

LEGISLATIVE COUNCIL

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

FRIDAY, 31ST MAY, 1957

The Council met at 2 p.m.

PRESENT:

His Honour the Speaker:

Sir Eustace Gordon Woolford, O.B.E.,
Q.C.,

Ex-Officio Members:

The Hon. the Chief Secretary,
Mr. M. S. Porcher (Ag.)

The Hon. the Attorney General,
Mr. A. M. I. Austin

The Hon. the Financial Secretary,
Mr. F. W. Essex

Nominated Members of Executive Council:

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

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

The Hon. G. A. C. Farnum, O.B.E.
(Member for Local Government, Social
Welfare and Co-operative Development).

The Hon. R. B. Gajraj

The Hon. R. C. Tello.

Nominated Unofficials:

Mr. C. A. Carter

Mr. E. F. Correia

Mr. H. Rahaman

Miss Gertie H. Collins

Mrs. Esther E. Dey

Dr. H. A. Fraser

Mr. R. B. Jailal

Clerk of the Legislature:

Mr. I. Crum Ewing

Assistant Clerk of the Legislature:

Mr. E. V. Viapree

Absent:

The Hon. W. O. R. Kendall (Member
for Communications and Works).

Mr. J. I. Ramphal

Mr. T. Lee — on leave.

Mr. W. A. Phang — on leave.

Mr. L. A. Luckhoo, Q.C. — on
leave.

Rev. D. C. J. Bobb — on leave.

Mr. Sugrim Singh — on leave.

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

The Speaker read prayers.

The Minutes of the meeting of the
Council held on Thursday, 30th May,
1957, as printed and circulated were
taken as read and confirmed.

ANNOUNCEMENTS

LEAVE TO MEMBERS

Mr. Speaker: Application for leave has been received from the hon. the Chief Secretary who has asked to be excused from the attendance of meetings from the 1st to the 8th of next month. Mr. Luckhoo has asked to be excused from today's meeting and Mr. Sugrim Singh.

INTRODUCTION OF BILLS

The Chief Secretary (Mr. Porcher, acting): In the absence of the hon. Member for Communications and Works (Mr. Kendall), I beg to give notice of the introduction and first reading of a Bill intituled:

"Electricity Bill, 1957"

ORDER OF THE DAY

BILLS—FIRST READING

The following Bill was read a first time.

' ELECTRICITY BILL

A Bill intituled:

"An Ordinance to provide for the establishment of a Corporation to be known as the British Guiana Electricity Corporation and for the exercise and performance by the Corporation of functions relating to the supply of Electricity and certain other matters."

GEORGETOWN SEWERAGE AND WATER
(AMENDMENT) BILL

Mr. Farnum (Member for Local Government, Social Welfare and Co-operative Development): I beg to move the second reading of a Bill intituled:

"An Ordinance to amend the Georgetown Sewerage and Water Ordinance."

Sir, as a result of representations made by the Georgetown Town Council and Georgetown Sewerage and Water Commissioners, the present Bill seeks to introduce certain amendments.

At Clause 2 of the Bill, it is provided for the increase in the number of Commissioners appointed under the provisions of the Georgetown Sewerage and Water Ordinance (Chapter 153) and the increase in the number of the nominees of the Mayor and Town Council of Georgetown. It is provided for the appointment of seven commissioners, and the Mayor making eight Members of the Georgetown Sewerage and Water Works instead of seven as it is at present. Of those eight Members, three at least will be Members of the Georgetown Town Council—to be nominated by Members of the Council—and the Mayor will make the fourth.

The Bill also provides for the appointment of a Deputy Chairman who will preside at meetings of the Council in the absence of the Chairman. The Mayor is usually appointed by the Governor as the Chairman. In his absence, the Deputy Chairman will take charge of the meeting.

