

THE DEBATES

OF THE

LEGISLATIVE COUNCIL OF BRITISH GUIANA.

OFFICIAL REPORT

OF

*PROCEEDINGS AT THE SIXTH SESSION OF THE THIRD
LEGISLATIVE COUNCIL.*

LEGISLATIVE COUNCIL.

TUESDAY, 26TH NOVEMBER, 1940.

The Sixth Session of the Third Legislative Council of British Guiana was opened in the Council Chamber, Guiana Public Buildings, at 11 a.m. on Tuesday, 26th November, 1940, with customary formalities but void of ceremonials, the Empire being at war.

PRESENT :

The President, His Excellency the Governor, SIR WILFRID JACKSON, K.C.M.G.

The Honourable the Colonial Secretary, Mr. G. D. OWEN, C.M.G.

the Attorney-General, Mr. E. O. PRETHORPE, M.C.

“ F. DIAS, O.B.E., (Nominated Unofficial Member).

“ J. S. DASH, Director of Agriculture.

“ E. A. LUCKHOE, O.B.E., (Eastern Berbice).

“ E. G. WOOLFORD, K.C., (New Amsterdam).

“ E. F. McDAVID, M.B.E., Colonial Treasurer.

“ F. J. SEAFORD, O.B.E., (Georgetown North).

“ M. B. G. AUSTIN, O.B.E., (Nominated Unofficial Member).

“ W. A. D'ANDRADE, Comptroller of Customs.

“ N. M. MACLENNAN, Director of Medical Services.

“ M. B. LAING, O.B.E., Commissioner of Labour and Local Government.

G. O. CASE, Director of Public Works and Sea Defences.

L. G. CREASE, Director of Education.

J. GONSALVES, O.B.E., (Georgetown South).

J. I. DE AGUIAR (Central Demerara).

The Honourable JUNG BARADUR SINGH (Demerara-Essequibo).

PEER BACCHUS (Western Berbice).

„ E. M. W. ALCOTT (Nominated Unofficial Member).

„ H. C. HUMPHRYS, K.C., (Eastern Demerara).

C. R. JACOB (North-Western District).

J. W. JACKSON (Nominated Unofficial Member).

F. A. MACKAY (Nominated Unofficial Member).

C. V. WIGHT (Western Essequibo).
Clerk of Council—Mr. J. J. Rodrigues.

Official Reporters—Mr. H. A. Grimshaw.

Mr. F. A. Leubin.

His Lordship of Guiana (Rt. Rev. Alan J. Knight, M.A., LL.B.) read prayers.

PRESIDENT'S SPEECH.

THE PRESIDENT (Sir Wilfrid Jackson):—

HONOURABLE MEMBERS OF THE LEGISLATIVE COUNCIL,—

After nearly fifteen months of war the time has come to try and plan our economy for another year under war conditions. This is no place to attempt any general appraisal of the war situation but it is impossible to avoid the reflection that it is little short of a miracle that, after what the Prime Minister described as the "cataract of disaster" which befell the European allies of Great Britain in the first half of this year, we here should now be able to embark upon our plans for the coming year, not merely with our confidence unshaken, but with our faith in ultimate victory more firmly rooted than ever before, and immensely fortified by the experiences of the last few months. I think we all recognize that we owe this above all, first to the superb heroism and skill of the Fighting Forces, and secondly, but in equal measure to the unfaltering courage and indomitable resolution of the people of Great Britain as a body, in the face of continuous air attacks of unprecedented ferocity and scope—a grim and continuous ordeal such as we who are far from the scene find it difficult even to picture to ourselves. This courage, skill and fortitude which have preserved the island freedom of Great Britain and kept open for her the seas of the world are for us also the guarantee of our freedom and security

here: the shield behind which we are enabled to carry on our lives even in the midst of this world conflict almost unaffected by the perils and hardships of war.

This Colony yields to no other part of the Empire in its desire to play its part in this great struggle by extending to the Mother Country the utmost measure of support and assistance that its situation and resources allow. That support takes two main forms, first in the supply of such essentials as our conditions furnish, and secondly, in the determination to develop our own resources so as to avoid any demands on extraneous assistance for as long as we can. This desire found expression in the resolution passed by this Council in July last assuring His Majesty's Government in Great Britain that the Colony was resolved not to add to the burden of the people of Great Britain in their terrific ordeal, and was ready to forego for the time being all prospects of special assistance which had been planned under less hazardous conditions. The task now before us is to plan our economy for the coming year in accordance with these undertakings.

The conditions under which we approach this task are by no means unfavourable. When we recollect that for the last fifteen months the Empire has been engaged in a desperate struggle for survival they are indeed astonishingly good. In spite of the disorganisation of war conditions imports have been well maintained and revenue has increased, and though on the other side the

expenditure has been heavily increased in various directions by the exigencies of war the nett result is less unfavourable than might have been expected. The revenue for the first three-quarters of the financial year was \$4,552,875, which is \$386,277 more than the amount for the corresponding period of 1939. The revised estimate of revenue for the full year is put at \$6,715,700 or approximately \$282,000 more than the original estimate. So far as it goes this is satisfactory, but on the other side of the account heavy additional expenditure has been imposed upon us by the conditions of war. The revised estimate of expenditure is approximately \$7,114,000 as compared with an original estimate of \$6,324,449. The largest items in this additional expenditure have been, \$178,000 to cover the 10% bonus addition to the pay of Government employees earning \$40 a month or less; the acceptance under the Resolution of July last of responsibility for works which were to have been financed from Imperial grants has involved an outlay of \$280,000, including the works which were to have been covered by the special grant of \$250,000 sanctioned in March last: special expenditure on defence services including certain services undertaken at the request of the Imperial Authorities has involved an additional outlay of approximately \$67,000. A number of other items though appearing under ordinary Heads of expenditure have in fact been directly attributable to the exigencies of war.

