualifications he should have and so on. I think this is doubly important in the terms of the Valuation Bill because, while I hold no brief for the Georgetown Town Council and do not propose to argue on Mr. Gajraj's points, I feel that if we are going to have a valuation officer for Georgetown, or for areas of the country apart from Georgetown, a great deal of time and trouble will be saved by ensuring that the valuation officer is a fully qualified person.

The hon. Minister stressed that we need not worry about the valuation officer

because his powers are limited, he is not the final arbitrator and there is provision for appeal all the way to the Supreme Court. Those are very good reasons for ensuring that he is a highly qualified officer. In British Guiana, where litigation is very popular, if you employ a valuation officer who is not highly qualified, he will make things very much more tedious and longwinded than they need be. On the other hand, some people may have to spend a lot of time and money taking matters through the courts.

I am asking that the qualifications of the valuation officer be specified merely because I feel there is need for doing so. There are in this country a number of fully qualified people working in the survey and valuation fields. A number of large organizations here employ them for obvious reasons, and I cannot think of anything more frustrating to expeditious business than to find that one of these fully qualified men is at cross purposes with a less qualified man in the Government Service. That would result in a waste of time and money, and I would ask Government to reconsider whether it would not be advisable to add another Clause setting out clearly what the qualifications of the valuation officer ought to be.

The hon. Minister said very little about the rural areas with reference to land, the problems of factories and so on. I think it was a pity that in introducing this Bill he did not say something of what has been done by the major industries in British Guiana, chiefly bauxite and sugar, particularly in terms of the very remarkable load they have carried in the rural areas in providing services of a very high order indeed. I think it will be agreed that the level of services provided up to now by these industries has been very much higher than almost any local authority. I say this with some feeling because it seems to me that certain provisions in this Bill, particularly when we reach the Second Schedule, are merely going to add, as at present provided, very considerably to the burdens to be carried by these industries and all new industries,



without compensating benefits. I question whether this is equitable.

I should like to refer to the Second Schedule, Part II, which states :

"PROPERTY WHICH CONSISTS OF LAND

4. The capital value shall be the market value of such land as ascertained from the prices at which comparable land is currently being sold or alternatively, if no such information is available by taking into account the following factors —

- (i) the purpose for which the land is or may be used;
  - (ii) the situation and locality;
  - (iii) the accessibility;
  - (iv) the public services available in close proximity;
  - (v) the freedom from or liability to flooding;
- and in addition where the property consists of agricultural land—
- (vi) the availability of irrigation water; and
  - (vii) the soil fertility".

Most of these factors are unexceptionable, but I question those relating specifically to agricultural land.

My reservations here are simply that while this may be good for uniformity of rating and valuation of property in theory, they have not taken into account sufficiently the special problems of British Guiana's agricultural development. In fact it seems to me that the availability of irrigation water should not be taken into account as one of the factors. What Government is now doing is to put a tax on initiative, because, as is well known, the availability of irrigation water may depend either on irrigation works supplied by Government or on irrigation works supplied by private enterprise. It seems to me that Government is bringing in a differential which is going to work against the interests of the farmer who, on his own initiative, is prepared to put in capital to improve his land. He would then be called upon to pay a higher tax, whereas if he had been a little luckier he might have waited and taken advantage of Government works.

Secondly, with regard to the question of soil fertility, I would like to know how Government proposes to arrive at uniformity of definition? How are you going to arrive at the fertility of one area of soil as against that of another? This is a problem which has baffled experts in the farming community for a long time. No two farmers, with soil chemists or anybody else, will agree on the fertility of soils in British Guiana.

Personally, I would suggest that it would be far better to omit both of these additional factors, but if it is felt that soil fertility must stand as a factor, then it seems to me that Government should consider the advisability of using the basis in the Rice Farmers (Security of Tenure) Ordinance, where it is clearly laid down that certain soils should give certain yields and be weighted accordingly. We must have something more precise than we see in the Bill. Is it going to be an officer of Government who will say whether the fertility of one piece of soil is better than another? I think it is far too complicated. Is it really worth the trouble? I would have thought it far better to leave out soil fertility altogether.

With reference to Part III — the provisions for weighting industrial valuations — I think this will work against incentives to industry. As the hon. Minister has explained, most of the experience and advice on which this Bill is based is from the United Kingdom, but I should like to point out that the derating of factories has been successfully applied in that country. It should be remembered that in the late 1920's, when industry was going through lean years, the system was used freely by the U.K. Government to bring relief to industry.

I am not suggesting that our situation is the same as that of the United Kingdom in the late 1920's, but that, as part of our plans for industrial development, it is very important that we should give every incentive to industries and factories.

In fact, however, this Bill is only

[Mr. TASKER]

going to penalize those factories in existence already, and those which we hope to see put up. I feel particularly strongly about this because, as Members know, a great deal of preparatory work has been put into this Bill. Discussions over a long period were held with all interested parties and with expert opinion, and it is common knowledge that the British Guiana Sugar Producers' Association, for instance, brought out, by agreement with Government, Sir Howard Roberts, formerly Clerk of the London County Council, who spent a long time here.

I make this point because I am informed that Dr. Hill, leader of the Government team, gave an absolutely categorical undertaking to Sir Howard Roberts and the Sugar Producers' Association at that time that sugar estate factories would be de-rated. Is the sugar industry not making a sufficient contribution without being saddled with heavily rated agricultural land and factory buildings, bearing in mind that this industry is not going to get benefits commensurate with the additional rating it is going to carry?

This matter is vital not only for the sugar industry but also for the bauxite industry—and any new industry. The same thing is true for the bauxite industry because it operated a plant town for a long time and has still produced services of a higher order than Government's. Where do they stand? They will be penalized for building their services to a level higher than those of most local authorities.

I might add that this Bill, coming immediately after the sugar production tax proposed in the Budget, makes one question whether in fact Government wants to encourage those industries which, over a long period, have, with Government's acknowledgement, been the backbone of the economy of this country and, in the foreseeable future, will continue to be. I find that a perfectly clear undertaking given by an officer of the Government has been ignored without the cour-

tesy of any comment by the Minister concerned as to why Government has changed its mind.

I want to emphasize that the impact of rating, and the weighting which now is added, is liable to be disproportionate. I fully recognize that if an industry or a factory is going to receive a differential service from a community, then it is entirely right that it should be the subject of a differential agreement. In other words, a factory that depends on a public service like the supply of water must obviously expect to pay for this service.

But what in fact is going to happen? Is industry going to get a differential service in return? I do not think so. Industry is to be saddled with a new form of taxation, over and above the very considerable sums which the large industries of this Colony are paying out now, in order that the services in the country districts may be brought up to the standards which industry has already set.

I sincerely hope that Government will agree to give industry an exemption Clause. I see no reason why they should go back on an undertaking given clearly and unequivocally; nor do I see why industry should shoulder the expense of disproportionate rating without compensating benefits.

