

# LEGISLATIVE COUNCIL

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

WEDNESDAY, 8TH 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. W. P. D'Andrade, (Ag.)

*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. W. O. R. Kendall (Mem-  
ber for Communications and Works).

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

*Nominated Official*

Mr. J. I. Ramphal.

*Nominated Unofficials:*

Mr. L. A. Luckhoo, Q.C.

Mr. C. A. Carter.

Mr. E. F. Correia,

Mr. H. Rahaman.

Miss Gertie H. Collins.

Mrs. Esther E. Dey

Dr. H. A. Fraser.

Mr. Sugrim Singh.

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

*Clerk of the Legislature:*

Mr. I. Crum Ewing.

*Assistant Clerk of the Legislature:*

Mr. E. V. Viapree.

*Absent:*

The Hon. P. A. Cummings — on  
leave.

The Hon. R. B. Gajraj — on leave:

The Hon. R. C. Tello — on leave:

Mr. T. Lee — on leave.

Mr. W. A. Phang — on leave.

Rev. D. C. J. Bobb.

Mr. R. B. Jailal — on leave:

The Speaker read prayers.

The minutes of the meeting of the  
Council held on Friday, 3rd May, 1957,  
as printed and circulated, were taken  
as read and confirmed.

ANNOUNCEMENTS

LEAVE TO MEMBERS

**Mr. Speaker:** Mr. Tello is away from today's meeting as he is indisposed. Sir Frank McDavid has been granted leave from the 9th to 31st May.

FINANCE COMMITTEE

I beg to announce that Finance Committee is meeting at the conclusion of this day's proceedings.

MANGANESE MINING UNDERTAKING  
IN THE N.W.D.

**Sir Frank McDavid** (Member for Agriculture, Forests, Lands and Mines): I have an important announcement to make and I crave your indulgence to make it. It is an announcement relating to the establishment of a large scale manganese mining undertaking in the North West District:

"The Government is pleased to announce that representatives of the North-west Guiana Mining Co. Ltd. visited British Guiana over the past week-end and have confirmed that the projected manganese mining undertaking in the North West District will definitely be established and will, it is expected, go into commercial production in 1959.

"The Government and the Company have accordingly entered into an agreement which was formally executed on 6th May, 1957 (supplementary to the Mining Lease No. 518 issued to the Company on 21st March, 1955) in terms of which the Government have agreed to give the Company certain specific undertakings and assurances with respect to the Company's operations.

"In June, 1954, officials of the Union Carbide Corporation and the African Manganese Company visited British Guiana to complete the transfer of the titles held by the Barima Gold Mining Company, (Canada) Limited to the North West Guiana Mining Co., Ltd. (a new company

formed for the purpose) and also to negotiate the terms and conditions of a mining lease for manganese and associated minerals to the latter company. These negotiations were successfully concluded in August, 1954, and, with the approval of the Secretary of State for the Colonies, Mining Lease (No. 518/1955) was, as previously stated, issued to the Company on 21st March, 1955.

"The following are the terms of conditions with respect to period, royalty and export duty which were agreed and embodied in the Mining Lease:—

**Period of Lease:** Initial period of three years to cover pre-production phase followed by thirty years with right of renewal further thirty years subject to review and revision of basis and rates of royalty in light of conditions then obtaining.

**Royalty:**

**Ore assaying:**

Under 42% MN—6 cents for each per cent. (unit) per ton.

42%	and over	but under	44%	—6½ cents
44%	"	"	"	46%—7 cents
46%	"	"	"	48%—7½ cents
48%	"	"	"	—8 cents

25% of royalty based on internal analysis of ore payable on shipment, balance on certificate of final analysis:

**Interim Revision of Royalty:** Above scale will be subject to interim revision at end of fifteen years of first thirty year period of lease, such revision to be effected by an adjustment upwards or downwards of rates of scale by a percentage equivalent to percentage increase or decrease of average sale price of ore over first and second 7½ years respectively of the first fifteen years. The average sale price to be determined on basis of annual accounts of company as finally determined for purposes of income tax.

**Minimum Royalty:** Fixed on the basis of a minimum annual output of 1 ton of 40% MN ore per acre of the leased area subject to the usual concession of calculation over a period of five years.

**Export Duty:** The amount paid as royalty to be in full satisfaction of all export duty chargeable under any law now or in the future.

**Timber Rights:** Company entitled to cut and use timber on leased area free of royalty for own operations.

"It was agreed with the Company that a separate concession would be granted to construct an ore transportation railway within and without the leased area to the point of shipment. It was further agreed that application for appropriate custom duty and income tax concessions under the Industries Aid and Encouragement Ordinance, Chapter 109 and the Income Tax (In Aid of Industry) Ordinance, Chapter 300 would be favourably considered.

"Since 1954 the Company have pursued a vigorous programme of exploration and preparatory development towards the establishment of large scale mining operations with the construction of the necessary plant and equipment, railways, roads, loading stations and other facilities and services.

"In August 1956, the Company requested the Government to give certain specific undertakings with respect to the application of exchange control regulations to the Company's proposed investment in the Colony and with respect to freedom to sell the ore without restriction as to markets. The Company also requested certain assurances with respect to the grant of concessions, allowances and reliefs under the Income Tax (In Aid of Industry) Ordinance and the Industries Aid and Encouragement Ordinance. The Company intimated in relation to these requests that the proposed capital investment in the project was estimated at \$12 million (U.S.) or approximately \$20 million (E.G.) and that production of manganese ore from the mining operations was estimated at 10,000 tons per month during 1959 increasing to 30,000 tons per month during 1961.