Clause 3 of the Bill seeks to make provision for the appointment of a Secretary to the Commissioners and for the employment or dismissal of certain employees by the Governor, while Clause 4 seeks to make provisions for the preparation and submission of the estimates of expenditure to the Town Council before submission to the Governor in Council. The practice is that the estimates are prepared by the Commissioners and sent on to the Town Council who cannot comment on that estimate. All they have to do is to provide the funds.

The Bill now seeks that the estimates should be prepared and sent to the Town Council for their comments,

then sent to the Commissioners, and the Commissioners will decide whether they will accept those comments or changes in the estimates or not. The revised estimate is then sent on to the Governor in Council as well as a copy to the Town Council.

Those are the objects and reasons as fully as I could see them, Sir, and I now move the second reading of this Bill.

Mr. Jailal: While I do not wish to speak at any length on this Bill I do crave your indulgence to ask a few questions of the hon. Member. In the first place I would like to know to whom the Lamaha conservancy belongs and whether or not it is not considered that it is time that a much wider commission be given in terms of this particular establishment because of the simple reason that in the years gone by, when the conservancy was established, most of the water that went outside the city was served to the sugar estates. Now there is a wider field of service. The Lamaha Conservancy gives water to a large degree to rice estates, and the villages along the coast are also dependent and pay reasonable rates for service.

But the opinion is held by these other sections of the community, who pay for these services, that they have no real voice in the management of the affairs of this particular service and I would like to know whether or not there is going to be an opportunity for such widening of the commission. I feel sure there is good argument for it and I would like the hon. Member to clarify this.

Mr. Speaker: Mr. Jailal, I thought I heard you say something about the city getting water and then you said it went to the estates. Would you mind repeating?

Mr. Jailal: It is my opinion that in years gone by, before the conservancy was widened to such a great degree, it was the city and the sugar estates primarily that were getting supplies of water. But now the villages and large blocks of rice estates particularly are paying for these supplies — paying reasonable charges for them and therefore it is felt by these communities that there is ample reason why they should have representation on the Board. This view is held because they feel that the Board or the Commissioners can arbitrarily cut their supplies whenever they feel like it and they have no voice in something to which they contribute to a large degree.

Mr. Speaker: I want the debate on it to be accurately reported because I think the Attorney General may have some trouble on the matter. You still give the impression that the city was entitled to some priority. In cases of drought the sugar estates were served first. In the composition of the Board the Mayor always had a seat. Don't you remember the days when the city was rationed and the sugar estates got water? You are now speaking of the other interests outside.

Mr. Jailal: I am very glad for the explanation, Sir.

Mr. Speaker: You are not allowed to speak again, unless you didn't mean to infer that the city has some priority.

Mr. Jailal: I referred to it as a joint situation. Both the city and the sugar estates seemed to have the priority.

Mr. Speaker: The debate is on.

Sir Frank McDavid (Member for Agriculture, Forests, Lands and Mines): I was going to venture an opinion. It concerns the matter to which Mr. Jailal has referred. Although of course it is

[Sir Frank McDavid]

not particularly relevant to the subject matter of the particular Bill under discussion. As I understand it, the Member asked who owned the East Demerara Water Conservancy from which, as everyone knows, the supply of water for the city is drawn. Of course it is not a question of ownership any longer. I should say that the East Demerara Water Conservancy which comprises now the Lamaha Conservancy and the Shanks Conservancy is vested by law in the Board of Commissioners of the East Demerara Water Conservancy—they have the authority under the Ordinance, Chapter 236, to administer, control and manage this very important water supply in this country. But I am surprised to hear the hon. Member say, or suggest, that there is not sufficient representation on it, because I have just looked up the Ordinance to find that the Board of Commissioners consists of the District Commissioner, two members of the Town Council elected by the Council—and in this instance “Council” means the Mayor and Town Council of Georgetown, and so the Town Council is directly represented by two members—three members elected by the proprietors of Plantations named in the Districts in Part I of the First Schedule and three persons elected by proprietors in Part II of the First Schedule.