**Mr. Kendall:** Like the previous speaker, I, too, am opposing this Bill because, where New Amsterdam is concerned, we are in a peculiar position. The previous Government suggested, and it was put to the Municipality and agreed to, that we should accept the Georgetown Valuation and Rating system. We went to great pains and to great expense to prepare the necessary machinery for that purpose. Now the present Government is endeavouring to break all that down and introduce something new and apparently different.

It is not opportune to have this new system introduced, and I agree with the hon. Nominated Member, Mr. Gajraj, that if the present Government feels there should be uni-



formity of the rating and valuation system in this Colony, then they should expand the present system, say, in Georgetown, because there has been no complaint from the people, and this Government has always tried to indicate to us that whatever we do, we should always try to get the feeling of the people. I am yet to hear from the Minister that they got the feelings of the property owners in Georgetown and New Amsterdam and the rural areas that the rating system is so bad that they should introduce an entirely new one. But the Government has indicated that the Municipalities will contribute to the cost of this new operation.

Speaking for the New Amsterdam Town Council, financially we cannot afford this expenditure, and I hope the Government will appreciate that now; if it is indeed their intention to force this new valuation system on us after we have spent so much money for the system existing at the moment, they might have to foot the Bill.

I do not know why Government should bring about all these changes in local government. I think when Dr. Marshall came here, it was a very depressing time for the country politically, and it was hoped that by letting individuals in the rural areas have a greater say in the decisions of their areas we might produce better citizens with a greater sense of responsibility.

That time has passed and I am yet to believe that this is one of the first steps towards this new local government approach, and I am yet to believe that when these steps are presented to this Legislative Council the result would change the attitude of the individual and produce better citizens to sit on the legislative bodies.

This Government should have in the first instance presented Dr. Marshall's recommendations to this Legislative Council as a body and have them debated before taking out some of the points

suggested by Dr. Marshall and using them to suit their own political tastes. I do not know how they feel now, but at one stage they endeavoured to suggest to the country that some of Dr. Marshall's recommendations should be enlarged in order that areas should become more alive to their responsibilities, and people of various conditions should be brought under one head. All these things they will not introduce to help the harmonious relationships which should be existing in our country.

Speaking as a Member of the New Amsterdam Town Council, we are very worried over this new Valuation Ordinance which is proposed; we will have to throw aside all that we have started, and the Minister in presenting the Bill showed that he himself was not quite certain whether this new valuation system will work to the benefit of all concerned.

I know that there are many rural sections of this country where people do not pay any particular rates. When this comes into effect it means they will have to pay. Certain people in villages presently can hardly afford to pay the rates being levied. To bring them under this system would require a more equitable distribution of rates collection designed to bring greater relief to poor ratepayers — the people whom this Government has always tried to champion. The Minister has not told us of anything that will bring greater safeguards for the small ratepayer or property owner in the rural areas, who is endeavouring to maintain his small holding which has come to him through inheritance or has been acquired through great sacrifice.

It is very nice to introduce something which may be working well in the United Kingdom, a country which has evolved over many centuries and has produced a system of local government after centuries of trial and error. To have that system transplanted into British Guiana is inopportune, unless Government has a lot of money to bring all these things into operation.

[MR. KENDALL]

I am sorry I cannot support the Bill and I hope that after listening to speakers like the hon. Nominated Member, Mr. Gajraj, who has had many years of experience in assessment matters, Government will give serious consideration to the views which have been expressed. On this occasion Mr. Gajraj speaks as an elected Councillor representing Kingston Ward on the Georgetown Town Council, and cannot be regarded as a stooge of the Government. In view of what has been said I think it would be in the interest of the whole country to recast this Bill. The manner in which the hon Minister has presented it has led me to believe that he himself does not feel very confident about the measure which he wants this Council to accept. It would be well if he would defer it so as to consider the points advanced by those who have spoken, otherwise, in the Committee stage we may have a recurrence of what happened in the case of the Appropriation Bill.

**Mr. Burnham :** I am all for the implementation of the basic and more important recommendations of Dr. Marshall. I concede that the overhauling of our Local Government system is an absolute necessity if we are to maintain progress. Let the Government have no fear that there will be any opposition from me so far as extending the competence of Local Government agencies, the scope of their responsibilities and, of course, the broadening of their franchise to universal adult suffrage. But I think it is well that Government should understand that not everything new necessarily spells progress and I am inclined to the view that the present Bill has been ill and hastily conceived, and its execution may be similarly categorized.

I must, however, congratulate the Minister for the frankness with which he began his speech on the Second Reading of the Bill, when he referred to the recommendation of Dr. Marshall with respect to Georgetown, in which Dr. Marshall clearly said that he was not proposing a change in the system of valuation

in Georgetown. I however got the impression that the Minister did not go on to give the real reasons for disregarding that recommendation and for seeking to introduce a uniform system, for his reasons, I submit, were most unconvincing though his argument may be described as admirable sophistry.

What are the reasons given? — that Government will be able to make comparisons between the various local bodies. I cannot understand, I cannot appreciate the point he desired to make when he alluded to the undesirability of having several systems. We agree that it is undesirable to have several systems, especially in view of what frequently takes place in many of the rural areas, but does this Government think only in terms of black and white and extremes? The abolition of a multiplicity of systems does not normally connote the necessity for a single uniform system. We can reduce the number of systems because they are confusing, but we may well find good reason for maintaining more than one system.

But the most amusing reason which the Minister gave for his desire for uniformity was the fact that when the Courts come to administer the law he wants to be of assistance to the Courts by ensuring that they have one code of law to administer. As a member of the profession from which those who preside in the Courts are drawn, I can assure the Minister that we are not incapable of applying different sets of law to different sets of circumstances, and though we appreciate his solicitude we do not welcome it. It is the most unconvincing reason he could ever have given for this uniformity which he seeks to urge upon us. There are certain parts of the world where uniformity is a creed, a philosophy. If the Minister had come here and said clearly and plainly that he was in favour of "democratic centralism" we would have understood, but in the reasons which he advanced he weakened his case, and let me say here and now that so far as I am concerned I agree absolutely that there



should not be this shifting around system, this spot valuation, but I do not agree that there is any necessity for a single system throughout the length and breadth of British Guiana.

The Minister called to his aid pages 21 and 22 of Crane's "Manual of Rating Law in Georgetown", and when he did so I was convinced that the original idea was not his, because he is confusing capital on gross annual rent with capital value, two completely different concepts, and it is a pity that our Minister of Education should be guilty of such confusion, and that he should have passed it on to this Council. I am a little ashamed of the fact that the Minister, who is one of us, should have been guilty of such a greivous *faux pas*. Nowhere in Crane's Manual on rating does the author suggest that capital value should be used for assessment and rating. It is true that the derivation of the word "capitalisation" is the same as the derivation of the word "capital", but they are two completely different ideas and concepts, therefore the proposer of the Bill is without the support of the learned author of Crane's Rating Manual.