"As the result of discussions between representatives of the Government and the Company agreement was reached in December, 1956 on the draft of a Supplementary Agreement embodying these various matters and, as already stated, this Agreement was formally executed on 6th May, 1957. The undertakings and assurances by the Government have been given on the express condition, as a term of the Agreement, that the Company makes an investment of the extent stated and begins commercial mining operations, as far as reasonably practicable, within the

"The concessions and assurances to the Company with respect to tax matters and marketing contained in the Agreement include—

- (i) assurance of the grant of a five years income tax holiday under the Income Tax (In Aid of Industry) Ordinance;
- (ii) agreement to allow as a deduction in arriving at income tax appropriate 'write-off' of the capital expenditure on the acquisition of rights from the former holders of Exclusive Permission covering the area;
- iii) confirmation that no export duty will be levied (as already provided for in the Mining Lease);
- (iv) assurance of the grant of a licence under the Industries Aid and Encouragement Ordinance to import free of customs duty capital equipment for a specified period;
- (v) a declaration with respect to the operation of exchange control;
- (vi) an assurance of freedom to sell the ore without restriction as to markets.

"The Agreement also provides for the grant of new mining leases covering lands in respect of which exclusive permissions have already been granted to the Company and that the rate of royalty in respect of such leases shall not be greater than that subsisting under the terms of the present Mining Lease No. 518 of 1955; further that the covenants and conditions of new leases shall not be more onerous upon the Company than those subsisting in Mining Lease No. 518.

"This important mining project in British Guiana, the establishment of which has now been confirmed, is very welcome. It will provide employment for a large number of work people and will serve to improve conditions in the North West District. It is estimated that yearly operating payrolls in British Guiana will amount approximately to \$450,000 with production at 10,000 tons per month rising to \$600,000 when production reaches 30,000 tons per month. It will enhance the 'national income' of this country and will, in due course, provide a substantial rise in Government revenues. The estimated

revenue which would be derived from royalties alone on the basis of production estimates (at minimum M.N. content) indicated by the Company is \$720,000 per annum from 1959 rising to \$864,000 per annum after 1961. There should, of course, also be additional revenue from other duties and from income tax after the expiration of the tax holiday period. The Government is confident that the Council will share their gratification at this further act of faith by external investors in undertaking large scale mining development in British Guiana and thus assisting in the promotion and advancement of its economic progress and the well-being of its people."

**Mr. Luckhoo :** May I ask, Sir, whether we shall have an opportunity to express some thoughts on this particularly happy announcement which has been made? I think Members would like an opportunity to endorse this notable act of faith, as it has been termed by the hon. Member for Lands and Mines.

**Mr. Speaker :** It is only an announcement, and any Member who wishes to criticize or endorse the proposal may do so by way of motion. If the hon. Member wishes to take the initiative in the matter he can do so, but I think Government will no doubt have already communicated with the Company. If the hon. Member desires to express the appreciation of the community, which I would not say is undesirable, it is open to him to do so.

**Mr. Luckhoo:** Yes, Your Honour, that will be done. After we have had an opportunity to study the document which the hon. Member has just read, such a motion will be moved. I think it is an opportunity which Members should have to express their feelings on this very important matter.

#### PAPERS LAID

**The Chief Secretary (Mr. Porcher, acting):** I beg to lay on the table:

Memorandum on Secondary Education together with Sessional Paper No. 9/1957

setting out Government's proposals thereon.

Financial Statements of the Kamarang (Imbaimadai) Trade Store for the year ended 31st December, 1956, together with the Director of Audit's certificate and report thereon.

Annual Summary Report of the Director of Education for the year 1955-1956.

**The Financial Secretary (Mr. D'Andrade, acting):** I beg to lay on the table:

Order in Council No. 19 of 1957 made under section 8 of the Customs Ordinance, Chapter 309, on the 17th day of April, 1957, and published in the Gazette on the 4th of May, 1957.

**Sir Frank McDavid:** I beg to lay on the table:

Sessional Paper No. 10/1957—Announcement relating to the establishment of a large-scale Manganese Mining Undertaking in the North West District.

#### GOVERNMENT NOTICES

#### SECONDARY EDUCATION MEMORANDUM

**The Chief Secretary:** I beg to give notice of the following motion:

"Be it resolved: That with reference to Sessional Paper No. 9 of 1957 on the Memorandum on Secondary Education, this Council approves of Government's proposals set out therein, and undertakes to provide the necessary financial provision to implement those proposals."

I would like to say that this memorandum is a very weighty document and I am sure hon. Members would like time to study it. Therefore I do not propose to proceed with this motion for at least two weeks.

#### CUSTOMS ORDER IN COUNCIL, No. 19 OF 1957

**The Financial Secretary:** I beg to give notice of the motion standing in my name on the Order Paper.

"Be it resolved: That this Council in terms of section 9 of the Customs Ordin-

ance, Chapter 309, confirms Order in Council No. 19 of 1957, which was made on the 17th day of April, 1957, and published in the Gazette on the 4th of May, 1957."