This word “plantation” is used as an all-embracing term which includes a large number of the villages that obtain their water supply from the Conservancy so that, without going too much into it, it does look as if provision has been made for adequate representation of all concerned. It is conceivable that these things do not work as the law-makers intend, but there is provision for all the various interests which are drawing water from the Conservancy to get themselves represented on the Board.

One other point in relation to the priority of water supply. As a matter of fact I think it is the sugar estates which use by far the largest supply of water from that conservancy. The irrigation supply of the sugar estates—I used to know the fraction is many times the amount of water consumed by the City of Georgetown and the villages. The Conservancy has been expanded from time to time during the years, and the last expansion along the east bank has extended the area in which the water is conserved, and there is now no fear of a shortage of water.

At one time as you, Sir, well know, there was a great deal of controversy as to whether or not Georgetown should depend upon this Conservancy. It has occurred that during a drought Georgetown was put on time-run. Today that is unlikely to happen. At one time there was a suggestion to sink artesian wells to supplement the water supply of Georgetown. That has all gone by the board. I do not think there is now the slightest fear of a shortage of water, and if such should threaten, I think, the greatest damage would be done to the sugar estates moreso than to Georgetown.

To return to the main point, if the hon. Member is contending that there is inadequate representation, then it must be in some part of the machinery and not in the statutory provision which seems to be quite ample. I think the hon. Member referred to the fact that there are two rates. That is to say, the villages pay a lower rate than the sugar plantations. In the case of Georgetown there is a fixed rate which bears no relationship to the volume of water used by the inhabitants.

Generally speaking, I think the whole arrangement of the East Dem-

erara Water Conservancy is a good thing, something of which the colony should be proud. We have a vast area covered under water behind the coast-land which provides irrigation water supply for the plantations and also a water supply for the villages and the City of Georgetown. We are very fortunate indeed to have it and, speaking for myself, I say it is an extremely well managed institution. I think we should all be proud of it.

We owe a great debt to the late Mr. Russell whose memorial stands in the Stabroek Market-place and at the juncture of the Lama Creek and the Conservancy — the Lama Creek flows into the Mahaica. I have been there several times and looked with great respect at that stone plaque placed at that point to the memory of Mr. Russell. It is an amazing thing that in those days people without the engineering experience we have available today, without the machines we have available today, could have built such a tremendous and laudable scheme. It is an engineering achievement of which even modern engineers would be proud of.

Mr. Farnum (Member for Local Government, Social Welfare and Co-operative Development): To correct a misconception of the hon. Member, I must state that the Georgetown Town Council is in the same position as the villages. The Conservancy is controlled by the East Demerara Water Commissioners who supply the Town Council with water for which they have to pay like the sugar estates and the villages. The Sewerage and Water Commissioners distribute water in Georgetown but nevertheless have nothing to do with the Conservancy Commissioners who supply the villages with water.

Question put, and agreed to.

Bill read a second time.

Council resolved itself into Committee and considered the Bill clause by clause without amendment.

Council resumed.

Mr. Farnum: I beg to move that this Bill be now read a third time and passed.

Mr. Tello: I beg to second the motion.

Question put, and agreed to.

Bill read a third time and passed.

DISTRIBUTION OF ENEMY PROPERTY BILL

The Chief Secretary: I beg to move that the relevant Standing Orders be suspended to enable Item 3 on the Order Paper to be taken now.

The Attorney General: I beg to second the motion.

Question put, and agreed to.

Relevant Standing Orders suspended.

The Chief Secretary: I beg to move the second reading of a Bill intitled:

“An Ordinance to provide for the distribution of German Enemy property in the payment of debts incurred by German persons to British persons in the Colony.”

