

LEGISLATIVE COUNCIL.

Friday, 22nd March, 1929.

The Council met pursuant to adjournment, HIS EXCELLENCY THE GOVERNOR, BRIGADIER-GENERAL SIR GORDON GUGGISBERG, K.C.M.G., D.S.O., President, in the Chair.

PRESENT.

The Honourable the Colonial Secretary, Mr. C. Douglas-Jones, C.M.G.

The Honourable the Attorney-General, Mr. Hector Josephs, K.C., B.A., LL.M. (Cantab.), LL.B. (Lond.).

The Honourable A. P. G. Austin, (Nominated Unofficial Member).

The Hon. T. T. Smellie. (Nominated Unofficial Member).

The Honourable F. Dias. (Nominated Unofficial Member).

The Honourable T. Millard, Colonial Treasurer.

Major, the Honourable W. Bain Gray, M.A., P.D. (Edin.), B.Litt. (Oxon.), Director of Education.

The Honourable J. S. Dash, B.S.A., Director of Agriculture.

The Honourable R. E. Brassington, (Senior Member for North-West Essequibo)

The Honourable R. Evan Wong, B.Sc., (Senior Member for South-East Essequibo)

Colonel, the Honourable W. E. H. Bradburn, Inspector-General of Police.

Major, the Honourable J. C. Craig, D.S.O., Director of Public Works.

The Honourable B. R. Wood, M.A., Dip. For. (Cantab.), Conservator of Forests.

The Honourable S. H. Bayley, Managing Director, Colonial Transport Department.

The Honourable J. Mullin, A.I.M.M., F.S.I., Commissioner of Lands and Mines.

The Hon. E. G. Woolford, K.C. (Senior Member for New Amsterdam).

The Honorable H. C. Humphrys (Member for East Demerara).

The Honourable A. V. Crane, LL.B. (Lond.) (Member for West Demerara).

The Honourable A. R. F. Webber, F.R.G.S. (Junior Member for Berbice).

The Honourable J. Gonsalves (Member for Georgetown).

The Hon. E. F. Fredericks, LL.B. (Junior Member for South-East Essequibo).

The Hon. A. E. Seeram (Member for Demerara).

The Hon. S. McD. De Freitas, M.A., (Junior Member for North-West Essequibo).

The Honourable J. Smith (Nominated Unofficial Member).

MINUTES.

The minutes of the meeting of the Council on the 8th March, as printed and circulated, were confirmed.

PAPER LAID.

The following document was laid on the table:

Account of the Administrators of the Patoir Fund of their administration during the twelve months ended 31st December, 1928.—(Attorney General).

GOVERNMENT NOTICE.

Notice was given that at the appropriate time the suspension of the Standing Rules and Orders would be moved to enable the following Bill to be taken through all its stages to-day:—

A Bill to amend the Customs Duties Ordinance, 1929, with respect to the rates of duty on certain articles—(Colonial Secretary).

UNOFFICIAL NOTICE.

Notice was given that at the appropriate time the suspension of the Standing Rules and Orders would be moved to enable the following Bill to be taken through all its stages to-day:—

A Bill to amend the British Guiana and Trinidad Mutual Life Insurance Company's Ordinance, 1925.—(*Mr. Dias*).

ORDER OF THE DAY.

CUSTOMS DUTIES BILL.

The COLONIAL SECRETARY (*Mr. C. Douglas-Jones*): I move the suspension of the Standing Rules and Orders for the purpose of enabling "A Bill to amend the Customs Duties Ordinance, 1929, with respect to the rates of duty on certain articles" to be taken through all its stages.

Mr. SMELLIE seconded.

Question put, and agreed to.

The COLONIAL SECRETARY: I move that the Bill be read a first time.

Mr. SMELLIE seconded.

Question put, and agreed to.

Bill read the first time.

The COLONIAL SECRETARY: In moving the second reading of the Bill I feel that a word of apology is due to the Council for assembling them to-day to deal with this matter. When the rates in the Customs Tariff Ordinance were being prepared an error was made with regard to certain articles as the result of a clause of the Canada-West Indies Trade Agreement having been overlooked. The effect of that clause is that the British preferential tariff should be one-third and the general tariff two-thirds. In the schedule as printed the difference between the British preferential tariff and the general tariff is only 50 per cent. The error was brought to our notice and it is necessary to introduce this Ordinance to correct the mistake that was unfortunately made. I move that the Bill be read the second time.

Mr. SMELLIE seconded.