The general result will be a deficit on the year's operations estimated at approximately \$399,000, which though a formidable sum is not I think so great as to cause apprehension as to the ability of the Colony to meet the situation from its own resources. On this basis the surplus balance which was \$775,600 at the end of 1939 will be reduced by the end of this year to \$376,000.

The draft estimates for the coming year which are being laid before you this morning provide for an expenditure of \$7,101,000, and a revenue of \$6,674,000, leaving an apparent deficit of \$427,000. This position of course cannot be accepted as it stands and measures to rectify it must be faced.

The expenditures included in this

estimate provide for the continuance of the special drainage and other works undertaken in the current year which were to have been financed in part from the Imperial grants, and also an amount of \$60,000 for services hitherto financed from the Colonial Development Fund. Provision has been made for a general programme of works designed to help in maintaining as far as is possible the level of employment.

When we undertook in July last stand on our own feet, so to speak, I think it was fully realized that this undertaking involved that all possible reserves of whatever kind should be drawn upon, and further that every effort must be made to maintain revenues as far as possible.

The only fund on which we can draw as a reserve is the Colonization Fund established under Ordinance No. 7 of 1937 which is fixed by this Ordinance at \$400,000. It is true that the purpose of this Fund was to provide for the introduction of unindentured immigrants into the Colony, but under present circumstances it is scarcely conceivable that that object can be fulfilled within any period which we can foresee. If the question of fuller colonization for this colony arises again under happier conditions any scheme adopted will certainly be financed from other sources; and in any case the paramount necessities of the present national crisis must override any such remote contingencies. The Government has no hesitation therefore in recommending that this fund be applied to strengthen the Treasury balance available for general purposes.

While this amount is nearly sufficient to cover the estimated deficit for the coming year it represents the last available liquid reserve, and in a situation so uncertain as that in which we stand to-day it would be indeed rash to permit of the complete exhaustion of available reserves before making whatever efforts are possible in the circumstances to strengthen the ordinary sources of revenue. It must be remembered that a working balance of some \$250,000 must be kept in hand, and it would be unduly sanguine to rely on the high level of import trade which marked this year being maintained throughout 1941. The general level of taxation in this Colony is by no means low by Colonial

standards, and a careful review of the various sources of indirect taxation discloses that there would be great difficulty in increasing rates without enhancing the burdens on the poorer classes of taxpayers, which everyone will agree would be neither equitable nor financially justifiable. The only tax which presents some possibilities of expansion is the income tax, the rates of which are at present considerably below those now prevailing in certain other comparable Colonies. Some increase in rates was agreed to at the outbreak of war, but I understand it was then decided not to adopt the full measure of expansion which was regarded as possible in order to maintain some future reserve against contingencies and to see how conditions developed. I fear the time has come when there is no longer any doubt that we are called upon to meet the fullest sacrifice in this direction of which we are capable, and that there is no alternative but to ask that the rates of income tax be advanced in something like the same proportion that it has been necessary to adopt elsewhere. It is fully recognized that this involves a serious burden for those affected, but when we recollect the infinitely greater sacrifice not only of wealth but of personal safety and comfort that the people of Great Britain are uncomplainingly enduring in this great conflict, and when we remember that our own safety and relative comfort of living are being preserved by these sacrifices, I feel sure that it will be agreed that no effort that is within our capacities must be spared to meet the local situation up to the limit of our resources.

Apart from the fundamental task of meeting the cost of public services and supporting the general economy of the country as far as possible by maintaining the level of employment, our most important aim must be to do what we can to increase internal productive capacity, with the primary object of making the community more self-supporting than it is, but incidentally also of course with a view to improving exports of local produce such as rice and cattle where that is possible. In present conditions and with the very limited funds at our disposal I think this policy resolves itself in practice into the concentration of effort in the first place on the improvement of drainage and irrigation facilities. The drainage reconditioning works which have been put in

hand this year and are being carried to completion during the coming year may be regarded, I think, as a direct contribution to the improvement of productive capacity; but drainage in itself is not enough, and I think that the lessons of the recent drought have served to impress on us forcibly the urgent need of better irrigation facilities, both to provide for the extension of the cultivable areas and to improve the productive capacity of lands now under occupation. There are many demands from various parts of the country for improvements of this kind. They cannot all be met, and in the selection of plans to which the very limited funds available can first be applied, it is essential to concentrate on those areas where the extent and quality of the land to be improved and the numbers of persons to be benefited promise the fullest and earliest return for the outlay to be undertaken. There are several plans of this sort under investigation but some further examination will be necessary before definite recommendations can be laid before you. I hope, however, that this may be possible in the near future. As the carrying of some of these plans to final completion may depend ultimately on support from the West Indian Welfare Fund it may be necessary to consult the Controller of that Fund before making a final selection.

In the meantime there is only one source from which these projects can be financed, namely, the Development Trust Fund established under the ordinance above quoted from the balance of the old Colonization Fund. This fund now amounts approximately to \$575,000 and it is of the highest importance in my opinion that it should be reserved for works of a directly productive character. Unfortunately there is little prospect that any of the works in view can be regarded as directly remunerative in a financial sense and they are therefore not suitable objects for finance from loan funds.

I think it must be clear to everyone that in the changed conditions brought about by the war we must put the maintenance of our economic life and the increase of our productive capacity in front of all other considerations, and that projects for the improvement of social services and social welfare must now take second place for the time being. Dis-

appointing as this is the hard realities of war leave us no alternative. There were two projects of this kind which have recently been examined by Committees, which I particularly regret being compelled to set aside for the time being, but in the circumstances I fear there is no other course possible.

The Committee appointed in pursuance of Resolution No. XL of the Council of the 25th October last to examine the possibility of introducing a scheme of old age pension reported in May that the introduction of such a scheme on a very moderate scale would involve an outlay of at least \$187,000 a year. This sum does not include the cost of administration which would bring the figure to at least \$200,000. In present circumstances the provision of any such sum is, I fear, quite impracticable and we must reluctantly postpone consideration of this proposal. An endeavour is being made, however, to meet the recommendations of the Committee as to a temporary increase in the scale of outdoor relief. The report of the Committee is being laid before you.