This Bill is self-explanatory. Its object is to enable the various estates of German nationals which were confiscated during the war to be used for repaying any debts which were owed by German nationals to *bona fide* creditors, and the balance of the sum

[The Chief Secretary]

on hand to be paid into the general revenue of the Colony. The figures involved are the actual assets amounting to \$22,077 which together with interest accrued in the Savings Bank of \$9,636 make a grand total of \$31,713 today. The outstanding debts, which are known from claims made, amount to \$1,078, leaving a balance of \$30,635.

The Secretary of State for the Colonies has suggested that the surplus should be devoted towards development and welfare schemes for the benefit of the people. By this Bill the surplus will be paid into general revenue; thereafter Council can decide how this money should be used.

The Attorney General: I beg to second the motion.

Miss Collins: I welcome this Bill. There is a definite need for a Children's Home, which is causing much concern among social workers. For years we have been advocating for it, and I welcome this Bill because I do hope that Government would expend some of this money to provide a home for the under-privileged children of our people. The boys and girls of today are the men and women of tomorrow, and their welfare is of grave concern among social workers. I do hope that this money will be expended to provide a home for the underprivileged children.

Mrs. Dey: Like my hon. Friend across the table (Miss Collins) I also welcome this Bill. I was very happy to hear the hon. the Chief Secretary say that the surplus is to be used on development plans, especially welfare. The hon. Member, Miss Collins, mentioned the need for a Children's Home. I think she was not in her usual force-

ful manner in asking for things in this Council. At present if a mother breaks the law and is sent to prison, if she has no one to care her children, even a babe in arms, they are all taken to The Palms and kept there until her release from prison. Very recently, eight children, their ages ranging from 9 months to 10 years, had to be housed at The Palms for a period of 18 long months. At The Palms there are imbecile children, children suffering from polio. It is not a nice atmosphere for other children through no fault of their own to be in, and in stressing the need for a home for children, personally, I would like it to be in the form of cottage homes.

Apart from children there are several ladies and gentlemen who have no relatives to visit them. Hon. Members know that we have four such ladies at The Palms; they are paying their way, but look at their surroundings and the atmosphere. I, as an individual, would like to know that there is a Cottage Home somewhere where I would be looked after, and still not feel that I am in a charity home.

I think there is great need for such a home. I am not asking that the entire surplus should be used for this purpose, but I would certainly like to ask the Chief Secretary to give some consideration to the establishment of a home for children as well as to a Cottage home for the aged, thereby preventing them from going to The Palms or the Dharm Shala. Those institutions are for absolute paupers.

Mr. Speaker: This money is going into general revenue for the general estimates and I think some representation should be made by way of motion

whereby a portion would be reserved or appropriated for other purposes, such as those suggested by Mrs. Dey. She has referred to the question of old age and so on, and she has given us the benefit of her experience.

Question put, and agreed to.

Bill read a second time.

COUNCIL IN COMMITTEE

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

Clause 1 (**Short Title**) passed as printed.

Clause 2—Interpretation.

The Chief Secretary: There is a very small amendment which should be made to subclause (1) and it is that the word "of" be substituted for the word "or" in the third line of the definition of "German nationals."

Question put, and agreed to.

Clause 2 as amended passed.

Title and inacting clause passed as printed.

Council resumed.

The Chief Secretary: I beg to move that this Bill be now read a third time and passed.

The Attorney General: I beg to second the motion.

Question put, and agreed to.

Bill read a third time and passed.

PAWNBROKING (AMENDMENT) BILL

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

"An Ordinance to amend the Pawnbroking Ordinance."

This Council recently passed a Moneylenders Ordinance and it was recommended by the same Select Committee that is responsible for this Bill. That Select Committee was set up in 1949 and it submitted a report on the Pawnbroking Ordinance and the Moneylenders Ordinance in 1951. The main defect in the Pawnbroking Ordinance which provided a specific reason for the setting up of the Committee was that whereas it protected pledges from damage by fire, it did not give any protection to the owners of pledged articles in the event of loss of those pledges, in the event of theft or burglary suffered by a pawnbroker.