Mr. WEBBER: While one regrets that the Ordinance has to be brought

back to the Council to be amended one is grateful that the opportunity does arise to say something on the Canada-West Indies Trade Agreement and with respect to extending its provisions to the whole Empire. No attempt is being made to re-open the terms of the Convention with Canada because that question is settled for the duration of the Convention. But I say a mistake was made, perhaps in the superabundant generosity of our hearts, when we decided to extend a similar privilege to all parts of the Empire, irrespective of whether we get a *quid pro quo* or not. Under the earliest Convention, sir, the preference was rather small. Then it was extended to 50 per cent. on certain definite items. Under the new Convention it has actually been extended to 66 $\frac{2}{3}$ per cent. in favour of Canada. Our delegates decided to give that preference for what they were getting in return and I am not here to challenge that decision, but I think we should have exercised our rights in only granting to the rest of the Empire the old preference rates, in which case we would not have been faced with some of the outrageous disfigurements in the old Ordinance, such as 60 per cent. *ad volorem* duty on boots and shoes from Austria, France or even the United States. That becomes worse when we decide to levy duties on the c.i.f. value instead of on the f.o.b. value. It is an outrageous tax.

We know that Canada, though a progressing country, has not yet arrived at the fullness of its maturity when it can cater for British Guiana and other parts of the Empire, yet we are compelled to pay these outrageous duties. While I have not prepared any exact amendment to put before the Council to-day—because I thought it would have involved a lot of verbiage—I thought I would be acting in the wisest way to put the matter before Government and to appeal to Government to make such amendments as may recommend themselves if I make out a convincing case. I am advocating in brief that there should be an intermediate tariff: (i) the Canadian preferential rate under

the articles of the Convention, (ii) an intermediate or British preferential tariff which would apply to non-Convention countries, and (iii) the general tariff. That would enable us perhaps even to lower the Canadian tariff for items which Canada produces, and these figures can be brought down within reasonable limits. I recommend that policy to Government for purely financial reasons. Undoubtedly this preferential tariff is causing greater dislocation of our finances than we originally expected. If the tariff can be so adjusted to preserve our good faith with Canada, and at the same time save our revenue from being depleted and impose a lesser rate on the consumer, I consider it ought to be done. A beginning might be made even to-day by placing an intermediate rate in this Bill to meet the exigencies of the situation I have endeavoured to describe.

I also desire to ask leave to re-open the subject of taxation on newspapers. That is due to a conference held in Barbados in January last when all the representatives of the West Indian Press decided to approach the Colonial Office as well as the Colonial Governments asking them not to impose taxation on newspapers. I do not plead so much because I am a newspaper man but because I know that the newspaper is the poor man's university. It is a great and useful educational institution. It is not only a purveyor of news but it is one of the most valuable instruments Government can use, and I am glad to see that the present Administration from Government House down fully appreciates what a wonderful influence the Press can be in giving publicity to Government movements and other cognate matters. I am not going to ask that the entire printing trade should be free from taxation, because in the exigencies of the moment Government is bound to raise taxation in various ways. I shall reserve further remarks until we go into Committee if you give me permission to move my amendments.

The COLONIAL SECRETARY: The suggestion of an intermediate tariff has

been considered before, and I think it was considered in Canada, but I doubt whether it would be possible, at this stage at all events, to introduce a system of intermediate tariffs. I think it would upset the whole basic agreement with Canada, but possibly at the next Canada-West Indies Conference, which will take place in the next two or three years, some readjustment of the tariff could be made. At present it would be useless, and I think it would not be a good thing. The effect is not as bad as the hon. member has tried to make out. The trade of the two groups of the Empire has increased considerably since the agreement of 1920 and still more since 1925. The whole idea of the tariff this year was to reduce certain articles which were highly taxed, and which were creating some hardship upon the people, and we took as an item—clothing. Whereas in 1928 boots and shoes paid 20 per cent. under the preferential tariff and 60 per cent. under the general tariff, in our tariff this year these figures have been reduced to 10 and 30 per cent.; but to make up the estimated loss we had to increase the duty on a few items, and it is in doing that that the mistake was made.

Mr. CRANE: If I were of the same opinion as the hon. Junior Member for Barbice I would have supported him by my silence, but I desire to take this opportunity of expressing the hope that Government will consider the matter very carefully as to whether this tariff should at all be amended as regards Great Britain. At the present time the bulk of our trade, apart from Canada, is done with Great Britain, and I think it would be a most retrograde step if we discriminate between Canada and Great Britain. People here prefer English clothing. The bulk of our trade with Canada is with food and boots and shoes, and we will increase the cost of these articles to the public if we give Great Britain a smaller preference than we give Canada. Again, it should not be forgotten that Great Britain gives this Colony, among other Empire Colonies, a certain preference with regard to sugar, which keeps a large portion of

the population in employment. I do not think Great Britain would adopt a retaliatory attitude if we differentiated between her and Canada, but it must be remembered that our planters are endeavouring to induce Great Britain to increase the preference on sugar, and I think it would be wrong to differentiate between Canada and Great Britain. I hope Government will not consider an intermediate tariff with respect to Great Britain at all.