A Committee appointed in August, 1939, to consider the question of restoring in some measure the grants formerly made to missions working among the aboriginal Indians of the Colony reported in June last proposing the allocating of an annual grant of \$19,000. The Committee's recommendations have been considered by the Executive Council, but I regret to say that in present circumstances it does not seem possible at present to commit the Colony to this annual outlay. Tentative proposals for improving the administration of the Rupununi District and providing medical services have been submitted to the Secretary of State but I fear that even in this matter finance may prove an obstacle for the time being. The Secretary of State's comments on these proposals have not yet been received.

In brief, I think it is clear that after providing for defence measures and the maintenance of essential public services we must direct all our efforts and resources to the improvement of our internal economy and productive capacity. This is a slow and gradual process and spectacular results cannot be expected, but there must be no relaxation of effort,

and remember, Gentlemen, that it is not only effort by the Government that is in question. The Government can do no more than point the way, remove obstacles or afford the opportunity. The real effort must come from the people of the country themselves.

For this reason any movement or tendency which has the effect of interrupting or retarding production is especially to be deplored under present conditions. Anything of this sort reacts directly in slowing down the war effort of the Colony. I am quite confident that the general feeling of the people of the Colony has no sympathy whatever with such tendencies. The spirit of the Colony has been clearly shown in the generous contribution of all classes to the various War Funds which have reached highly creditable figures, and there has been on the whole a satisfactory response to the general campaign to increase production though results have of course been considerably affected by unfavourable weather conditions. But it is necessary to say plainly that there have been one or two instances of an opposite tendency among small and isolated groups of people.

Attempts were made by a few people to aggravate the difficulties caused by a temporary shortage in rice supplies due to the aftermath of the recent drought. A deliberate endeavour was made in some instances to delay the movement and milling of padi and to take advantage of the occasion to force up the price to the consumer. Now rice is one of the staple foods of the community and attempts to interfere with the supply cannot be tolerated. In this particular instance I am glad to think that these attempts failed in their object, but it should be clearly understood that attempts of this kind can be dealt with by drastic measures if necessary, measures which would involve heavy and permanent loss to those who attempt to interfere with the supply of essential commodities.

In another instance there was a partial cessation of work on a certain sugar estate on grounds which were of a trivial character and on investigation proved to be largely unsubstantiated; certainly they were not of a kind to justify any such action on the part of those affected. I am assured that this action took place without

the authority or consent of the Trade Union concerned. I fully accept that assurance but it must nevertheless be realized that it was a definite violation of an Agreement concluded with that body. That is a serious position.

I need scarcely remind you that it is the established policy of the Government confirmed by declarations in Parliament and elsewhere to support and assist the formation of responsible Trade Unions, and there is no question of any change in that policy. But that policy and indeed the whole principle of collective bargaining rests on the fundamental condition that Unions are in a position to ensure, and in fact use all their influence to insist upon, the observance by their members of the terms of any arrangement that may be arrived at. Where this condition breaks down the whole foundation of collective bargaining is undermined. Unauthorized and unnecessary strikes are at all times a grave menace to the public welfare but under present conditions, when a time of national peril demands the fullest production of which we are capable, they are especially to be deplored and those who indulge in them can look for no sympathy from any quarter. Unless the influence of a Trade Union can be effectively exercised to prevent occurrences of this kind it obviously becomes necessary to deal with any such situation by other and more direct means, and this can only result in a serious setback to the progress of Trade Union policy. I most earnestly appeal therefore to all Trade Union leaders in this country to follow the magnificent example set by the Trade Unions of England and throw all their influence into securing the continuance of productive industry without interruption, as a highly important contribution to the war effort of the Colony. Such a policy is clearly in the best interests of the progress of Trade Unionism as an influence in the economic life of the Colony.

I have had no hesitation in speaking plainly and openly about these minor incidents, because they have concerned only very small sections of people, and I am confident that they do not in any way represent the general spirit of the people of the Colony, who have given many evidences of their understanding of the task before us in these perilous times.

But where such misunderstandings or failures as I have referred to do occur, I think, it is well to speak plainly about them before any serious harm has been done.

The Legislative programme before the Council though it contains a number of Bills is not, speaking generally, of a heavy character. It contains amending Bills to the Sea Defence Ordinances, the Firearms Ordinance and the Gambling Prevention Ordinance and certain measures affecting Municipal affairs introduced at the request of the Municipalities concerned. The most important Bill is that providing for the establishment of a Central Drainage Board and re-defining the position as to the control of drainage areas, both in respect of those now existing and any which may be hereafter created as a result of new works. The general principle of this measure has been already accepted by the Council as a part of the arrangement under which the liability of local authorities for contributions towards the cost of existing drainage works has been cancelled from the current year onwards. The Bill is one of great financial and economic importance both in its immediate effect and for its future influence on development, and I commend it to your most careful attention.

Otherwise the main features of the business of the Session are likely to be of an economic and financial character, and it is unnecessary to stress further the paramount importance of these considerations under present conditions.

Every day and indeed almost every hour brings to us news of events which serve to impress upon us more and more the magnitude of the task with which Great Britain and her allies are faced in this conflict to preserve our future as free nations and to bring to an end the menace of ruthless aggression and tyranny which has overshadowed the world. Our situation here has happily preserved us from the physical sacrifices and dangers which our fellows in Great Britain and other parts of the Empire are being called upon to endure, and let us not hesitate to be unfeignedly thankful for this; but I think that we are under no illusions as to the hazards which threaten us, and I am sure that there is the fullest readiness on the part of the people of this Colony to

face whatever sacrifices may be demanded of us in the national cause. In such circumstances you, Gentlemen, as Members of this Council, will naturally feel that the responsibility resting on you is more than ordinarily heavy, but I think that you will agree that in spite of the hazards and difficulties, which we know to lie before the nation of which we form part, every day that passes, every fresh experience of a peril overcome, serves to strengthen our confidence, indeed I would say to confirm our assurance that the evil forces against which our country is contending will be finally and completely vanquished, and it is in this spirit of confidence that we can approach the task before us.