I understand that there were some very large burglaries in 1949 which resulted in serious loss to people who had made pledges at certain pawnbrokers and that is why Government has accepted this particular recommendation of the Committee — that pawnbrokers should be expected to carry insurance against loss by theft or fire to the extent of the full value of the pledge and that this should be marked on the ticket issued by the pawnbroker. The Select Committee recommended that the charge for insurance should be one per cent. which should be carried in full by the pledger. Clause 10 and 11 of the Bill and, of course, the related Schedule are designed to implement this important recommendation, and it is also to be noted that in clause 16 there is the provision that a pawnbroker's licence would not be issued to any person unless he produces satisfactory evidence of insurance cover for his pledges. I am sure no hon. Member would disagree with the wisdom in and the need for this provision.

[The Financial Secretary]

Clause 2 of the Bill seeks to raise the limit of the loans to which the Ordinance is applicable from its upward limit of \$50 to \$250. Under the the present Ordinance normal pawnbroker's loan which is fully controlled by the Ordinance is a loan of up to \$10. For a loan of \$10 and up to \$50 many of the provisions of the Ordinance had to be circumvented by the provision of a special Contract, but the provisions do not apply to loans on pledges more than \$50.

The effect of the Bill before the Council is to raise the limit to \$250 and to remove any further prescriptive treatment for loans of \$10 by applying the maker's rate of interest for special contracts as well as for ordinary loans, so as to give a greater measure of protection to the borrower. This idea of confining the maker's interest rate for special contracts was, in fact, recommended by the Legislative Council Select Committee.

I should say that the Select Committee recommended that the upward limit of loans to which the Ordinance was applicable should be carried to \$500. Government felt, however, that this figure was too high, particularly when it is considered that the existing rate of interest—24%—would be applied suddenly and throughout the whole range of loans. In other words, a loan of \$500, if the recommendation is accepted, would, with interest at the rate of 24%, yield \$120 per annum. It is also felt that a loan of over \$250 really belongs to the business of the moneylender and not to be that of the pawnbroker. On this question of interest Members would notice that it is proposed to reduce the present rate of 24% as recommended by the Committee.

I did mention, when we were discussing the Moneylenders Bill, that it was Government's intention to retain the 24% rate for pawnbrokers as was recommended by the Select Committee. If Members will look at the Select Committee's report they will see that the tenor of the recommendations was really that there might be a case for a higher rate than 24 per cent. Representations were made as to the increased overhead expenses, etc., of the pawnbrokers but the Committee came to the conclusion that 24 per cent. was a reasonable rate which gave a fair margin of profit; and we feel that 24 per cent. is about right.

However, I said when we were talking about the Moneylenders Ordinance that interest rates are largely a matter of opinion. This rate of 24 per cent. is one which has been in existence since 1884—that was when the present Ordinance was first passed.

The next clause to which I wish to refer is clause 6. Again, this follows the recommendation of the Select Committee, that a pledge pawned for above \$5, if unredeemed, shall be sold by public auction "not later than 18 months after the pledge has been pawned." The Select Committee's reason for this recommendation was that in many cases of pledges of articles for over \$5, they were allowed to remain unredeemed for three or four years so that the interest on them would accumulate and become excessive.

Clause 7 makes an important change. Under the existing Ordinance, if a pawnbroker sells an unredeemed pledge pawned for over \$5 and the auction realizes more than the loan plus the profit, the pawnbroker is obliged to hold the surplus for three years and within those three years the owner can claim it. In prac-

tice it appears, however, that this privilege, if you like to call it that, is very rarely used, and the Select Committee felt that perhaps the general public did not know such a privilege existed. Members will see that this new clause makes it obligatory for the pawnbroker to pay any surplus which is charged from public auction. He has to pay in the surplus to the Public Trustee. The Public Trustee has then to publish the fact in an advertisement and if the established owner turns up the Public Trustee will pay the money to him. If the surplus is unclaimed by established owners, then it will be paid into the general revenue of the Colony. It does mean that the pawnbroker has to take some positive action to get the surplus paid over to the Public Trustee who, as a public officer, has to bring it to notice that he has the surplus.