## INTRODUCTION OF BILLS

### PRISON BILL

**Mr. Farnum** (Member for Local Government, Social Welfare and Co-operative Development) : I beg to give notice of the introduction and first reading of the Prison Bill, 1957.

## ORDER OF THE DAY

### BILLS — FIRST READING

The following Bill was read a first time,

A Bill intituled:

"An Ordinance to make better provision for the regulation of prisons."

### INCOME TAX (IN AID OF INDUSTRY) (AMENDMENT) BILL

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

"An Ordinance to amend the Income Tax (In Aid of Industry) Ordinance."

The Bill imposes no real change in the existing tax and introduces no new principle in legislation. The Objects and Reasons are as follows—

"Clause 2 of the Bill seeks to amend the Income Tax (In Aid of Industry) Ordinance (Chapter 300) so as to ensure that the tax holiday period under the Ordinance covers a period of five years of operation,

"Clause 3 seeks to exclude a certain type of wharf from the definition of "industrial building or structure" in section 9 of the Principal Ordinance,

"Clause 4 seeks to increase from \$4,000 to \$7,000 the maximum annual capital expenditure on certain types of workers

housing capable of earning deductions under Part VII of the Principal Ordinance.

"Clause 5 which is self-explanatory seeks to make certain verbal amendments to the Principal Ordinance."

As the law now stands the tax holiday period is five years, but if it should happen that those operating years of the enterprise include a part of a year, then in the year of assessment instead of five years there will be only four years and a fraction covered by the tax holiday. The intention is to give full years for tax holiday. Clause 2 of this Bill seeks to put this beyond doubt. Also as the Ordinance now reads the tax holiday commences to run from the day the Government in Council issues the direction. The proposal is to amend the section of the Ordinance so as to limit the tax holiday to be approved and the commencement date to be fixed afterwards.

Relative to clause 3, it is proposed to extend the schedule of industries eligible for initial allowances to cover such things that are included under Income Tax for the ordinary Wear and Tear allowances. They are allowed to charge in the ordinary way the amount of maintenance required to keep in condition during life. It is proposed to exclude ordinary wharves from the schedule of allowances. There are goods wharves attached to quarries and when the quarries are exhausted their life ceases.

Clause 4 merely seeks to increase the limited cost of workers' houses in respect of annual allowances. The present amount was fixed in 1955, and since then the cost of building has increased considerably. It has been pointed out that the present allowance of \$4,000 will not cover adequate housing for workers. It is therefore proposed to increase it to \$7,000.

[The Financial Secretary]

Clause 5 is more or less a verbal amendment. The Ordinance refers to certain things—the year of assessment in which certain things happened. It is quite clear from the directions that it is proposed to take this opportunity to put it beyond doubt by putting the provision in its correct form. I beg to move that the Bill be now read a second time.

**Sir Frank McDavid :** I beg to second the motion.

**Mr. Luckhoo :** It is rather pleasant to rise after a prolonged discussion and to come across a measure such as Government has put forward in this Bill. I may recall that some time last year I moved a motion which was accepted by this Council, recommending that there should be greater incentive for capital coming to this country by way of extending our tax holiday and giving other relief to pioneer industries.

During the course of that debate the opinion was expressed that the holiday period of five full years should be extended and I was hoping that legislation could be brought forward to clear the air of any ambiguity. One wonders whether it is the intention of Government to do anything more to implement the resolution which has been accepted by this Council. It is a great pity that we who are called Floor members are not conversant with the various courses resolutions have to take after they have been accepted here.

I would like to know that every resolution passed here receives the required investigation and attention. On the other hand, Members would be interested to know whether resolutions which we believe will serve a useful purpose are merely put by Government

into that section of the office known as the "pigeon hole." I welcome this measure because I can see here some effort being made to reflect in the Bill the expressions which hon. Members have made. I would like to point out also that in those countries that are moving rapidly forward today, two things are considered necessary for their growth and progress. One is stability of Government and the other is taxing centres.

We have a classic example in the case of Puerto Rico. Whereas 60 years ago Puerto Rico was suffering from unemployment and under-employment today, within a period of 10 years there are 990 new industries in Puerto Rico. In one of their handbooks issued this year the Puerto Ricans proudly proclaimed that there had been 300 new applications for pioneer status for industries in that country. There is, obviously, much capital in search of investments there, and if we had time we would have been able to go in detail into some of the proposals referred to by the hon. Mover.

But, I should like to make the observation at this stage that there is capital available and there are large concerns waiting to put capital into countries, but unless and until we have these two prerequisites—a stable Government and easy taxing centres—we are not going to get capital coming with that facility and speed which this country desires.

In the same light I would like to say that we welcome the information relating to hydro-electric power and the various schemes connected therewith. Through these schemes one can see the advent of cheap electrical power and energy that are so necessary for improved industrialisation. If we get cheap electric power and improvements in housing along with a stable Govern-

ment and taxing centres, I can see this country really blossoming forth into a hive of industry and as a place attracting capital from all parts of the world.

I think this Bill is a step in the right direction as it would enable British Guiana to proclaim to the world that this country is prepared not only to welcome capital, but to see that it receives better attention by way of political security and taxing centres. I desire to support this measure.