I now declare the Session open, and I pray that the blessing of Providence may rest on your deliberations.

Mr. LUCKHOO: On behalf of the Unofficial Members of this Council I desire to thank Your Excellency for the very interesting speech you have just delivered. So far as the Elected Members of this Council are concerned we shall certainly co-operate with Government in all measures pertaining to the well-being of the Colony. The several points and pronouncements made in your speech will certainly receive earnest and patient consideration from the Electives. In the past the Electives have had occasion at some times to criticize Government adversely and at other times severely, but I think that on this occasion you can rely on the heartiest co-operation of the Members of this Council in doing everything in their power to expedite the business of this Council.

Your Excellency has referred in your address to the loyalty and patriotism of the people of this Colony. I wish to express my entire concurrence with Your Excellency's views in that respect. It is true that in the early period of the War adverse opinions were expressed in respect of the position of Great Britain in the conflict but, I think, after the full and exhaustive statements made through the Press and the Radio a good many of those people have now changed their opinion and do earnestly believe that the British Government entered into this conflict on very good grounds.

I am afraid that one or two points in

Your Excellency's address will call forth criticism on the part of hon. Members of this Council—that particularly with respect to Income Tax—but I hope those hon. Members who attack that will provide Government with some constructive criticism as to how the deficit should be met and how the Government of the Colony should be carried on in these dark and trying times. We have to pull our weight and make a certain amount of self-sacrifice, as success can only be achieved by continuous effort on the part of the people of the Colony to bear their portion of the burden and to pull their weight. Every means must be devised to meet the deficiency and, I think, if other suggestions are forthcoming Government would give due consideration in that direction.

With respect to the war, I join Your Excellency in saying that we admire the heroism, tact and courage of the British people in this serious conflict in which they are engaged. They are making considerable sacrifices and it is our duty to show our deep appreciation and loyalty by subscribing as much as possible to all deserving causes which may claim our attention and help. Your Excellency has referred in very appropriate terms to the heroic action of the soldiers and sailors of the Navy. The unanimity of the nation, of the Dominions and the Colonial Empire as a whole in this momentous of all struggles for justice, freedom and liberty is a phenomenon without parallel in the history of the world. The peoples of the British Empire are not held together; they stand spontaneously together under the benign shield of the Union Jack. Your Excellency can rely on the Electives giving the fullest consideration to the points you have raised, and I would ask as is customary that Your Excellency direct that your speech be printed and circulated to hon. Members.

THE PRESIDENT: I thank the hon. Member for his remarks and promise of co-operation. It has been arranged for the formal business to be taken this afternoon after the adjournment. The Council will adjourn now to two o'clock.

The Council adjourned accordingly.

3 p.m.—

The Council resumed.

MINUTES.

The minutes of the meeting of the Council held on the 4th of September, 1940, as printed and circulated, were confirmed.

ANNOUNCEMENTS.

GRATUITY TO MRS. MARION CAMPBELL.

THE COLONIAL SECRETARY communicated the following Messages to the Council :—

MESSAGE No. 1.

Honourable Members of the Legislative Council,

The Council is invited to approve of the payment of a compassionate gratuity of \$374.40 to Mrs. Marion Campbell, widow of the late Benjamin Campbell, formerly a captain of a sea-going punt of the Public Works Department.

2. The late Mr. Campbell had served with the Department for 38 years. His employment was terminated in February, 1938, owing to ill-health and he died in May, 1938. In view of Campbell's length of service and the nature of his work which entailed long hours, exposure to weather and risk of life while at sea, it is recommended that his widow, who is aged and in poor health, be awarded a compassionate gratuity of \$374.40, the equivalent of one year's pay of her late husband.

W. E. JACKSON,
Governor.

31st October, 1940.

SURTAX ON TONNAGE AND LIGHT DUES.

MESSAGE No. 2.

Honourable Members of the Legislative Council,

I have the honour to invite the Council to approve of the continuance during 1941 of the surtax of fifteen per centum levied during the year 1940 on the amount of tonnage and light dues collected under section eighteen of the Transport and Harbours Ordinance, 1931. This surtax is not levied in respect of any vessel which lands and takes away cargo not exceeding in the aggregate 500 tons, or in respect of any sailing vessel of not more than 300 tons net register.

2. Honourable Members will recall the enactment of the Transport and Harbours (Temporary Surtax) Ordinance, 1932 (No. 1 of 1932) which provided for the collection of the surtax for the first time in the year 1932 and the passing of the Transport and Harbours Ordinance, 1931, under the provisions of section 18 of which Resolutions have since been passed to enable the levying of the temporary surtax.

3. The reason for the subsequent continuation of this surtax is that it is still impossible to dispense with the additional revenue. The financial position is not such as will allow of

any taxation imposed during 1940 being reduced, and I accordingly invite the Council to approve of the collection of this surtax being continued during 1941, after which the position can again be reviewed.

W. E. JACKSON,
Governor.

5th October, 1940.

MAINTENANCE ENGINEER FOR T.H.D.

MESSAGE No. 3.

Honourable Members of the Legislative Council,

With the retirement of Mr. A. MacDougall, General Manager, Transport and Harbours Department, on 9th November, 1940, the necessity for the appointment of a Maintenance (Civil) Engineer for the Department has arisen. When Mr. MacDougall was promoted from the post of Civil Engineer to that of General Manager, a Maintenance Engineer was appointed on a 3 years' contract. On the expiration of the contract period in 1937, the engineering post was abolished and the maintenance and construction work of the Department was supervised by Mr. MacDougall himself. Now that Mr. MacDougall has retired the Department is without the services of a Civil Engineer.