I do not think that the other clauses need any special comment from me at this stage. There is one that makes a minor change increasing the price of pawn tickets. There is another which makes it illegal for a pawnbroker to take an article in pawn from a child under 16 years old. But these are only minor changes and, I will if necessary, explain them in the Committee stage.

I would like to say that in the Bill there are one or two inconsistencies, particularly in the Schedule, and if Members are kind enough to pass the second reading today I would like to suggest that we go into Committee on the Bill itself and leave the Schedules until next week.

I am sure the Bill in principle will commend itself to the Council. It has been a very long time in gesta-

tion but it is none the worse for it. I feel that if it becomes law, it will together with the Moneylenders Ordinance have the effect of bringing up to date and regularising our legislation to the advantage of both the honest borrowers and the honest lenders. I hope very much that the second reading will be passed, and I now so move.

Sir Frank McDavid: I beg to second the motion.

Mr. Correia: In supporting this Bill I should like to say a few words— I would like as much as possible to expedite the work of this Council at this time when the few Members here have a lot to do outside. As far as I can see, this Bill is designed especially to protect the pledger in cases of theft or fire on pawnbrokers' premises. I remember how, not so long ago, borrowers suffered immensely because there was no provision in the law protecting them from theft of their articles pawned. This is important and I am glad to see that a pawnbroker cannot get a licence unless he can show he is in a position to cover the pledges.

I also welcome the provision in this Bill that the pawnbroker is to put down on the pawn ticket the quality of the pledge. That also gives the borrower protection because in case of fire he would know exactly what is the difference between the loan he got and what he should get in case of loss.

I think the Select Committee was wise in its decision to keep the interest mentioned at the same old rate of 24 per cent. That is a reasonable rate of interest in view of increased overhead expenses and the fact that the pledger has to pay the insurance rates on the pledge. This is a very good

[Mr. Correia]

Bill. As far as I can see, it protects the pledger more than in the past.

Mr. Jailal: I would like to support this Bill because anything that savours of security for the people of this country will get my support. I have listened to all that the Financial Secretary has said and I wish to submit a few points. The position is this: I go into a pawnbrokery. I take off my ring and I hand it to a man. He tells me the value of it is \$10. I know the value is \$40, but I want a small sum of money on the pledge of the ring. The amount for insurance on the pledge is infinitesimal and I defy anybody to tell me that insurance is in terms of very high rates. The loan is guaranteed. It is backed: yet the position of the pawnbroker is that of a competent authority: he says how much it is valued at. He values my jewellery at \$20 when, in point of fact, the original value might have been \$50.

If and when it is put up for sale—and let us face facts, we all know it is usually a “deck” sale—he derives the benefit. Two hundred people might be there but the gold buyers will always be the same people. I cannot therefore agree with the percentage rate of 24. It is not reasonable, in fact I believe it is vicious. It is vicious because we sat here and on unsecured loans gave a different rate of interest. Now we are dealing with gilt-edged security because 90 per cent. of the pawnbrokers business is done in gold.

It is money in the bank and in the broker's own coffers; and he decides the value of the article pledged for the loan. It is not the valuation

of valuers, and when the article is to be sold it is going to be sold by subterfuge. I mention that, and I also ask that it be seriously considered. It is sold at \$20 or possibly less and, it is re-sold to his firm through his confederates. Those are the circumstances under which the present system runs.

There is absolutely no doubt that the pawnbroker has done very good business throughout the years on small loans, with the backing of small individuals.