The Minister proceeded, with what I consider some lack of delicacy, to suggest that those persons who sit on the Georgetown Assessment Committee may have some interest in properties they have to assess. It is unfair to those gentlemen. I am not referring at the moment to Councillors, but to those who are non-Councillors. It is unfair to those gentlemen who serve on the Assessment Committee without remuneration, who serve faithfully, and whose experience cannot be challenged, for by the very nature of their occupation they are constantly in touch with valuation and the various things which affect valuation in the City of Georgetown.

May I point out that under the present Valuation Ordinance no one can sit on the Assessment Committee when the rating of his property is being considered, or a property in which his wife or his child has any interest, nor can he

even be present at any meeting at which the valuation or assessment of a property owned by a company in which he is interested is taking place. So, quite obviously, the Legislature provided for such cases, and I do think it is fair.

If the Minister wants to urge this new system, this ill-digested and little understood system, upon this Council, let him use reason and not oblique suggestions against the honesty, integrity and probity of those gentlemen who have served the Town Council for so many years.

#### ADJOURNMENT FOR TEA

**Mr. Speaker:** Before I suspend this sitting until five o'clock I wish to announce that the hon. Member for Demerara River, Mr. Bowman, has asked to be excused from this meeting. The hon. Member has gone on important duties to Essequibo and intended to return yesterday but could not get a seat on the plane. I now declare the sitting suspended until 5 p.m.

#### RESUMPTION

### LOCAL GOVERNMENT (VALUATION OF PROPERTY) BILL

Council resumed the debate on the Second Reading of the Bill intituled —

"An Ordinance to provide for valuation of property for rating purposes and for purposes connected therewith."

**Mr. Burnham:** When this sitting was adjourned I was making passing reference to the service that had been rendered by members of the Assessment Committee, and had expressed some measure of surprise at the veiled attack on the integrity and ability of the members of that Committee who were not Councillors. So far as the Councillors are concerned, the Minister was on sand or shifting ground when he observed that it might be difficult for members of such bodies to appreciate that valuation and assessments are



[MR. BURNHAM.]  
 above local politics. I can assure him from my own experience, and I am sure it will be borne out by the hon. Nominated Member, Mr. Gajraj, that in the Assessment Committee those members who are Councillors do not consider the Committee as a political forum or a means whereby votes or support may be attracted. On all occasions those members who are Councillors have been guided by the expert advice and opinion of two other members who are experts.

It appears to me and the other members of the Corporation of Georgetown that this attempt in this Bill to relieve the Town Council of the power to value and assess properties within its boundaries flies in the face of what appears to be the central theme of Dr. Marshall's recommendations that local authorities—even those to be established, let alone those established as in the case of the Georgetown Town Council—should have a greater measure of responsibility and autonomy.

I share the view of the hon. Nominated Member, Mr. Gajraj, that, unless and until it can be shown that the system which has been operating in Georgetown for a number of years is faulty in its conception or operation, there can be no argument for abolishing it. In some measure we are supported by Dr. Marshall. I do not doubt the ability of the Minister's adviser. I do not dispute his intentions at this stage, but I am rather inclined to the view that Dr. Marshall's eminence in this field of Local Government is far above the eminence of other persons who may have been advising the Minister.

Eventually, it is for the politician to make a decision with respect to policy and principle, but the advice of an expert of the eminence of Dr. Marshall should not be lightly disregarded especially if, as I suspect in this case, the contrary intention comes from the advice of other experts rather than the policy arising from an independent decision of the Minister. It is no point to refer in general

terms to the fact that in the United Kingdom corporations and boroughs more ancient in their history than the Georgetown Town Council have had certain powers taken away from them.

Assuming for argument's sake that we are to be bound by what is done in the United Kingdom, the Minister might have condescended to details to show us under what circumstances the power, so far as corporations in the United Kingdom are concerned, was taken away from them in the interest of or because of the need for uniformity.

Since the Minister has thought it pertinent to make reference to the United Kingdom, may I remind him that with respect to buildings which come within the Rent Restriction Act, the system in England now is based on annual rental value. I do not make that reference because I feel that what happens in the United Kingdom is necessarily good. I merely mention it to show that the damnable equivocation in which he has been indulging can be indulged in by this side of the Table quoting specific instances to support a particular point of view.

Now that we come to the mechanics of the new provisions we, on this side, feel somewhat fearful over the competence of one valuation officer to value properties in the whole country.

It is, perhaps, requisite to refer to page 46 of Dr. Marshall's Report where it is to be noted that he did not envisage one valuation officer for the whole of British Guiana, for he recommended systematic revaluation every ten years by valuers appointed from a list to be kept by the Local Government Service Commission or the Regional Board. He said:

"They would be part-time persons, not professional valuers, but knowledgeable on the prices of property. Varying conditions in the rural areas, the scattered nature of the work, and the need to employ many different people would make the professional techniques of valuation employed in Georgetown unsuitable and too expensive."



It is to be noted that Dr. Marshall did not envisage that one valuation officer would be appointed to do the valuation for the whole of British Guiana. He contemplated that valuers would be appointed from a list to be kept by the Local Government Service Commission.

We are told that the principal valuation officer who is to be appointed will be a qualified land surveyor. If I am wrong I should be very grateful for correction by the Minister, because I really would not like to misquote him on this point. What is the point of telling us that the particular individual will be a qualified land surveyor? If the Minister wants to correct himself I should be willing to be corrected.

Many of us, including myself, feel that the profession of a land surveyor does not *ipso facto* qualify him to value land; it qualifies him to survey land, mark boundaries and so on. I am going to assume that this particular individual with many years of experience as a land surveyor has other qualifications which one may find necessary or important in a valuation officer. But what guarantee have we that his successor will be endowed with the same high ability and outstanding virtues? It seems to me that our present Government with its desire for uniformity is running the risk of incompetence in this Department. Is this Government prepared to take the knowledge of one man and compare it with the knowledge and experience of a group of men? That is the question I would like to ask.

As I said before, I rather get the impression that the Minister, though keen on pushing this Bill through this Council, was not seized of all the arguments in favour of this new system of valuation. When one looks over this Bill and refers to the Schedules one sees that the capital value with respect to property which consists of any house, building or other erection, shall be the replacement value at costs ruling at the date of valuation of the house and so on. One also sees that the capital value with

respect to property which consists of land shall be the market value of such land as ascertained from the prices at which comparable land is currently being sold and so on.

I am a little surprised that, especially in Georgetown where the prices of properties sometimes bear little or no relation to their value but skyrocket because of various circumstances, such a basis should be used for valuing property. In this case market value means market value and not true value. If they had used the term true value and given us a means of computing true value the present argument would not have been available to the Opposition. It means that for purposes of taxation we are going to take the market value of a piece of land.

That value is here today and gone tomorrow. That value is subject to change day by day. In some cases I have known in my practice it is subject to change hour by hour. In one day I have prepared two conveyances in respect of one property, and the difference in value was something like three times. That may be exceptional, but it is typical.