2. To ensure the proper construction and maintenance of buildings, wharves, bridges, etc., the services of a Civil Engineer are essential, and the Board of Commissioners of the Department recommend that the post of Maintenance Engineer be again established to be filled by a Civil Engineer at a salary on the scale \$2,400 by \$120 to \$2,880; the person selected to be on agreement for three years in the first instance.

3. The Council is accordingly invited to approve of this additional post.

W. E. JACKSON,
Governor.

18th November, 1940.

PAPERS LAID.

THE COLONIAL SECRETARY laid on the table the following documents :—

Draft Estimates of Revenue and Expenditure for the year 1941.

Explanatory Memorandum for use when considering the estimates of expenditure for the year 1941.

Second schedule of additional provision required to meet expenditure in excess of the provision made in the estimates of expenditure for the year 1940.

Report of the Superintendent of Prisons for the year 1939.

Report of the Government Industrial School, Undernecming, for the year 1939.

Report of the Director of Education for the year 1938.

Report of the Lands and Mines Department for the year 1938

Report on the Drought, 1939-1940 (L/C. Paper No. 13/40).

Report on the Diets of Public Institutions by the Nutrition Committee. (L/C. Paper No. 12/40)

Colonial Agricultural Scholarship Fund account for the year ended 31st March, 1940.
Imperial College of Tropical Agriculture accounts for the year 1938-1939

Report of the Imperial War Graves Commission for the year ending 31st March, 1939.

Report of the Directors of the Widows and Orphans' Fund for the year 1939.

Report of the Committee of the Trotman Trust Fund for the year 1939.

Schedule of applications for gratuities from dependents of deceased teachers, 1940.

List of articles not exempt from duty which have been specially exempted by the Governor in Council under Article 2 of the Fourth Schedule of the Customs Duties Ordinance (Cap. 34) during 1940.

Report on the work of the Department of Labour and Local Government for the year 1939,—Part I—Labour.

Part II—Local Government.

The Volunteer Regulations, 1940.

The Defence (Rice Control) (Amendment No. 4) Regulations, 1940.

The Defence (Prohibition of the Importation of British Bank Notes) Regulations, 1940.

Defence (Control of Services and Supplies to Ships) Regulations, 1940.

The Trading with the Enemy Ordinance, 1939, (Amendment No. 2) Regulations, 1940.

The Defence (Finance) (No. 2) Regulations, 1940.

The Defence (Amendment No. 4) Regulations, 1940.

The Defence (Customs Duties) Regulations, 1940.

The Defence (Amendment No. 5) Regulations, 1940.

The Defence (Finance) (Restriction on the Export of Articles of Value) Regulations, 1940.

The Defence (Postponement) of Elections in Canals No. 1 and No. 2 Polder Regulations, 1940.

GOVERNMENT NOTICES.

INTRODUCTION OF BILLS.

THE COLONIAL SECRETARY gave notice of the introduction and first reading of the following Bill :—

The Expiring Laws Continuance Bill, 1940

THE ATTORNEY-GENERAL (Mr. E. O. Pretheroe, M.C.), gave notice of the introduction and first reading of the following Bills :—

The Gambling Prevention (Amendment) Bill 1940

The Firearms (Amendment) Bill, 1940.

ESTIMATES, 1941.

THE COLONIAL SECRETARY gave notice of the following motions :—

THAT, this Council approves the Estimates of Expenditure to be defrayed from revenue during the year ending 31st December, 1941, which have been laid on the table.

COMPASSIONATE GRATUITY.

THAT, with reference to Governor's Message No. 1 dated 31st October, 1940, this Council approves of the payment of a compassionate gratuity of \$374.40 to the widow of the late Benjamin Campbell, formerly a captain of a seagoing punt of the Public Works Department.

SURTAX ON TONNAGE AND LIGHT DUES.

THAT, with reference to Governor's Message No. 2 dated 5th October, 1940, this Council approves of a surtax of 15 per centum being levied on the amount of tonnage and light dues which shall be collected during the year 1941 under section 18 of the Transport and Harbours Ordinance, 1931.

MAINTENANCE ENGINEER FOR T.H.D.

THAT, with reference to Governor's Message No. 3 dated 18th November, 1940, this Council approves of the appointment of a Maintenance (Civil) Engineer to the staff of the Transport and Harbours Department at a salary on the scale \$2,400 x \$120—\$2,880.

INCREASED PAY FOR MILITIA.

WHEREAS by Resolution passed on the 6th day of September, 1939, the Legislative Council approved of prescribed rates of pay and allowances for members of the Militia while engaged on actual military service ;

AND WHEREAS the approved rates of pay were based on the rates payable in the British Army which have recently been increased by 6d. a day for non-commissioned officers and men ;

Be it Resolved,—That, this Council approves of the rates of pay for non-commissioned officers and men of the Militia (other than members of the paid staff) while engaged on actual military service being as follows with effect as from the 22nd November, 1940 :—

	per day.	
C.S.M. and C.Q.S.M.	8/6	} plus
Sergeant	6/6	
Corporal	4/6	} free
L/Corporal	3/9	
Private	2/6	} ration.

THAT, this Council approves the Second Schedule of Additional Provision required to meet expenditure in excess of the provision made in the Estimates of Expenditure for the year 1940, which has been laid on the table.

UNOFFICIAL NOTICES.

SUGGESTED LOAN TO IMPERIAL GOVERNMENT.

Mr. C. V. WIGHT gave notice of the following questions :—

1. Is Government of opinion that there will be any repatriation of Indian immigrants entitled thereto in accordance with the provisions of Section 26 of the Immigration Ordinance during the War ?

2. If the answer to No. 1 is in the negative, will Government offer as a loan from this Colony to the United Kingdom the sum of \$345,905.00, the balance at credit of the Immigration Fund at 31st December, 1939, free of interest to be used during the war to assist in the prosecution thereof? If not, why not?

RICE SHORTAGE.

Mr. JACOB, on behalf of Mr. Lee, gave notice of the following questions :—

1. Will Government state what was the "carry-over" stock of rice in the Colony from the year 1939 to the year 1940, fixing the stock in each county separately?