**Sir Frank McDavid:** I can only state how very pleased I am to find this measure being supported by Mr. Luckhoo and other Members. There is one point which we must not overlook and that is we are in a somewhat different position from Puerto Rico. It is true to say that Puerto Rico has been encouraging capital and has granted taxing concessions. Some people say they are far too generous, and in addition to that there is the wide open market of the U.S.A. that is open to Puerto Rico. Secondly, there is in Puerto Rico a large labour force which could be employed at much lower rates than those that are current in the U.S.A.

But we would not like, because of that, to follow automatically. Because some neighbouring territory jacks up its tax concessions is no reason why we should—that country might have set a 10-year tax-free period. We do not have here the same circumstances as those Puerto Rico has secured.

**Mr. Speaker:** Has the hon. Member (Mr. Luckhoo) been to Puerto Rico?

**Mr. Luckhoo:** Yes, Sir.

**Mr. Speaker:** Have you stayed there?

**Mr. Luckhoo:** Yes, Sir, and I visited factories there. There is only one observation I would like to make on what Sir Frank has said. For so long we in this country have been following the lead taken by other Caribbean territories! We never really exercise the initiative. I cannot think of the number of years we have suffered because of the fact that we have waited for someone else to discharge the gun for us to follow. We will never make real progress unless and until we have these things determined by means of mutual arrangement and at least take the initiative for a change. Let them follow us for a change.

One other point, with your permission, Sir. Is it not possible to have a system whereby we can decentralize our industries? I think we should be able to say to people intending to invest, "there is a depressed area; if you open up your industry there you will get a special tax concession for five or six years; this concession would be greater than if you were to open it up in an area where we have a gravitation of the population."

I do feel strongly about this and I say in all humility that in the programme of my Party it is one of the considerations we have. We shall be able to represent Mr. Kendall's New Amsterdam and other depressed areas (*laughter*). I just put that forward as Government may like to make a note of it.

**Mr. Kendall:** Don't worry about me.

**Mr. Farnum:** Despite the points made by the hon. Member, Mr. Luckhoo, the idea of trying to get new industries started in depressed areas is not a new one to the Government. That is the policy Government is pursuing.

**Mr. Correia :** I would like to join with the hon. Member, Mr. Luckhoo, in complimenting Government on this measure. This is another move by Government to encourage capital investment in pioneer industries here, and although Sir Frank McDavid just mentioned we can go too far in this, yet I would like to remind this Council that we are living in a very competitive world, and unless we are prepared to compete with other countries we will be left behind. I want to support also the suggestion that at some time British Guiana must take the lead.

We have to follow every time: let others follow us for a change. I am very glad to see in the Bill a provision such as that clause 4 seeks, increasing the maximum annual capital expenditure on certain types of workers housing capable of earning deductions under part VII of the Principal Ordinance. This should result in better housing for employees, and I think that companies in the future can provide better housing for their workers if given a greater allowance from tax. That is another encouraging feature about this move by Government.

**Mr. Sugrim Singh :** We have often heard, inside and outside of these shores that this is an agricultural country. This is a statement with which I agree and it is one that can hardly be disputed, but I think that as the years go by we have found that besides being basically agricultural we must move towards industrialization.

I have confidence in this country, and not without reason. I may be pulled up for saying it, but I am not too sure that the policy of the Depart-

ment of Agriculture is solving our agricultural problems by any substantial improvement of the economy of this country and the problem of full-time employment. Thousands of our people have turned away from agriculture, and I think this move by Government is aimed at assisting in the industrialization of British Guiana. Comparison is sometimes odious, but anyone who has travelled out of the Colony, even to the West Indian Islands, and seen their efforts at industrialization must return to this Colony with some feeling of disappointment and a realization of the progress we could have made if there were more industries in this country.

We have a curious position in this country. Not very long ago this Council passed a motion for an investigation of the possibility of establishing a plywood industry in this country, and some years ago experts told us that local clay was not suitable for the manufacture of cement here. I do not wish to dispute the findings of experts, but I would say that I would like to see this country move towards industrialization side by side with its agricultural progress.

What are the avenues of employment for the large numbers of our young people who leave high schools every year? The Civil Service, Water Street, the Police Force and the teaching profession cannot absorb the overflow, with the result that many of our young people are forced to go abroad to seek employment. With proper encouragement of industries more employment will be provided for our young people and happiness and contentment in the homes. I recall that when the American Air Base was being constructed at Atkinson Field even University graduates sought employment there.



I hope that the entire atmosphere in British Guiana will be such as will encourage the investment of capital in this country. British Guiana has absolutely no future without capital. How long are we going to have to go on bended knees asking for money for our development programme and for all sorts of things, and in the same breath asking for independence within the Commonwealth when we know that as a prerequisite to independence a country must be solvent?

We have a strange notion that because we are a Colony we can seek money for everything. We must aim at some degree of independence and financial stability, for with stability and solvency we can aspire to political independence. I think the Bill is a step in the right direction and I heartily support it.

**Mr. Speaker :** I am rather surprised that no one has suggested that the tax holiday should be seven years instead of five. In a country like this I think it would be to our advantage to extend the term of freedom from taxation in order to encourage people with capital to come in. I know of countries where the tax holiday period is seven years.