On the other hand — and I do not profess to be an expert on rating—if the annual rental value is used as a basis, and one looks at page 154, one would see that the annual rental value is likely to remain very static and not subject to changes as the market value; for when one remembers that the Rent Restriction Ordinance applies, and though one must admit that there is no obvious connection by way of law between the annual rental value fixed by the Assessment Committee and the annual rental value fixed by the Rent Assessor, one has to admit that the experienced valuation is that of the Assessment Committee, and it is certainly not far out from that fixed by the Rent Assessor.

One also knows that very frequently you have something like this: a property may be sold at an exorbitant price, and the person it is sold to find he is having difficulty because he did not get the



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rental he expected after spending so much money on the property—rental is not so intimately bound up with the price one pays for the property. Rentals remain on a pretty even keel, and though sometimes a drop or rise occurs, it is scarcely sharp, which cannot be said about the fluctuations in market value or the market price of properties. So, as far as I can see it, for properties in Georgetown the system of annual rental value is superior to that of capital value.

The Minister spoke of replacement costs with respect to the capital value of buildings. It seems to me that if the replacement costs are going to be the criteria, there is going to be a great deal of disparity in single areas. If I own a property that is made of wood, and assuming that the cost of the erection of a wooden building is lower than the cost of the erection of a concrete building, I would be valued for the purpose of rating at a lower value than my neighbour is valued, because he has a concrete structure, but the difference in rent does not reflect the difference in value. Therefore the very uniformity which the Government craves will not be achieved in those circumstances.

I hate to appear to be harkening back to something or defending something merely because it has been in existence for some time, or defending something because of its antiquity, but I conscientiously feel that the present Rating Ordinance in Georgetown is superior to the one proposed today. Undoubtedly the present system has its weaknesses, undoubtedly it has its flaws, and over a period of years requests have been made to Government to have certain amendments in the original Ordinance. These requests have either fallen on deaf ears or into the hands of lazy persons, for we have had no action taken whatsoever.

And I wonder whether those who are responsible for the drafting of this Bill did have it brought to their notice that the Georgetown Town Council had requested an amendment to the Ordinance to permit valuation to the nearest \$10

instead of to the nearest \$100; for I notice in the Schedule the Minister proposes that the valuation should continue to be to the nearest \$100. I should like to hear him on that and to find out whether it was deliberate on his part to put it back to \$100 after representations made by a competent body over a number of years, or whether it is sheer indifference, or the requests made to Government have been pigeon-holed and perhaps have disappeared.

There is another principle which runs through this Bill to which I am definitely opposed. I do not like the sound of it. If the Valuation Officer, the almighty Valuation Officer, wants to requisition certain buildings which belong to the local authority and there is any dispute, that dispute must be settled by the Commissioner of Labour. It seems an insult to the local authority that any dispute between the Valuation Officer or the Commissioner of Local Government and any local authority must be settled by a civil servant.

What are we coming to? A Government by civil servants? We talk about independence, but here we have a Government, because of its desire for uniformity, setting aside a fully elected local authority and referring any dispute between civil servants and such authority for settlement to another civil servant. I do not care to have any reference to practice in the United Kingdom. It is contrary to the whole spirit of the Marshall Report. It is contrary to the things we talk about in this Legislative Council.

Reference has already been made to the elaborate appeal system which in any case is more expensive than any system which obtains at the moment. Twenty-five dollars all the way, and at one stage I think it is \$50 when you are going up. I cannot see why there cannot be the same informality that exists at the moment, at least in respect of payments, when going to appeal. Perhaps the hon. Minister will be in a position to explain. Maybe we are going to be informed that it is another means of raising revenue by



taxation for development—"to save our children", as the placard on the Corentyne says—and that kind of thing.

In any case we have had some experience of how high-handed Government can be. I am, from my own experience, particularly concerned over the proposed contributions of local authorities to the upkeep and the running of the Valuation Officer's office. At one moment they tell you that payments have nothing to do with subventions, but when you do not make payments they deduct from your subventions. It happens with respect to the Fire Brigade, and to the road subvention. Another Government would no doubt consult with the local authority and take a serious view of what is said, and in the case of any dispute or misunderstanding, they would sit and decide what to do, but as long as there is a possibility of having a dictatorial Government which rides rough-shod over the rights of elected bodies and corporations, I will be against this provision for contribution. If contributions are to be made, let those contributions be as a result of agreement and not by fixing the method in Council, because it only means a "gathering" of Ministers, to use a local term, and when those Ministers meet there you can talk until doomsday and they will fix a high sum for you to pay.

The basis of contributions, the basis of charges fixed by the Governor in Council is completely obnoxious to the "Opposition", who will be opposed to it. I know our opposition will only be for the purposes of the record. I am well aware, but at least the *Hansard* will bear witness, so that when what we say will happen, happens, we will be able to say that we were not all in the same muddle.

I would like to refer finally to this fact. I feel that this Valuation Bill has come at the wrong time. We were promised by the Minister during the Budget debate last year, that by the end of 1958 we would have had the necessary legislation before this Council for the implementation of the Marshall Plan for Local

Government reform. I feel that instead of this Valuation Bill, which contains provisions for contributions by Local Authorities to be fixed by the Governor-in-Council, we should have had a Bill which sets out very clearly the basis upon which Government will make subventions to the various Local Authorities, and the only Bill that should have come before such a Bill was perhaps a Bill setting out the structure and constitution of Local Authorities. But we are providing in this Bill for Local Authorities to make contributions before those Local Authorities are set up, or before we know anything about the form those Local Authorities will take; before we know on what basis the finances of the Local Authorities will be placed, and on what basis Government will make subventions to them.

I cannot understand this attitude of Government with respect to Local Government. This year it has reduced its subventions and the amount of borrowing, and when we write about the matter we are told to wait until the Marshall Plan is implemented. If we write about the traffic hazards we are told that such things will be considered after the Greater Georgetown Plan has been implemented, as though traffic hazards wait to become traffic hazards until the Greater Georgetown Plan comes into being. There seems to be great confusion of thought. We should have had a Bill with respect to the financing of Local Authorities, and if perchance the Local Authorities came into being before the Valuation Bill was passed—I do not see how that could happen, but if perchance it happened—there could be provision made, as has been made in this Valuation Bill, for the prevailing systems of valuation to continue until such time as the Bill is passed. Perhaps the Minister will tell us why he wants to have the Valuation Bill passed first; maybe it was the easiest to draft; or maybe it was the first Bill his advisers thought of drafting. I do not know.

This question of the relationship between Local Authorities and the Cen-

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Local Government is very important. This particular Government seems to be particularly parsimonious with respect to Local Authorities. It does not seem to recognize how important Local Authorities are; it does not seem to recognize how much money should be given to them, and it does not seem to care how much money is spent by Local Authorities when it is pushing through like this. According to my information the Georgetown Town Council spent about \$25,000 on the preparation of a new Valuation List, and the rushing through of this Bill will make all the work that has been done completely useless.