2. Will Government state what was the estimated yield of rice for the 1939 Autumn Crop in each county separately?

3. Will Government state what was the actual yield of rice in each county separately for the Autumn Crop of 1939?

4. Will Government state what was the estimated yield of rice for the 1940 Spring Crop in each county separately?

5. Will Government state what was the actual yield of rice in each county separately for the Spring Crop of 1940?

6. Will Government state how many tons of rice were exported from January to September, 1940.

7. Will Government state how many tons of rice were consumed in the Colony from January to September, 1940?

8. Will Government state what was the amount lost by the Rice Marketing Board from the purchase of 20,000 bags of rice from Barbados to assist in fulfilling their contract to Trinidad?

9. Will Government state what is the estimated yield of rice in each county separately for the Autumn Crop of 1940?

10. Is Government aware of the fact that there has been a serious shortage of rice for consumption in the Colony during the last four weeks ending 26th October, 1940, and will Government stop all export of rice from date until it is ascertained if there is an available surplus over consumption in the Colony to the end of November, 1941?

11. Is Government taking steps to ensure the sowing and reaping of the Spring Crop in 1941 so as to find employment for the thousands of people who are unemployed, and to provide food for the population?

RICE PURCHASES BY THE MARKETING BOARD.

Mr. JACOB gave notice of the following questions:—

1. Will Government state the total quantity of rice purchased by the Rice Marketing Board on or after 1st November, 1939, from the thirty-four registered exporting agents of rice giving the names of all agents and the quantity purchased from each, together with the amount paid to each exporting agent?

DELIVERY OF RICE TO TRINIDAD.

2. What quantity of the 10,000 tons of rice contracted to be delivered to Trinidad by 30th September, 1940, was delivered, exclusive of the 20,000 bags purchased from Barbados for delivery, to Trinidad? If the whole quantity is not delivered, when will the balance be delivered?

EMPLOYMENT OF MEMBERS OF THE COUNCIL.

1. When was the Honourable C. V. Wight, Member for Western Essequibo, appointed to prosecute on behalf of the Crown at the Berbice Criminal Session, and how long will this appointment continue?

2. What sum was paid to the Honourable gentleman, for services rendered during the months of October and November, 1940, each month separately?

3. Is it the intention of Government to continue to employ Members of the Legislature in view of Article No. 21 of the British Guiana (Constitution) Order in Council, 1928, Chapter 2, which reads as follows?

"No person shall be qualified to be elected a Member of the Council or, having been elected, to sit or vote in the Council who is the holder of an office of emolument under the Crown or under the Government of the Colony."

4. If Government does not consider that Article No. 21 is infringed by the temporary appointment of the Honourable Member for Western Essequibo, will Government re-appoint the Honourable Member to prosecute on behalf of the Crown at the next Criminal Session to be held in the County of Essequibo, his constituency?

CROWN COUNSEL AND WIFE IN SAME OFFICE.

5. Is it a fact the wife of the Crown Counsel is employed in the Attorney-General's Office as Clerk to the Attorney-General under her maiden name?

6. Does Government consider it desirable to employ a husband and wife in the same office?

ORDER OF THE DAY.

THE COLONIAL SECRETARY: I move the suspension of the Standing Rules and Orders to enable me to move the motion, of which I have given notice,

with regard to the estimates of expenditure for 1941.

THE PRESIDENT: It is understood that this is only the formal stage; it is only proposed to take the Colonial Secretary's budget statement this afternoon and adjourn the Council.

Motion put, and agreed to.

BUDGET STATEMENT.

THE COLONIAL SECRETARY: I beg to move—

That this Council approves the estimates of expenditure to be defrayed from revenue during the year ending 31st December, 1941, which have been laid on the table.

FINANCIAL POSITION, 1940.

The estimates for the current year as finally approved by this Council provided for an expenditure of \$6,324,449, against revenue of \$6,433,043 with a resultant surplus of \$108,594.

By Resolution No. XVIII of 14th March, 1940, the Council approved of the incurrence of additional extraordinary expenditure on reconditioning of drainage works, roads and buildings to a total of \$250,000 to be financed in the first instance from surplus Colonial funds and to be reimbursed by a free grant from His Majesty's Government in the United Kingdom which had been offered to the Colony. Subsequently, however, by Resolution No. XIX of 16th July, 1940, this Council decided, as a measure of support to His Majesty's Government in the present national emergency, to waive any claim to reimbursement by His Majesty's Exchequer in respect of this expenditure of \$250,000 and also of any further contributions from the Colonial Development Fund towards the cost of works in progress. Council further pledged itself to provide for the maintenance and continuance of all services relating to the Government of the Colony during the war to the utmost limit of our available resources.

Apart from the special charges falling on the local Treasury, to which I have referred, additional expenditure has had to be incurred on Emergency War Measures and on a number of unavoidable services not

foreseen when the original estimates for the year were framed. These include the temporary war bonus to subordinate Government employees, payment of which was approved by Resolution No. III of 18th December, 1939.

The revised estimate of expenditure for 1940 is shown in the printed estimates for 1941 at \$7,114,437—being an increase of \$789,988 over the original total.

On the other hand, however, revenue collections for 1940 have been well maintained, substantial increases over the original estimate being recorded on certain heads, notably Customs, \$230,000, and Income Tax, \$90,000. The total revised estimate of revenue for the year is \$6,715,694 being an increase of \$282,651 on the original total.

The result of the transactions of 1940 is accordingly now estimated to be a deficit of \$398,743 after meeting all expenditure now to be borne by the Colony.

The surplus balance carried forward from 1939 was \$775,612 so that the estimated surplus at 31st December, 1940, is \$376,869.

BUDGET, 1941.

The draft estimates for 1941, as presented to Council, call for an expenditure of \$7,101,334 against revenue of \$6,674,275 on the basis of existing taxation, with an estimated deficit on the year's working of \$127,059.