The other objection I have is the fact that under the terms of special loans, for instance, a man takes an outboard engine valued \$400 to a pawnbroker who feels he can only lend \$30 on it as it only values \$100 to him, and the day would come when it is sold back to him. I cannot see Government's idea that there is so much administrative work, so much secretarial work in a Pawnbrokery. If it is a big establishment naturally it would carry a large staff, but if it is a small one doing a small amount of business it might carry a staff of but one person. Therefore it resolves itself into the same position as the moneylender who has to establish an office and keep someone there. You have pawnbrokereries in this country being run by one person alone throughout the course of the year with an accountant going in to check up. I know that to be a fact. I would never agree to a percentage as high as this, having regard to the other Bill. I feel they are almost on a par and the percentage on the security that has to be offered must be borne in mind. I, therefore, cannot support the Bill in its entirety.

The Financial Secretary: The hon. Member, Mr. Jailal, said he supports the Bill in principle. What he said does emphasize what I said a few weeks ago on the Moneylenders Bill that it is very difficult to decide whether moneylenders' unsecured loans are at 32% comparable with secured pawnbrokers' loans at 24%. It seems even more difficult when it is a question of Bills of Sale being used for secured loans. We can I suggest, Sir, to go into Committee and discuss these matters in detail.

Mr. Speaker: Do you know what happens to the sale of unredeemed pledges? I know a great deal about that. What happens is, when the articles of unredeemed pledges for amounts over \$10 are offered for sale, it seems that almost every bidder you see there has knowledge from the pawnbroker as to the loan and what the accrued interest is at the time. I do not think there is anything unfair that goes on because the owner of the pledged article can be there himself. There is no arrangement between the pawnbroker and the men outside all of whom take the precaution to get from the pawnbroker what the article is worth to him, and that gives them some idea as to what it is worth. I know them all.

There is nothing new about the disposal. The surplus from the sale of these unredeemed \$5 and \$10 pledges has by law to go to the pledger, but if the hon. the Financial Secretary makes the suggestion that the surplus from the sale of these unredeemed pledges for over \$5 be handed over to the Public Trustee to be claimed by the owners, it would mean that the Public Trustee has to collect 8% of the amount. What he may consider is

that there should be some obligation on the part of the pawnbrokers to have the tickets of all unredeemed pledges in respect of which there are surplus balances advertised as unclaimed balances of loans. It would not impose any hardship on the pawnbrokers. On the other hand if it goes to the Public Trustee it would cost a lot of money to the pledger to establish his identity and fight the claim. It would save a great deal of inconvenience if the other course is adopted. At any rate it is a suggestion of mine.

Question put, and agreed to.

Bill read a second time.

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

COUNCIL IN COMMITTEE

Clauses 1 to 4 passed as printed.

Clause 5 — *Insertion of new section 10 A in Cap. 336.*

Mrs. Dey: I would like to ask for clarification of this point: What is the position with regard to a diamond (or diamonds) that is set in a gold pin or brooch?

The Financial Secretary: The intention of the Select Committee (responsible for the Bill) is that "where any article made of any precious metal or containing any precious metal is taken into pawn" the weight of the pledge and the description of the metal must be among the particulars set out to be indicated on the ticket. It is also intended that articles of gold and other precious metals should be kept in a special place. In the case of diamonds set in any article, it would be extremely difficult for a pawnbroker to estimate

[The Financial Secretary]

their value. One knows what the valuation of gold is, but the same thing does not apply to diamonds.

Mr. Correia: So far as I know there are no pawnbrokers in British Guiana who could say what loans they should give on diamonds. Not a single pawnbroker in this Colony knows the value of a diamond. Quite recently a diamond ring was stolen from my niece and the Police traced it at a pawnbrokery where it was pledged. Subsequently I discovered that the pawnbroker gave a loan on the value of the gold alone and did not know the value of the diamond in the ring. As a rule, pawnbrokers do not give loans on diamonds.