The PRESIDENT: I think we might proceed to the Committee stage. I think the hon. Junior Member for Barbice is a bit of an optimist to think we can introduce three columns in our schedule this morning. It requires a good deal of consideration, and I agree with the hon. Member for West Demerara that we ought to be very chary about touching any preference we give to Great Britain. It would be a very retrograde step, and here again I think the hon. member is an optimist if he thinks that no retaliatory steps would be taken by Great Britain. I think we would receive a warning of retaliatory steps from the Secretary of State for the Colonies.

Question "That the Bill be read a second time" put, and agreed to.

Bill read the second time.

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

Clauses agreed to.

The CHAIRMAN: With regard to the Junior Member for Barbice request to move an amendment, I should like to point out to him that the amendment must be put properly drafted so that we can take it right into the Ordinance, but in spite of that I do not see why we should not make an exception and hear what the hon. member has to say on the subject. He will therefore have leave to introduce his amendment. As to whether or not it will be passed is another matter. I should like to hear some good reasons for it.

Mr. WEBBER: With respect to the drafting, sir, I must confess that I am up against the correct verbiage. I really only addressed myself to the Government on the general principle and expected it would be for the legal adviser of the House to draft the proper wording. The position is that for a great many years past in British Guiana printing presses, and types, printing paper ordinarily used for the printing of newspapers, posters, printed books and the like, printers' cards, paper used for book-binding or book covers and paper used for printing forms supplied under contract to the Government, printing ink and printing ink reducers and driers used exclusively for letterpress printing, etc., imported by or on behalf of the conductor of any newspaper or printing establishment for the exclusive purpose of being used by him in the course of his trade were allowed duty free. I believe the idea was that local manufacturers should be encouraged to supply the wants of the Colony because it would increase employment of craftsmen in these trades, and it was thought a sort of protection to these industries that these requisites should be allowed duty free. The question of newspapers was always on an entirely different plane, and newspapers were free from taxation for another reason altogether. In the West Indies in some countries this exemption also applies to printing establishments; in some others it does not apply. Manufacturers of stationery and bookbinders have to pay a normal duty just as manufacturers of boots and shoes or clothing or anything else. At the last session of this Council it was decided to transfer *en bloc* the whole of these items to the duty paid list. I venture to say that the case of newspapers was not as exhaustively put as it might have been.

By a coincidence this question was down for discussion of the Press Conference which was held in Barbados in January last. It had no reflex on the decision of this Council, or there was no question of inspiration to attempt to dictate to British Guiana, but

was simply a matter of policy put down to get the decision of the West Indies as to what should be done in order to get uniformity. Jamaica and British Guiana, I think, stood alone in giving a free import for everything. I took the liberty of discussing with the Comptroller of Customs yesterday the question of whether it is practicable to free newsprint alone from the impost and how we are going to distinguish paper used for book covers, or posters and newspapers. Newsprint comes in in a particular form and the cost of cutting it for posters would be too expensive. It is a matter for the Comptroller of Customs to satisfy himself upon. We have to depend on the vigilance and judgment of the Customs Officers to see that the law is not defeated and only what is *bona fide* newsprint is admitted under the exemption. It is a retrograde and undesirable step at any time to tax newspapers. I boasted at the Press Conference of the liberality of the Government of British Guiana and of its recognition of the value of the Press, but I am sorry to say that the Government went down upon me and I tumbled down because that privilege was not maintained. All Governments have endeavoured to free the Press from as many imposts as possible to bring it within the reach of the masses. The Press is a great server of the community. It is essential that the governed should be kept close in touch with the policy of Government and the reasons for that policy. Taxation that fell on my newspaper, I regret to say, had to be passed on to the consumer, and it is for the consumer I plead rather than myself. It might be said that one paper did not increase its price, but that one paper is 25 per cent. smaller in size and is therefore obviously using 25 per cent. less paper, and is consequently not paying the same duty as the paper which is of a larger size and on which the impost falls heavily. I speak as a representative of the Press and not of any particular newspaper. Your Excellency must be satisfied that all sections of the Press serve the community. I am hoping to see the day when British Guiana will have its penny and half-penny

newspaper, but that day is estopped when duty has to be paid on these things. I move the amendment and commend it to Government:

That a new clause, to be numbered 4, be added to amend Item 8 in the Third Schedule of the principal Ordinance, by deleting the word "newspapers" in the second line of the original paragraph.