In assessing the financial position disclosed by these figures, it must be borne in mind that the surplus balance in hand is not wholly free for appropriation as a sum of at least \$250,000 has to be maintained as working capital to provide for current advances, cash balances, etc. Furthermore, allowance must be made for a probable shortfall in revenue receipts arising from War conditions. Examination of the Estimates under the main head of Customs will disclose that the yield from this source for 1941 has been included at the same amounts as in the revised Estimates for 1940. The general effect of the War in 1941 on revenue from import duties cannot be forecast at this date, but it is unlikely that imports can be

maintained at the same level as in 1940 ; and it is therefore prudent to consider that a reserve of at least \$250,000 will be required to meet any shortfall in this direction.

Having regard to the above considerations it is inevitable that additional taxation must be imposed in 1941 if the Colony's financial solvency is to be maintained.

It is therefore proposed to increase the revenue from Income Tax by the imposition of a surtax of 50% on existing personal rates accompanied by an increase in the rate on Companies from 15% to 20% and on Life Insurance Companies from 5% to 6%. These increases will, it is estimated, produce an additional yield of \$300,000. The proposed surtax of 50% in conjunction with the increase of approximately one-third as the result of the new rates imposed this year will have the effect of doubling the pre-war tax on incomes.

It is also proposed to strengthen the financial position by bringing into revenue as a General Reserve the Colonization Reserve of \$400,000 which was established by the Colonization Fund Ordinance, No. 7 of 1937, to meet the cost of any un-indentured immigration in the future.

Bills will be shortly introduced in Council to give effect to these proposals.

In the budget for 1940 it had been proposed to introduce an Excess Profits Tax but it is not proposed to proceed with this tax for the present.

The draft revenue estimates for 1941 include the revenue to be derived from continuing the Bill of Entry Tax, the Excise Duty on Sugar and the surtax on Harbour Dues, and the Council will be asked to authorise the collection of these special imposts during the year.

EXPENDITURE, 1941.

I shall now deal with some of the more important details of the expenditure estimates for 1941 as presented to Council.

The estimate of \$7,101,334 is \$13,103 less than the revised estimate for 1940. The following are the heads under which the largest increases and decreases will be found :—

	Increase	Decrease.
Agriculture	...\$ 10,000	
Education	52,000	
Lands and Mines ..	11,000	
Hospitals and Dispensaries	... 13,000	
Miscellaneous—		
(a) Subventions, etc., Municipal	19,000	
Police	... 29,000	
Post Office	23,000	
Public Works Department	45,000	
Public Works Annually Recurrent	20,000	
Public Works Extraordinary	.. 182,000	
Pensions and Gratuities		\$15,000
Public Debt		18,000
Transport and Harbours		34,000

Head VIIIA.—Education.—

A portion of the increase of \$52,000 under this Head will be required to pay salaries to additional teachers to be engaged, and increased grants to be made under the new Education Code.

Head XXIII.—Miscellaneous (a) Subventions, etc., Municipal.—

Payments to be made to the Municipality for service and maintenance charges of the sewerage connections to Government properties outside the northern boundary of Georgetown in respect of the period 1929 to 1941, inclusive, account for \$13,000 of the increase of \$19,000 under this head.

Head XXVII.—Police —

This Head shows an increase of \$29,000 a large portion of which is required to enable the Force to be increased by 42 other ranks for the better policing of Berbice and for additional duties in connection with the Motor Vehicles and Road Traffic and the Firearms Ordinances.

Head XXIX.—Post Office.—

The increase of \$23,000 under this head is mainly due to increased provision having to be made for the conveyance of mails, principally by air. This expenditure is recoverable by the sale of stamps.

Head XXXIV.—Public Works Department.

The increase of \$45,000 is due to the transfer of certain items hitherto shown under heads Sea Defences and Public Works Annually Recurrent to the new Consulting Engineer's section of the Department and to the increase of staff consequent on the recommendations of the Reorganization Committee.

Proposals in connection with the reorganization of the Public Works

Department were approved by Legislative Council Resolution No. XXXII on the 4th September, 1940. To implement these provision has been made in the Estimates for Mr. Case—at present holding the office of Director of Public Works and Sea Defences—to be Consulting Engineer for Sea Defences, Drainage, Irrigation, and Harbour and River Improvements. A new appointment will be made to the office of Director of Public Works. The Consulting Engineer will be provided with separate office accommodation and the necessary staff which, with the exception of an engineering draughtsman, a messenger and a typist-clerk, will be drafted to him from the Public Works Office. The amount transferred from head “Sea Defences” is approximately \$9,000 and items totalling \$13,180 have been transferred from Public Works Annually Recurrent.

Head XXXV.—Public Works Annually Recurrent.

Head XLV.—Public Works Extraordinary.

In accordance with the undertaking given to the Council when Resolution No. XIX of 16th July, 1940, was passed, that expenditure on special works which have the advantage of assisting to relieve unemployment would be maintained on the 1940 level, certain heads have been increased in the 1941 Estimates to the total extent of \$250,000. The heads thus increased are:—

Head XXXV.—Public Works Annually Recurrent.—

Maintenance and reconditioning of public buildings by \$37,000

Head XLV.—Public Works Extraordinary.

Reconditioning drainage works \$182,000
New buildings \$ 31,000

The greater part of the remaining provision made under Public Works Extraordinary is required for expenditure on buildings for the undermentioned Departments and on the other works named below:—

Labour and Local Government	\$14,150
Medical	\$35,530
Police	\$86,320
Water Supply	\$22,400
Drainage and filling Government Lands, Georgetown	\$21,300
Roads and Buildings	\$32,200

The Council is being asked to vote \$253,451 under this head which is \$34,000 less than the estimated expenditure for 1940. The net deficiency is put down at \$216,451 and it is proposed to spend \$37,000 on Capital Account, all of which, with the exception of \$2,000, is required for a new locomotive.

The revenue estimates of the Transport and Harbours Department are approximately \$100,000 greater than the revised estimates for 1940, the whole of this increase being shown under the Department's revenue head Harbour and Pilotage.