**Mr. Luckhoo:** May I make an observation on Your Honour's remarks? On the last occasion I moved and the Council agreed that there should be a greater tax incentive. That was one of the recommendations which were put forward, and the hon. the acting Financial Secretary assured me a moment ago that that resolution and the relevant papers are at this moment on the Financial Secretary's table. So that on the basis of that very mild disclosure to me I shall await action from Government in regard to that resolution.

**The Financial Secretary:** I just wish to say that Mr. Luckhoo's motion has not been pigeon-holed. In speaking on his motion he did suggest that the tax holiday period should be extended, but, as I explained it is a matter of competition. If we all lowered our prices we would in the end all be poor and no better off. We are considering the matter, and I may say that one or two other points made by Mr. Luckhoo in his speech have been covered.

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—*Amendment of section 2 of Chapter 300*,

**The Financial Secretary :** I move that the whole clause be deleted and a new clause as circulated substituted therefor. There is a slight re-arrangement of the last five lines of the amended clause 2 to read:

“and in such event the period of five full years, as aforesaid, the income for which is thereby exempt from Income Tax, shall be deemed to be the tax holiday period.”

I have been advised by the hon. the Attorney General that this order is better.

Clause 2, as amended, passed.

Clauses 3, 4 and 5 passed as printed.

Council resumed.

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

**Sir Frank McDavid:** I beg to second the motion.

Question put, and agreed to.

Bill read a third time and passed.

**GEORGETOWN SEWERAGE AND WATER  
(AMENDMENT) BILL**

Second reading of a Bill intituled—

“An Ordinance to amend the Georgetown Sewerage and Water Ordinance”.

**Mr. Farnum:** Member for Local Government, Social Welfare and Co-operative Development): I am not ready to proceed. I am waiting on the Town Council.

**Mr. Speaker:** When will you be ready?

**Mr. Farnum:** I am hoping to be ready next week.

**Mr. Speaker:** We will leave it where it is on the Order Paper.

Bill deferred.

**ALLOWANCES AND GRATUITIES TO NON-  
PENSIONABLE AND GOVERNMENT  
EMPLOYEES**

**The Chief Secretary:** I rise to move the following motion standing in my name on the Order Paper as item 3—

“Resolved, That with reference to Legislative Council Resolution No. LII of the 6th July, 1951, approving the payment of allowances and gratuities to non-pensionable Government employees, this Council approves of the gratuities and allowances being calculated in accordance with the amendments to the existing rules proposed in Sessional Paper No. 6 of 1957 presented to Council by the Honourable Chief Secretary, and undertakes to provide the necessary funds for this purpose.”

The motion deals with superannuation benefits to non-pensionable Gov-

ernment employees. In 1951, July 6, the Legislative Council by Resolution LII made provision for superannuation awards which could be paid to non-pensionable Government employees. Some time ago representations were received from the Staff that certain amendments to those provisions were necessary. Those representations were discussed in Whitley Council where an agreement was reached. The Whitley Council's recommendations were placed before the Government who accepted them. Those recommendations are now before this Council in Sessional Paper No. 6 of 1957.

At first sight this Sessional Paper fills me with horror and Members of this Council as well. Here was a highly complicated staff revision matter which has given people a lot of trouble to understand. If hon. Members turn to paragraph 5 they would see the proposed changes set out very clearly in relation to the present provisions, and in fact the changes do not amount to a very great deal. It may be helpful if I read through them quickly just to explain them. I will not deal with those provisions in respect of which there is no change.

The first one in which there is a change is provision (a) (II). Here the only change is an amendment to provide that any future amendments to the Pension Ordinance of 1953 shall be applicable in calculating the rate of allowances payable to non-pensionable employees.

The next amendment is under (b). Here we have proposed to remove the maximum of one year's pay which up to today has been imposed on employees who had been employed for more than seven continuous years but retired from an approved appointment having served for less than 20 years. At the present moment the restriction of one year's maximum pay operates against a very limited number of people — those

who have served more than 18 years and less than 20 years. It is a very small thing, but the sort of thing which is irritating to the man who has served 18 to 20 years. So we are removing that maximum to allow those who have served for more than 18 years and less than 20 years to get the full benefit of such.

Provision (c)—there again there is a maximum of one year's pay which we are removing. This deals with a different class of employees — an employee who does not hold an approved appointment but who has served at least 7 years. At the moment he is eligible to a gratuity calculated at the rate of 1/26 of a year's pay for each year of service with a maximum of one year's pay. We are changing that to enable him to get a gratuity for the same length of time—33 1/3 years—as applicable to pensionable officers.

Provision (c) (II) there is a very small verbal change—the title of "Colonial Secretary" to "Chief Secretary". There is no other change until we get to (e). (e) is practically the same change as in (c) (1). That is to say, we are extending the maximum to enable the pensioner or the legal representative of a deceased employee to be paid the gratuity in respect of the services of the deceased up to the full number of years that a full pensionable person would get 33 1/3 years.

**Mr. Speaker:** I notice the spelling of the word in the Sessional Paper is "dependent" and not "dependant." Questions may arise as to the spelling. You may leave it as you like, but they are different words altogether.

**The Chief Secretary:** It is important to get it right. The only other change is in (f). It is regarded as not a change, but at the time the last amendments to the Constitutional In-

struments were made it was the Governor and not the Governor in Council. The amendments which are proposed in this Sessional Paper, as I say, do not amount to very much in cash but as you will see the Accountant General has estimated that last year it would have involved an additional expenditure of \$1,008. I am sure hon. Members will agree that is not very much in relation to the satisfaction it will bring to those employees to have these anomalies which had irked them in the past rectified. I hope all hon. Members would support this motion which I now move.