It is true that the Legislature is supreme, and as a consequence the Majority Party is omnipotent, but there are certain courtesies which should be observed. A Bill like this, and the other Bills that are being proposed, should be carefully discussed with the authorities responsible for the administration of the various areas. There should be the pros and cons, arguments and points of view advanced, instead of this rushing of the Bill through now. I do not see the need for hurry. I would like to know why we broke off from the Budget debate to take this Bill. Is the Government in a hurry to put the Valuation Officer, for whom money has been voted, to work? Or is it that Government is in a hurry to show that the particular Minister is producing Bills?

We make all these queries and ask all these questions primarily because we have not had an authoritative statement from the Minister as to what he proposes to do. If Local Government reform is to be implemented by way of legislation—and I do not know of any other means — why hasn't the Minister explained to us the process — which Bill is coming first and why, and which Bill is coming second, and why? Perhaps the Minister will have to ask his experts which Bill is coming out of the machine next. We may well have a good idea spoilt by poor execution, unless the Minister gives more careful consideration

not only to this Bill but to all the legislation which he proposes with respect to Local Government. Let me assure him that he will get all the support from this side of the Table when he tells us clearly what he is doing, and let me also assure him that the criticisms of this Bill are not intended to be merely destructive. They are intended to bring to his attention the fact that the system of assessment in Georgetown is working well, although it can do with a little amendment here and there. Apart from that the Georgetown Corporation is very jealous about its ancient rights. I know that there are boroughs in England more ancient than our Town Council, but in terms of British Guiana a period of 120 years is sufficiently ancient. I notice that some people become ancient in office after a few months. I am asking the Minister conscientiously and seriously not to attempt to rush this Bill through today, but to give himself and his Ministry an opportunity to consult with and hear the views of such bodies as the Georgetown Town Council and the New Amsterdam Town Council.

**Mr. Davis:** I said in this Council a little over a week ago that at this stage of our existence we needed an economic and planning unit. Here we are, some 8 or 10 days later, seeing this particular point making itself abundantly manifest. What we want to know —and the point was raised by my colleague, Mr. Tasker —is whether in this process there will be a reasonable scheme of rates, and whether our industries will be able to afford it.

It seems to me that there has been a lot of confusion and muddled thinking on the part of the Government in introducing this Bill at this time of our existence. Perhaps this confusion and muddled thinking should be forgiven, or perhaps understood when it is remembered that some of the advisers have not had a long enough connection with some of our problems and some of our difficulties which arise every now and then. We must be careful to see that we do not over-pluck Peter in order to feather Paul, and when this is done in the name of and



for the sake of uniformity we must be very cautious in our approach.

In introducing the Bill the hon. Minister said that land will be rated according to its market value and according to zones. I do not propose to deal with rating in Georgetown, although I have lived most of my life in Georgetown and paid taxes in Georgetown, perhaps a little late sometimes. I was very unhappy to hear my colleague, Mr. Gajraj, say that perhaps the rental value system might not work well in the rural areas. I want to stress that we need to apply the rental value system to the rural areas where the wherewithal to pay rates is mostly obtained from rental. I want to suggest that the basis where we get money from in the country is mostly rental, and that is the reason why I feel that it is wrong to have based it on land values and capital values.

Let us take the rice industry. It is well known that the Minister is making sure that there is a proper distribution of land. So far as rice land is concerned, there has been a tendency to look at the rental value of the area rather than the capital value.

Take for instance the Rice Farmers (Security of Tenure) Ordinance. There is a differential in rates between Esse-qui-bo, Demerara and Berbice. Some of the reasons for that is known and appreciated but, unfortunately, those rental values have been maintained at a low figure because of the fact that the people who own rice land cannot afford to pay more.

If the capital value of the land has to be rated on that basis, and the rental value is not taken seriously into consideration you can see that there will be chaos and perhaps complete disorganization or disruption of the scheme of things so far as rice is concerned. We may see, perhaps, a monster—I hope it will not be a Frankenstein monster—growing larger and larger as it goes on and in time destroy some of the hard work and earnest endeavour put in by the rice farmers.

With regard to houses, some of us have built our houses of wood, and others have built houses partly of wood and partly of concrete. Quite a few people have built troolie houses, and I take it that in due course they will have to pay their share of taxation. The fact remains that whatever type of house a man may have he will now have to come under what is described in this Bill as the Second Schedule Part 1, paragraph 2, which states:

“The value as arrived at under the previous rule shall be reduced in accordance with the following table which shall represent an allowance in respect of the age of the house, building or other erection.

Age	Rate per centum of allowance
Over 5 years and under 15 years	10
„ 15 „ „ „ 30 „	20
„ 30 „ „ „	30

Some of our buildings have reached over 30 years, but what is envisaged here? At this stage the cost of maintenance should be much greater and it would be an additional burden for people who have to maintain houses of that vintage. I do not think that these allowances are in any way satisfactory.

Let us go back to the question of land. The hon. Nominated Member, Mr. Tasker, made reference to land on the East Coast where you have fairly arable land to the front with proper drainage, but when you go to the second and third depths you will find the land less suitable for cultivation. I am sure the hon. Minister of Natural Resources is aware that at the back of several of our estates on the East Coast there is a high gessage content. Who is to be the authority, who is to assess the relative values on which those lands are to be assessed?

We have in this country several forms of conveyances. Only recently we heard the Majority Party expressing itself firmly as a believer in leases of occupancy in preference to freehold. We have other forms of title. We have licences of occupancy, those which are held during

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the pleasure of Her Majesty; we have additional grants, licences of the second and third depths, and we also have the regular *bona fide* or freehold titles. I suggest that there must be a differential in their values as such in each case irrespective of the service to which those lands may be put. I ask who is to be the authority to determine the differential so that it will be accepted by the people who have to be rated?

Clause 3 of the Bill states —

“The Governor shall appoint a valuation officer who shall exercise such powers and perform such duties as are conferred and imposed upon him by this or any other Ordinance or by any rules made under this Ordinance.”

I cannot see the Government contemplating the appointment of an officer of a lower status or qualification than a Chartered Surveyor. On the other hand I cannot see why Government should be hesitant to include in the Bill that the person who will be the valuation officer should have a degree not less than that of, say, a chartered surveyor. A chartered surveyor, as I understand it, is a surveyor who has had training quite different to that of a quantity surveyor or an ordinary land surveyor, and I cannot appreciate why Government hesitates to include that in this Bill. I think it is a vital point and one which should be conceded, so that little room will be left for arguments and, perhaps, settlement of cases in court which, it must be admitted, is always expensive.

I will now go back to Clause 14 (1) which states —

“The Governor in Council shall from time to time establish such number of local valuation panels as he considers necessary and shall determine —

- (a) the area which shall be served by any such panel;
- (b) the number of members on each such panel; and
- (c) the tenure of office of members.”

No mention has been made in this Bill as to what the qualifications of the valuation officer should be, or what the qualifica-

tions of the local valuation panel should be. Will it be experience, or people from the Party?

My next comment is in relation to Part III, General Provisions and Classification of Properties. Clause 6 deals with industrial weighting.