CENSUS.

In the 1940 estimates a new head was included to enable preliminary preparations to be made for the decennial census which it was then expected would be taken in 1941 but as no census will be taken in any part of the Empire next year, owing to the war, no expenditure has been incurred under this head and no provision is made for 1941.

COLONIAL DEVELOPMENT FUND SCHEMES.

The items of expenditure shown under Head XLVII—Colonial Development Fund Schemes—will also be removed from the draft Estimates, with the leave of the Council when in Committee, because the Secretary of State in informing this Government of the passing of the Colonial Development and Welfare Act, 1940, has directed that provision should be made under the appropriate departmental head of estimate. The appendix containing details of the Colonial Development Fund schemes will, however, remain for purposes of record, and a suitable footnote added to indicate the heads under which the expenditure for 1941 has been included.

GOVERNMENT HEALTH DEPARTMENT AND HEAD XVI.—MEDICAL.

In 1939 the work of the Government Health Department was brought under the control of the Director of Medical Services and experience since then has shown that it is desirable to have the items previously voted under Head “Government Health Department” incorporated with the expenditure under “Medical.” The necessary transfers have accordingly been made, and this accounts for the increase of \$93,000 under Head XVI.

GENERAL.

A number of increases in votes have been made on account of the rise in prices resulting from the war, e.g., dietary, uniform and, generally speaking, all supplies which have to be imported.

The temporary war bonus of 10 per cent payable to employees in receipt of salaries up to \$40 a month, in accordance with Legislative Council Resolution No. III of 19th December, 1939, has been provided in next year's estimates under the appropriate heads.

Provision has been made for increasing the salaries of all junior telephone operators from \$15 to \$20 a month. This is the salary paid to typist-clerks when engaged temporarily, and it is considered that a telephone operator should not be paid less than that amount. It has been necessary to make provision for increasing the staffs of some Departments; details with respect to these and other new items will be found in the Explanatory Memorandum prepared for the use of Honourable Members when considering the Estimates.

Hon. Members will, I am sure, wish to have an opportunity to study the estimates before continuing the debate and, as Your Excellency has already intimated, it is proposed that the debate on the motion might be postponed until next week.

Mr. DE AGUIAR: If Tuesday is the day that has been decided upon it seems to me that the decision to meet on that day will certainly afford hon. Members very little time to wade through this large book of figures, and especially as there are likely to be some new features. I am thinking particularly of the Public Works Department and Departments of that sort. I have no desire to suggest a longer postponement but I am thinking that if Members of the Council could have a sort of round-table conference towards the end of the week we might be able to obtain information and explanations from the various Heads of Departments concerned, and in that way we might be able to proceed on Tuesday. Otherwise, I do not know how we will be able to manage it.

THE PRESIDENT: I would be very glad to arrange it. I take it that you

will want some of the Government Members to be present to give information.

Mr. DE AGUIAR: Yes, sir, that would be most desirable. Perhaps we could start with the Colonial Secretary and the Colonial Treasurer. We must have the Treasurer because he is the custodian of the purse, and if necessary we could so arrange for other Heads of Departments to attend when desired.

THE PRESIDENT: I would be very glad if that could be arranged. Can you suggest any day?

Mr. DE AGUIAR: I have discussed it with another Member and the only day he could spare is Saturday. I was thinking of a little earlier day than that.

Mr. JACOB: I wonder if the hon. Member is suggesting in a different way the functioning of a Select Committee again? We had a Select Committee in four consecutive years and I do not think any useful purpose was served. While I congratulated Government on calling us here to-day and giving us the Governor's Speech printed and also the Colonial Secretary's Budget statement I think we should have some opportunity to go through these figures. I certainly would like to go through the estimates and make notes of certain things, so that when the time comes I should be able to say something about the various items in Council. Sometimes before one gets through a particular item the whole page is passed and then one has to ask for time to consider certain things because of lack of preparation in the first instance. I think we should have some time to consider the estimates. Whether Members of the Council meet or not I am pleading for more time to consider the estimates.

THE PRESIDENT: That is entirely for Members to decide. Government will do anything to facilitate that discussion by giving any information that may be required.

THE COLONIAL SECRETARY: The last speaker was not in the Colony last year. A Select Committee was not appointed last year. There was a Select Committee the previous year. I gather that the hon. Member for Central Demerara (Mr. De Aguiar) is suggesting not so much the

appointment of a Select Committee and the taking of notes of the proceedings, but a conference round the table with Unofficial Members and one or two of the Official Members, and I welcome that.

Mr. C. V. WIGHT: I do not know if hon. Members have in mind the circular I addressed to them asking them to meet and discuss the lines which the debates should take. It would save a considerable amount of time rather than having every Elected Member getting up here and playing on the same tune. It would shorten the Council's work considerably and perhaps be just as effective. I do not know whether the hon. Members who have spoken had that circular in mind when they were speaking, but perhaps a little longer time to consider the estimates might enable us to decide upon some working arrangement.

THE PRESIDENT: The time is very short and we do not want to waste any of it. I think if we fixed the meeting for Tuesday it could be postponed if necessary. In the meantime if Members wish to have a conference I think the Govern-

ment representatives would be only too glad to meet them and give any information that may be required.

Mr. DE AGUIAR: So far as I am concerned if I can obtain explanations that I may require on certain items on the estimate a lot of time will be saved.

THE PRESIDENT: It is rather an informal sort of conference and therefore it is not necessary to pass any motion about it now. I understand that there was no Select Committee last year because I think it had been found by experience that as a formal Committee it did not save very much time. As time is rather short this year—we have been forced by circumstances to meet late in the year—it is not proposed to have a Select Committee on this occasion, but anything that can be done in the way of a conference and of giving information would be helpful. If Members wish to have that conference I can say on behalf of Government that we will give them all the help they need. I adjourn the Council until Tuesday in the hope that Members will be ready to proceed on that day.