**The Attorney General:** I beg to second the motion.

**Miss Collins:** I wish to congratulate Government on this motion. My only regret is that the time has been so long overdue. It is only about three weeks ago that I was told by two old employees who had served Government for 20 years and had only recently resigned that this motion would solve the existing problem.

Question put, and agreed to.

Motion adopted.

#### WIDOWS AND ORPHANS PENSION (AMENDMENT) BILL

**Mr. Speaker:** Do you want to go on with this Bill?

**The Financial Secretary:** Yes, Sir. I beg to move that a Bill intituled—

"An Ordinance to amend the Widows and Orphans Pension Ordinance by making provision for the increase of pensions registered on the 31st day of December, nineteen hundred and fifty-three."

be read a second time.

This Bill is clearly explained in the Objects and Reasons. The last valuation of the Fund disclosed a surplus of \$551,716—due mainly to a lower rate

of mortality within the age group below 40 years. It is proposed to distribute \$413,787 of the amount of surplus to contributors by increasing the registered pension by 20 per cent.

The Bill seeks mainly to provide legislation for the increase of pensions registered on the 31st December, 1953. I beg to move the second reading of the Bill.

**Sir Frank McDavid :** I beg to second the motion.

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.

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

**Sir Frank McDavid :** I beg to second the motion.

Question put, and agreed to.

Bill read a third time and passed

#### EAST DEMERARA WATER CONSERVANCY (AMENDMENT BILL)

**Sir Frank McDavid :** I beg to move the second reading of the Bill intitled:

“An Ordinance to amend the East Demerara Water Conservancy Ordinance.”

It has been discovered that the Principal Ordinance has certain defects in that the Governor in Council can, by Order under section 51 (g), direct that a plantation shall be subject to the provisions of the Ordinance, or shall be included in any Schedule and to fix the area thereof, or that a plantation be transferred from one schedule to another, or from one part to another of the first Schedule. But there is no provision to enable the Governor in Council to remove a plantation from either Schedule.

The object of this Bill, therefore, is to amend section 51 (g) of Cap. 236 by the inclusion of the words “or that a plantation be deleted from either

Schedule”. The effect therefore is that the Governor in Council would be empowered to direct by Order that a plantation be deleted from either Schedule in accordance with the decision of the Commissioners.

**The Financial Secretary :** I beg to second the motion.

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.

**Sir McDavid :** I beg to move that this Bill be now read a third time and passed.

**The Financial Secretary :** I beg to second the motion.

Question put, and agreed to.

Bill read a third time and passed.

#### ACQUISITION OF RAILWAY LANDS BY RESIDENTS AT KITTY

**Mr. Speaker :** I should like to know whether the hon. Mr. Luckhoo is prepared to move his motion today, relating to the acquisition of railway lands by residents at Kitty.

**Mr. Luckhoo :** I am not ready at the moment, Your Honour, but I will be in another few minutes.

**Mr. Speaker :** There is another motion for consideration, but I do not see the hon. Member (Mr. Kendall) with whom it is concerned.

**Mr. Luckhoo :** He is here, Sir.

**Mr. Speaker :** The hon. Member (Mr. Luckhoo) may therefore proceed with his motion.

**Mr. Luckhoo :** The motion reads:

“Whereas the residents of lands on both sides of the Railway Line at Kitty are desirous of acquiring the lands on which their houses stand; and

“Whereas the use for these lands as a railway marshalling yard has been abandoned:

“Resolved, That this House respectfully recommends to Government that all of the tenants occupying these said lands be

permitted the opportunity of purchasing the lands at a reasonable price, taking into consideration the fact that the tenants have been responsible for the building up and care of the lands over many years."

When notice of this motion was given. Your Honour will recall that the Member charged with administration of the Transport and Harbours Department made a statement relating to this matter. He stated not only that I had written Government in the interest of these people at Kitty, but that he had given me a broad reply. My hon. Friend, Mr. Cummings, added to that by suggesting that I should leave the matter in the hands of Government, as had been done previously. I happen to know that when Government has any controversy on a particular subject—as in the case of these railway lands at Kitty — hard facts must be brought to its knowledge and words must be given their natural meaning and interpretation.

What I am seeking to do in this motion is to resolve the two points mentioned in the preamble. There are two distinct points, and one is that all the tenants occupying these lands should be given the opportunity to purchase them. The second is that the price should be a reasonable one and that Government should take into consideration certain facts. I have a letter which was received from the Governor's Secretary relating to the matter and to which reference was made by Mr. Cummings. It says this:

"The position is that the land was originally reserved as a railway marshalling yard but that idea has been abandoned. It is not proposed to dispose of any land until the Ministry of Labour, Health and Housing has had an opportunity to examine plans and proposals for the area with a view to determining whether any portions of the land should be reserved for public purposes."

That year was 1956 and, like most things, nothing was done to them. It is important that these tenants should be given an opportunity to own the lands they occupy and to have the first option to purchase. The point I am making is

that this letter does not indicate the complete acceptance of the motion I tabled. The option of purchase should be based on a price which not only reflects the value of the lands, but also the fact that these tenants have been occupying and caring them for many years.