Mr. Speaker: Yes, they do; it was done in the case of a lady well known to me. I think that Mrs. Dey's question has been answered by the Financial Secretary and he has said the same thing more or less. In the case of rings and other articles, very few people value the diamonds when pledges are made; there is no necessity for it. One does not get the diamond itself sold, it is the ring or brooch which is sold.

Clause 5 passed as printed.

The Financial Secretary: I am moving the insertion of a new clause, 5A, which reads as follows:

"5 A. Section 11 of the Principal Ordinance is hereby amended—

- (a) by the insertion of the figure "(1)" after the figure "11" therein; and
- (b) by the addition of the following paragraph—

(2) The Governor in Council may from time to time, by order; vary the amounts prescribed in the second Schedule hereto relating to charges for insurance of pledges."

The purpose of this amendment which has been circulated is that there have been representations from pawnbrokers that they do not know at the moment what the insurance rates are likely to be, so they may be higher than what has been stated. It is not the intention, any way, that the amount should be paid by the borrower, *ipso facto*.

The whole purpose of this clause is that instead of making it necessary for the Ordinance to be amended every time anyone wants to amend this insurance rate, it could be done by an Order in Council. It is not the intention that any other charge should be amended by the Governor in Council, but simply the insurance rate. I think the pawnbroker would take out the insurance on the pledges themselves which are in his pawnbrokery. The limit is still \$150 and it is not going to be an awfully expensive thing. I do not know how this Council feels about the wording of this subclause (2). It is just to meet the pawnbroker.

Amendment (for the insertion of new Clause 5A) put, and agreed to.

Clause 5A passed as amended.

Clause 6 passed as printed.

Clause 7 — *Repeal and Re-enactment of section 16 of Cap. 336.*

Mr. Jailal: In view of what was stated, by the Financial Secretary a few minutes ago, I should like Your Honour to allow this clause to stand down.

The Chairman: Very well.

Clause 7 deferred.

Clause 8 passed as printed.

Clause 9 — *Amendment of section 18 (1) of Cap. 336.*

The Financial Secretary: I would like to suggest that the words "that specified in the second schedule hereto" be substituted for the words "the rate prescribed for special contracts by this Ordinance," in the fifth and sixth lines of this clause, I would explain that the purpose of this clause is really to make the interest charged on special contracts up to \$250, the same as that charged on ordinary loans. As stated in the printed Bill, there would not be any interest specified for special contracts, and this amendment makes no charge at all.

Amendment put, and agreed to.

Clause 9, as amended, passed.

Clause 10 passed as printed.

Clause 11—*Amendment of section 21 of Cap. 336.*

The Financial Secretary: I beg to move that this clause be amended as follows. It is a recast of section 21 of the Ordinance:

"21. Where a pledge is stolen or is destroyed or damaged as a result of fire, the pawnbroker shall nevertheless be liable on application within the period during which the pledge would have been redeemable to pay the value of the pledge after deducting the amount of the loan and profit, and charge for insurance of the pledge."

The Chairman: The word actually used is "profit".

The Financial Secretary: It is called "profit" but it is actually an interest rate.

The Attorney General: It is used to express the rate of profit on each

50 cents, and so on. It is a standard phrase throughout.

The Chairman: All right.

Question put, and agreed to.

Clause 11 passed as amended.

Clause 12 passed as printed.

Clause 13.—*Amendment of section 23 (1) of Cap. 336.*

The Financial Secretary: I beg to move that the words, "and charge for insurance of the pledge" be inserted between the words, "profit" and "where" in the fourth line.

Question put, and agreed to.

Clause 13 passed as amended.

Clauses 14 to 18 passed as printed.

Clause 19. — *Amendment of first schedule to Cap. 336.*

The Financial Secretary: May we leave clauses 19 and 20 in Committee, Sir? We are publishing a new Schedule.

Agreed to. Clauses 19 and 20 deferred.

Clauses 21 and 22 passed as printed.

Consideration of Schedules deferred.

Council resumed.

Council adjourned until Thursday next, 6th June, at 2 p.m.