I have to assume for the purposes of my argument that ‘light industries’ would specifically refer to those who have rice lands. It is stated in the Second Schedule, at Part III, General Provisions:

“6. The valuation of any industrial property shall not take account of any machinery, plant or equipment installed in or upon such property, but the value as computed under Part I of this schedule shall be weighted by a percentage according to the category of the industrial property in accordance with the following table:

Classification of Properties	Rate per centum
Heavy industrial .. .. .	20
Light industrial .. .. .	10
Workshops and similar premises of superficial area under 1,000 square feet employing not more than 10 full-time employees .. .. .	5.”

May I just touch on the position of rice millers who, I suggest, would come under the category of ‘light industrial’. It has been urged that we who are in the rice milling industry must lose no opportunity and little time in modernizing and rehabilitating our mills. As a matter of fact, it has been stated in a document laid on this Table that we should reach such a stage within two years, and the reasons adduced for that are very sound and persuasive, because if we are to take our place in the world market as a rice-producing country worthy of its salt we have to so streamline the business that we would be able to complete successfully in the world market.

Already we have realized that our costs of production are generally very high and that we have to do all these things. But when we have strained at the gnat and gone to great pains to



modernize and streamline the industry, it will not be an easy thing to meet the taxes I quoted from the Bill a moment ago.

May I invite the hon. Minister of Community Development and Education to take this Council into his confidence and show to us what will be the approximate recurrent expenditure to maintain such a Department as is now envisaged, both for when it is set up and for the succeeding two years, at least. I think it would make interesting information for this Council.

**The Attorney-General:** There is nothing that irks a man more than his having been called upon in a particular situation to pay more than another man is called upon to pay—for the same thing. This Bill is going to be very heartily welcomed by all the people in this country, because it will provide that when they go to pay their local taxes they will be assessed on exactly the same basis as everybody else in the country.

That is so with regard to the taxes that they pay to the central government, but until now — or until this Bill goes through and is in full operation — there has been, I believe, the feeling in the minds of many that they are called upon to pay a certain sum which is adjudged by some valuer, be it the local worthy, the village carpenter or otherwise, and that person is not experienced or has not the necessary skill to do the job, and in these days it should be different; in other words, in these days an expert should deal with the problem of valuation and rating.

A great deal of comment has been made this afternoon on the valuation and rating system in Georgetown and, indeed, in New Amsterdam — or shall I say, valuation for the purposes of rating. It was said that the task of valuation would be taken away from those very respected citizens who work along with the Councillors of the Georgetown Town Council; whether it is the Town Council or the City Council I do not know, because one always

hears of “the Mayor and Town Council of the City of Georgetown.” At some time or other we shall have this matter cleared up.

No one is casting any aspersion on the ability or integrity of the Members of that Council, who for the past 15 years have undertaken willingly —and I have no doubt at great sacrifice of their personal work—the duties of assessing the properties in their respective localities. They have done good work, and no one suggests that the system is being changed because they are incapable of performing their duties. Changed times often bring with them changed policies, and what is happening in regard to this Bill is nothing more than what is happening in the United Kingdom. Until 1948 valuation for rating purposes among the local government authorities was carried out by rating officers of those authorities, and the system has now been changed to a central one under the Local Government Act of 1948.

The effect is that the whole of the valuation of properties in the United Kingdom is undertaken by inland revenue officers; and this is what is being sought in this Bill; that the duties of valuation henceforward will be undertaken by a Valuation Officer and his assistants, who will spend their whole time doing this work. The Valuation Officer will be an expert, his Staff will work under him and acquire experience and indeed, expertise, so that everybody as it were from the Essequibo and Pomeroy to the Corentyne and in the Interior will be assessed by the same people, who will have expert knowledge at their disposal.

My Friend, the hon. Member for Georgetown Central, said that the Assessment Committee for Georgetown included two experts. I believe that those experts are men whose primary business is that of directing Insurance Companies —and of course insurance work does very often involve valuation of properties and so on. But I would assure hon. Members of the “Opposition” that the Government has in mind that the Valuation

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Officer shall be a person who is a qualified and experienced valuer. My knowledge is that there is no actual, recognized profession of valuer, so it is difficult to say that he shall be a 'Chartered Valuer', or a 'Member of the Institute of Valuers' or a 'Member of the Institute of Land Agents.'

I think that in a case of this nature the Government can be trusted with appointing or not appointing anybody who is a fit and proper person to undertake the responsibility of the post. If the Government is incapable of appointing a proper Valuation Officer it does not speak well for the Government, just as it does not if it is felt that Government is incapable of appointing the Government Analyst. I would therefore say that it is very difficult to lay down precisely the qualifications of Valuation Officer, but I would assure hon. Members on the other side that in every case he will be a fit and proper officer. In the absence of Valuation being a recognised profession, it is very difficult to say what the qualifications should be.

It has been suggested that this Bill is ill-timed; that it should follow a Bill to re-constitute the Georgetown Town Council, the New Amsterdam Town Council and the District Councils, but it must be recognized that no local authority can function satisfactorily without money, and money is raised by rates on the valuation of properties, and the valuation of properties, if it is to be undertaken in accordance with this new formula, will take time. The whole object to this Bill is to enable the appraisalment of the properties in Georgetown and New Amsterdam, and the area which will be the first District Authority, to be worked out during the time when the rest of the legislation to implement the Marshall proposals is being prepared and enacted. It is going to take time. The Bills are fairly lengthy ones; they are very comprehensive, and I think they will take some time to pass this Council in view of the great care, interest and attention Members of this

Council pay to this subject, and the time they devote to it.

I think it is a matter for congratulation, and, if I may say so, in my view the speeches made by the "Opposition" this afternoon have been extremely good performances and very stimulating. It is quite clear that hon. Members have given great thought to this problem, and rightly so, but they will be called upon to give as much thought to many other problems of similar importance before the Marshall proposals are completed and implemented.

I would say (I am now not speaking officially as a Member of the Government, as I have not consulted my colleagues on this) that it will probably be a year before the major legislation is through. Are we going to hold up the work of appraisalment of these properties, so that when the Local Authorities are re-constituted they will not be able to get going, because their basis for rating has not been arrived at? This Bill is very timely, because it will enable the new villages to levy their rates on the new valuation which, for the first time, will be on a uniform basis.

There has been a good deal of comment on the fact that the basis of valuation is to be changed, at least for Georgetown and New Amsterdam. I can well share the feelings of hon. Members that the basis of valuation which has existed and indeed worked well for many years, should not be changed, but surely it all comes to the same thing in the end, provided the formula on which the appraisalment is carried out is constant. I submit that it does not matter really whether you found your valuation on capital value or rental value, because the capital value is related to the rental value according to a number of years' purchase of the rental value. That is the recognized way of arriving at the capital value, and whatever way we look at it, whether you arrive at your rental value by converting the market or capital value in accordance with "X" years' purchase, or you gross up the rental value by "X" years' purchase of your capital



value, nobody is worse off, provided you maintain the same basis, which is what is intended in this Bill. It is, of course, easier if all the properties in the country are rated in the same way.