The history of these lands is one which Your Honour might be able to follow, owing to your long experience of these matters. Only today I discovered that the late Mr. John de Aguiar moved a motion in this very Council in 1942, seeking similar consideration for these lessees. He went a little further and pointed out that in the days of Sir Gordon Guggisberg (a former Governor of the Colony) whom Your Honour will recall, that Governor was in favour of the people acquiring the land.

The main obstacle was that the land was intended to be used as a railway marshalling yard, but now that Government is satisfied that that idea has been abandoned, that obstacle has been removed. What better can Government do than to give those persons who occupied the lands an opportunity to acquire them?

Some substantial buildings have been erected by tenants on these lands, but these tenants are in a state of insecurity. As a matter of fact, the people on these railway lands at Kitty live in a state of constant fear, since they believe that they might be driven off the lands and would have to remove their homes—their castles and their sole possessions. What could be more admirable, just and fair than that they be permitted to acquire the lands. If Government insist that they want to reserve the lands for purpose X or purpose Y, it means that they would be calling on the people to remove their homes and they would have to find some other place to go to. Where are they going to go to find it?

I am not casting aspersions on anyone when I say that this problem of housing is becoming more and more acute day by day.

I am told that even if we build twice as many houses as we have at present they would not meet the situation. I have been reliably informed—and I have verified the fact—that some of the houses recently built at Ruimveldt are already showing signs of decay and collapse.

I think it is the contractors who built these houses that are being called on to repair their work. It would not be fair to call upon the people who occupy the houses, because they could not see that they would collapse so shortly. I am reliably informed that Government is paying the cost of the repairs, and so reliable is this information that I give expression to it now. The point I am making is that if we are going to remove any of these tenants at Kitty, we would have to find somewhere else for them to live.

Let Government accept this motion and let Government implement it and then we would be following part of a general plan to give the people some security. That is the appeal I make. In the same way as people are able to acquire land at Newtown on which they have their estates these people at Kitty should be able to acquire their land. I make a fervent appeal on their behalf; not on behalf of all of them but some; and when prices are being fixed it must be remembered that in some cases the land 60 years ago was swamp land and that these people toiled by night and by day planting their cocoa, cotton (I thank Mr. Farnum for telling me) and so on to its present state.

It is no exaggeration to say that in some instances they have been able to beg, borrow or steal earth for the purpose of building up the land. Now that the land has been built up they should receive the full benefit. I do ask should Government not continue to utilize these lands for some particular purpose, it should regard it as a duty to these persons to help these persons acquire them; not to give the lands to them free but at reasonable prices. This would be justice.

It follows upon the approach made to Governor Guggisberg in 1928. The obstacle then was the proposed marshalling yard. Nineteen forty-two and another approach led by Mr. DeAguiar—same obstacle, the marshalling yard. Now it is no longer there and it is incumbent upon Government to give over the lands, not at the market value but at reasonable prices taking into consideration the fact that their efforts have caused an appreciation in the value of the land.

**Sir Frank McDavid :** I suggest the hon. Member use the word "fair value". (*Laughter.*)

**Mr. Luckhoo :** Those are actually nice words. I am sorry the hon. Member for Labour, Health and Housing is not here or I would have waxed a little warmer. As I take my seat I am glad I have had an opportunity to move this motion, although I know it has been asked, 'why is this motion necessary when we will accept it?'

**Mr. Correia :** I beg to second this motion, and I must say I cannot allow this opportunity to pass without complimenting the mover on it. Members will remember that several times I have told this Council that a man never feels secure unless he owns the piece of land he has built his house on. There is a certain amount of frustration on his part when the land does not belong to him and he does not take the same care with it as if it were his own. He would not plan permanent crops because he does not feel settled.

I have a similar motion coming up in this Council which touches on the situation of people living on leased land in the village of Bartica. The insecurity felt by the people who are concerned for years is tragic. Again I would like to say, I support this motion.

**Sir Frank McDavid :** I merely rise to say that some of us do find ourselves tilting at windmills. Government has already decided to do what the motion suggests, and the people are aware of it.

**Mr. Correia :** I am not aware of it.

**Mr. Sugrim Singh :** Certain things

[Mr. Sugrim Singh]

are indeed contagious. Since Campbellville was purchased the people have got freehold title, similarly with Newtown. A Bill has been passed for the acquisition of land. This motion relates to the small man trying to acquire land. People living on both sides of the railway line do not have that independence and security which freehold title can give. Since the object for which Government has been holding the lands has been discarded, Government should accept this motion and implement it speedily. I want to say that Government's policy of leasehold over freehold is completely at variance with public opinion and feeling.

**Sir Frank McDavid:** What this motion deals with is land for residential purposes, and I do not think the hon. Member should try to bring in agricultural land, which is quite a different thing.

**Mr. Sugrim Singh:** I am talking about leasehold on the whole and I am making the statement that I would like to see on Government housing estates, and Sugar Estate Front Lands, wherever possible, people who are able to say, "I am the owner of this piece of land."

This motion is very desirable and I think that at a suitable price these railway lands should be made available to these people so that they may acquire their homesteads and not have to remove, thus causing more bitterness.

**Miss Collins:** It has been brought to my notice that these lands are being sub-let and notices have been served on the sub-tenants to give up the land. I think something should be done to protect these sub-tenants as some of them have been on the land for as long as 25 years and have built it up.

**Mr. Speaker:** I am glad you bring that to the notice of this Council.

These tenants were very well treated by the old Demerara Railway Company. I emphasize that because the land was very small and some of them kept goats. I am speaking of the land immediately between Camp Road and Main Streets. In connection with the point you made, there is a lot of trouble in sub-letting and I do not know how the position will be met.

**Mr. Ramphal:** Before you put the motion, Sir, may I refer to the point Mr. Sugrim Singh made, as it is necessary that it be cleared up immediately. Mr. Sugrim Singh very rightly said there are settlements rising on sugar Estates Front Lands and he would like to see the people there get *bona fide* possession of their lots. I wish to say that every effort is being made towards this end and shortly the sugar company will make a public declaration about it. I am sure that when that is done the prices attached to these lands the people will acquire will be found to be staggeringly low, and perhaps this Council will be surprised at the sugar company's gesture.

**Mr. Sugrim Singh:** I am very grateful to the hon. Member, Mr. Ramphal, for his statement as a member of the Sugar Welfare Fund Committee.

**Mr. Lord:** While I support the hon. Member, Mr. Luckhoo, in this motion. I think it is advisable to point out that these lands were never really planned for bulding purposes and I am sure the time will come when a survey will have to be made with the view to bringing them into conformity with modern methods of community planning. In that case some people will certainly be affected and may have to use some of their yard space. These things have to be con-



[Mr. Lord]

sidered. There is no proper lay-out of streets. Those things will have to be taken into consideration, and I am afraid some people will suffer.

**Mr. Kendall** (Member for Communications and Works): I indicated before what is Government's decision as regards the Kitty railway lands, and I am glad that the hon. Mover of the motion has accepted the views of Government. Since 1955 there has been a decision that there will be no need for a marshalling yard, and that the tenants of the land would be given an option to purchase, but as Mr. Lord has rightly said, the planning authorities must go in and see to it that the lots are laid out properly so as to provide ingress and egress and better forms of communication than exist now. I think the hon. Member for Labour, Health and Housing (Mr. Cummings) indicated that he was looking after that side of the matter by way of a survey, and I have a suspicion that the survey has been completed.

The hon. Member's motion can be accepted in principle, but I do not think it is possible to implement it in its entirety by providing land for all the tenants. As regards the price of lots I can assure the hon. Member that it is not the intention of Government to make money out of the tenants. What the hon. Member, Miss Collins, has said is quite true—that some of the tenants have sub-let portions of their land, some of them without the permission of the General Manager of the Transport and Harbours Department, and it would not be as easy as the hon. Mover thinks to give some of these tenants firm title. But it is Government's view that those who

can get will be given title, and as early as possible steps will be taken to give them the type of title which most of us would like to have, that is freehold title.

**Mr. Carter:** In supporting the motion I would like to follow the trend pursued by the hon. Member, Miss Collins. There have been sub-tenants occupying house plots on the railway line for about 20 years or more, and they have built up the land on which their houses stand. They are the ones who fear the possibility of having to remove their houses, and in implementing the motion I strongly advise Government to give serious consideration to the position of those sub-tenants. They do not only fear that they may be called upon to remove their houses, but that if they are to remain as sub-tenants their rents might go up to such an extent as to make it impossible for them to remain there.

**Mr. Speaker:** I think the Law Officers will have to be consulted on that phase of the matter because the conditions of the tenancy are printed at the back of the lease, and so far as sub-tenants are concerned there is no privity of contract. I think that after a survey is made transports might be made subject to leases.

Motion agreed to.

RICE FARMERS (SECURITY OF TENURE)  
ORDINANCE

**Mr. Speaker:** Mr. Luckhoo, your motion, which is the last item on the Order Paper, requests a suspension of the operation of the Rice Farmers (Security of Tenure) Ordinance forthwith, and the appointment of a Committee to inquire into and report



upon the working of the Ordinance and its effect generally on tenants and landlords. If you ask for a suspension of legislative action you would be putting a stop to the inquiries by Assessment Committees which are sitting in some districts and in some cases have arrived at decisions.

**Sir Frank McDavid:** I am sure the hon. Member realizes the effect of his motion and the fact that if it were adopted by the Council and given effect to by Government it would remove the existing security of tenure of rice farmers.

**Mr. Speaker:** The hon. Member for Agriculture may not be in the Colony on the occasion of the next meeting of the Council.

**Mr. Luckhoo:** I am anxious that he be here. I do not think he would like the motion to be considered in his absence.

**Sir Frank McDavid:** I would certainly like to assist the Council. I would suggest that the hon. Member defer his motion until my return.

**Mr. Luckhoo:** I was going to suggest that when the time comes for a debate on my motion the Council will learn of the points which I wish to bring to its attention. I consider it my duty to bring to the notice of the Government certain hardships accruing to landlords and tenants. I would like to use the word "chaotic".

**Sir Frank McDavid:** A very good word. I think the chaos would be even more chaotic if the hon. Member's motion were given effect to.

**Mr. Speaker:** The hon. Member's motion will be kept on the Order Paper. Council will now adjourn until Thursday, 16th May, at 2 p.m.