I think that psychologically it is important that the people in the Corntyne, in Essequibo or the interior should feel that the rates they are called upon to pay are calculated in exactly the same way as the rates of the people in Georgetown and New Amsterdam. Indeed, if the basis remained as it is in Georgetown and the capital value was the basis for the country districts, it may well be that the people of Georgetown might feel (after all more people live in the country districts than in Georgetown) that they were being done an injustice, and that they would prefer to have their properties assessed on the same basis. It is not a matter of trying to ride roughshod over the Town Councils which, so far as rating is concerned, have done in the eyes of all, I would say, in this Council, extremely well.

I regret that the hon. Member for Georgetown Central (Mr. Burnham) was not in his seat when I sought to explain the reason for the change, and that it was not because any aspersion was cast on the ability or integrity of members of the Assessment Committee over which he now presides. There is a very fundamental reason for the change. Although there may have to be some "t"s crossed and "i"s dotted, the principle of this Bill and its timing are sound and wise, and I am sure the people of this country will know when it is passed, that at least something is being done to implement the recommendations of Dr. Marshall which I think, on the whole, were widely accepted.

**Mr. Tello:** I am very grateful to the hon. the Attorney-General who has thrown some light on many points on which I was left in the dark. While we on this side of the Table have not the benefit of expert opinion I certainly feel that experience is definitely on our side. We are supported by the Mayor and an ex-

Mayor of Georgetown, both of tremendous local experience, while on the other hand Government depends merely on the advice of persons who do not understand our way of life, but who possibly believe that they understand, after a short visit, what are our outlook, hopes and ambitions in civic matters. I am especially grateful to the hon. the Attorney-General for the statement that we have the option of a choice between rental or capital valuation.

With regard to accepting capital value I am indebted to my Friend, Mr. Davis, who destroyed that possibility entirely when he reminded Government that it is its own policy to perpetuate the system of leasehold, and therefore there is already in existence, especially in the country districts, a tremendous number of such leases. Is Government going to compel those people to buy those lands so as to accommodate this new Ordinance? Possibly we can arrive at some capital value. It is going to be very irksome. I agree that there is an option of choice, but in the Objects and Reasons of the Bill it is stated:

"This Bill seeks to replace the varying systems of appraisalment . . ."

The Minister was very keen to emphasize and re-emphasize the desire for uniformity, but why look up into the skies and dream of things when you have something in front of you which you can see? Time and experience have shown that the Georgetown rating system has for the past 15 years conformed to a policy of uniformity, and has done so successfully. The hon. Nominated Member, Mr. Gajraj, has pointed out that you test a system by the amount of opposition to it. Less than two appeals reached the Courts, because one case was actually taken before the Magistrate by the Town Council itself, and a very small percentage of appeals were made to the Town Council as a body. So that there is evidence of the acceptance of the system by the property-owners. In effect this Bill suggests that the present Assessment Committees are incompetent to do this important job.

[MR. TELLO]

In order to satisfy us that there is need for the removal of the Assessment Committee some people use legal terminology and change words to make them look very important. All of us are not lawyers. The Assessment Committees will now be called Valuation Panels. What is the function of the Valuation Panel? The Minister has not enlightened us on the functions of the Valuation Panel as compared with the functions of the existing Assessment Committee. All Government is doing is to change the phraseology in the Bill. We are now prepared, I suppose, to experiment.

I believe that experts came down here and gave us advice with the best intention, but some people like to be guided sometimes by their own experience. We have brought experts here, and we know that several white elephants are left behind in commemoration of their visits. Therefore we must be very watchful of the advice given by these experts. We must take some time in deciding whether we should accept such advice in full or with a pinch of salt.

I feel that this is not the time for this Bill. If Government wants uniformity, I am going to suggest to it — my voice is that of someone crying in the wilderness — not to interfere with the system which has been successful in Georgetown for the past 50 years. The Bill can be extended to the country districts. I do not believe in these revolutionary measures; I prefer to evolve from time to time. I see that some hon. Members are laughing at me, but I know that British Guiana has gambled with revolutionary measures in the past and we paid for it. I think we are now putting the cart before the horse.

I also think that a prerequisite to accepting this Bill would be to send out suitable officers to study the system practised in the United Kingdom instead of appointing one valuation officer. It is difficult for anyone who has grown up in an atmosphere and associated himself with certain things all during his life to

come here and sell the idea to us who are unprepared for it.

I am asking Government to accept my humble suggestion and, as a step forward, accept the system used by the Georgetown Town Council. In the meantime we could give special scholarships to selected people to study the system in the United Kingdom, so that if there is need to change our present system our boys and girls would be prepared to work the new system from practical experience.

I know that Government's intention is good. I know that the intention is to introduce uniformity, but sometimes brilliant minds do not cast their buckets where they stand although there is water just in front of them. I am asking Government to cast its bucket in Georgetown; try out the system which has been working properly for several years; introduce it in the country areas because you have people in Georgetown with the necessary qualifications and experience to take the system to the country. Furthermore, it is a simple matter to bring officers from the various rural districts to Georgetown for a reasonable amount of time in order to study the system.

Another reason for advocating the rental system in preference to capital value—I endorse what the two Nominated Members Mr. Tasker and Mr. Davis have said—is that this system of rating and taxation is going to oppress existing industries and possibly suppress new ones. We will have to give protection to our local industries, and our local produce. We must envisage the day when our farmers will get together and co-operatively manufacture their cassava meal—of course all of these schemes will be stifled as a result of this new taxation.

I am merely a Nominated Member, but I am asking the hon. Minister and his Government to try out the system we are using in Georgetown rather than experiment with something we do not know anything about. I know that it is recorded in this Council that this Government has not yet displayed the essence of states-



manship by accepting a compromise. Up to now this side of the Table has not been able to get suggestions accepted in this Council or in Finance Committee. I feel that it would be breaking new ground by accepting a compromise. I think Government should show some leaning towards this side of the Table which is backed with experience. I think I can assume such an indication from the Attorney-General's speech, so I will take my seat in the hope that my suggestions will be given due consideration.

**Mr. Jackson:** The hon. the Attorney-General paid a compliment to the hon. Members on this side of the Table who spoke before me. It is the first time since we have met in this Council that any Member of the Government has ever paid tribute to those of us who form part of the Opposition. In spite of that the hon. Attorney-General gave no indication in his observations that the comments which have been made on this side of the Table—comments which are so commendable—will be given any consideration whatsoever.

All that we have heard from the other side on this matter savours of confusion. Although the hon. Minister of Community Development and Education, during the introduction of the Second Reading of this Bill, appeared to be conscious of the fact that there are shortcomings with respect to the qualifications of the valuation officer he is not prepared to take advice from this side. Perhaps he anticipated that Members on this side of the Table would have questioned the foundation upon which the Government would have appointed the valuation officer.

The basis of the qualifications of the Valuation Officer is important, and we on this side raised the question, in reply to which the qualifications of a land surveyor were mentioned. As far as we are aware, a land surveyor in this country is one who deals primarily and exclusively with the measuring of land, so that perhaps the hon. the Attorney-

General might have gone one stage further in trying to anticipate the other speakers by giving the opposite views to what the Minister himself gave. He said this person would be a qualified officer. Qualified in what?

Does he subscribe to the view that the person appointed as Valuation Officer should be a land surveyor? It is perhaps that the Minister of Education is thinking of a Guianese and the Attorney-General is thinking of somebody else and not a Guianese? If the Valuation Officer is to be a valuer of land I feel that no land surveyor is qualified to the extent envisaged in this Bill. Yet they are the ones who sing the song of Guianization.

Assuming that what the Attorney-General has in mind is not what the Minister has in mind, certainly the man with the qualifications indicated by the Attorney-General is not to be found in this Colony. If the panel is to be made up of experts, it means that the members of the panel of experts will be drawn from parts of the world other than British Guiana. I have the right to assume all these things, since it now appears that we have not got these experts and they are discrediting the work people have been doing both in Georgetown and New Amsterdam. Perhaps the Minister is going to explain all that, because his Party has always been saying, "Guiana for the Guianese".

Mr. Tasker was right to ask that in this Bill there should be stipulated the qualifications of the person who will be appointed Valuation Officer. If it is a technical post, then the Bill should include what are its requirements, what is the minimum qualification and the maximum qualification attached to the post. We want to be clear in our minds about these things so that we will know what will be done at all times in the future, and not only now.

The Attorney-General is asking us to believe that the Government is going to make these appointments from the very best persons. We are not going to say



[MR. JACKSON]

that he is not right, but we have had the experience in this Colony that even with the best of intentions we do not get the men with the best qualifications. As long as we are human beings it is likely that there will be errors, and unless it is stated in this Bill what are going to be the qualifications of Valuation Officer, one can say it is likely that in the future great care will not be taken as to the person to be appointed. Even though we know we have the votes against us, we cannot accept what has been stated, and we urge that it must be stipulated in the Bill what are to be the qualifications of the person to be appointed to do this very important job.

Mr. Tasker said at one stage there was consultation between the Government and certain major industrial groups in the Colony, and an assurance was given by the Government that a certain thing would be done in view of the fact that those industries had already played their part and done so much with respect to the improvement in the areas where they are operating; in other words, they would be relieved of any additional burden or burdens which might be cast upon them as a result of the provisions of this Bill which is now before the Council.

Why has this Government broken faith with these people? One is bound to ask whether Government has no sense of responsibility in this matter. Only recently another industrial concern accused Government of a breach of faith—rightly or wrongly. One may not agree with the accusation, but here is a specific statement made by a Member of this Council that the Government gave an assurance in a certain direction and still the Government, with not the slightest bit of courtesy to consult them further, says that they have now reconsidered the whole matter and they cannot now do what they said on a previous occasion. Is this the Government which expects to have the confidence of the people? If you say something today and you do something else tomorrow, you cannot inspire confidence. They may cast their eyes one upon the other, but they have not denied

anything. The only person who spoke on that side since is the Attorney-General. The hon. Minister himself heard the statement made and he has not attempted to say it was not true. Therefore, it is an indictment upon this Government, and if such an indictment is made how can this Government expect anyone outside to have any regard for its assurances?

Now that I have reminded the hon. the Attorney-General of this fact, I wonder whether he would reconsider the Government's stand in respect of this Bill? Everyone can see that it is going to tax industries, perhaps out of existence. Perhaps that is what somebody wants on that side of the Table. I have no brief for the sugar industry or any other industry, but if the sugar industry is over-burdened by taxation and decides to pull out or reduce its production to a point where it would affect the country's economy, who will Government have to blame but itself? Government has not only broken faith with the sugar industry but it is imposing taxation upon it which might force the sugar producers to take another line of action.

Government should be warned that its policy is not one which is going to encourage people into this country to invest money for the benefit of the economy of the country. I should be grateful and delighted to hear any Member of the Government deny what the hon. Nominated Member, Mr. Tasker, said. If they cannot do so they should hide their faces in shame and not lift them up again until we leave this Council this evening.

While the Government consulted with the sugar producers and other major industrial interests it did not consult with the Town Councils of Georgetown and New Amsterdam as far as has been learnt. If that is true it was an error of judgment on the part of the Government, for those bodies have had experience worthy of acknowledgement, which could be of advantage to the Government with respect to Local Government and this Bill. I would wish that the Government would recognize that its failure to consult the



Georgetown and New Amsterdam Town Councils is a slight on those two bodies.

The controversy is between the proposed method of valuation and the existing methods. The hon. Member for Georgetown Central quoted from the Marshall Report, and from what one has gleaned, it was the intention of Dr. Marshall that the Georgetown assessment system should not be abandoned. In fact he indicated in the passage read by the hon. Member, that there was a likelihood that there would be more than one system. If that is the case it is clear that Dr. Marshall may have intended that the system of rating in Georgetown should be retained, and since the systems in the various country districts do not bear any form of uniformity, whatever scheme had to be propounded would have been propounded for those areas and not for Georgetown and New Amsterdam. But Government in its wisdom has ignored the very effective and efficient system which, according to the hon. Nominated Member, Mr. Gajraj, has produced such very good results that there have been only two appeals against assessments—one by the Town Council itself and the other by a ratepayer.

But that is not all. Mr. Gajraj has said that before the present system there was a system similar to the one envisaged in this Bill, and the experience was that it was rather inefficient and ineffective, and there were many more appeals under that system than under the existing system. Why, therefore, does the hon. Minister who has presented this Bill ignore the fact that the present system, which has been in operation for 15 years in Georgetown, has more merit in it than the system which Government is now seeking to introduce? In this Colony we are inclined to make comparisons with what exists in the United Kingdom, perhaps because we have to rely upon experts from that country on matters of

this kind. Perhaps it is because those experts are only able to spend a short time in this country that they are unable to grasp the hopes and feelings of our people, that they want to transport lock, stock and barrel, what obtains in the United Kingdom into British Guiana.

The hon. the Attorney-General was at pains to point out that the system which is being introduced now is one which obtains in the United Kingdom. What is the suggestion — suitability versus unsuitability? In the United Kingdom all things seem to be stable. The value of property remains as stable as it can possibly be in that country, so that inflation does not seriously affect the situation there. It is known that in this country today there is so much inflation in property value that one is almost afraid to think in terms of buying and owning property. It is all well and good for Ministers of the Government to say that their intention is to base valuation upon the market value of property, but if this Bill becomes law and the new Local Authorities are established they are likely to have a source from which they can gather a lot of revenue which, incidentally, will spare the Central Government the necessity to continue to make contributions to Local Authorities. I think the introduction of this Bill at this stage is designed to give Government some idea as to whether the Local Authorities will be able to obtain sufficient revenue from the sugar industry and the bauxite industry to be independent of Government aid. That is as I see it. May I continue, Sir?

**Mr. Speaker:** Have you finished your theme?

**Mr. Jackson:** No, I wish to develop the theme more fully.

**Mr. Speaker:** Council will therefore adjourn until tomorrow at 2 p.m.