That a new clause, to be numbered 5, be inserted to add to the Fourth Schedule of the Principal Ordinance a new item No. (32). "Newsprint, used exclusively for the printing of any daily or other newspaper, when imported by or on behalf of the conductor of any newspaper published under the Newspapers Ordinance, 1839."

The COLONIAL SECRETARY: Sir, the Law Officer of the Crown will have no difficulty in drafting the correct amendment which the hon. member desires, but I do not think Government can accept the amendment which has been suggested. While I am in entire sympathy with the hon. member and his request, and also in entire sympathy in making the Press, as he calls it, "the poor man's university," at the same time newsprint is in the same category as other articles which last year paid the Bill of Entry Tax. The same argument applies to many other articles which have been on the free list for years and which I think it is Government's intention should revert to the free list as soon as possible. The removal of these articles from the free list has been rendered necessary through force of circumstances so that they should bear this duty as many other articles which for years were admitted free of duty. Government would not have imposed this duty unless it was absolutely necessary to do so, and I think at the present time we should exempt no one particular article. The paper, which the hon. member represents, has increased its price from four to six cents to meet this impost and I have no doubt that it may have caused a certain amount of dissatisfaction amongst the readers of that paper. It is in exactly the same position as any other newspaper, and I do not think we can accept the suggestion that newsprint should be exempt, but I

hope the time will come when we will be able to replace it on the free list.

Mr. FREDERICKS: What is the amount of revenue likely to be got from this newsprint?

The CHAIRMAN: I think the Colonial Secretary probably likes to have notice of that question. We will endeavour to give the hon. member the information, but it is really a question of which notice should be given.

Mr. CRANE: I am supporting the amendment. Item 25 in the Fourth Schedule (i.e., Table of exemptions from duty) exempts "books and paperware" which are described. It seems, sir, that the policy of Government is to encourage, for the purpose of enlightening the public, the importation of all printed matter free of duty. In the case of newsprint the request seems reasonable because it is intended for printing in the Colony of similar matter as is received in the Colony free. It does not seem to me to be consistent and ought to be rectified when the matter is being given its fullest consideration.

Mr WEBBER: I will endeavour to help the Council somewhat by saying that the amount of duty involved in loss to Government is about £50, or \$300 at most, if newsprint is exempted. All the items on the free list have not been transferred to the duty paid list. Newsprint alone has been pulled out from the schedule and put on the duty paid list, while all the other items remain free.

The CHAIRMAN: I am afraid Government is not prepared to accept the amendment, although we sympathise very fully with the hon. member. We have had enough tinkering with the original Ordinance and do not want to tinker with it any more but to leave it as it is and give it a year or two trial. Some of the arguments used with regard to newsprint were certainly very enlightening. Government has not the least doubt about the value of the Press, but, as hon. members know, we are in a very tight hole as regards finance and

even this paltry \$300 is going to help us along a bit.

Mr WEBBER: Would Government not give a gesture as to when consideration of the next Ordinance will occur?

The CHAIRMAN: It would be a long time before we consider the next Ordinance on taxation, I hope. Government is not prepared to accept the amendment.

The Committee divided on the amendment:

Ayes:—Messrs. Smith, De Freitas, Seeram, Fredericks, Gonsalves, Webber, Crane, Humphrys, Woolford, Brassington (10).

Noes:—Messrs. Mullin, Bayley, Wood, Major Craig, Colonel Bradburn, Mr. Wong, Professor Dash, Major Gray, Messrs. Millard, Dias, Smellie, Austin, the Attorney General, the Colonial Secretary. (14)

The Council resumed.

The COLONIAL SECRETARY: I move that the Bill be read a third time and passed.

Mr. SMELLIE seconded.

Question "That this Bill be now read a third time and passed" put, and agreed to.

Bill read a third time and passed.

LIFE INSURANCE BILL.

Mr. DIAS: I move the suspension of the Standing Rules and Orders, to enable a Bill to amend the British Guiana and Trinidad Mutual Life Insurance Company's Ordinance, 1925" to be taken through all its stages.

Mr. SMELLIE seconded.

Question put, and agreed to.

Mr. DIAS: I move that the Bill be read a first time.

Mr. SMELLIE seconded.

Question put, and agreed to.

Bill read the first time.

Mr. DIAS: I move that the Bill be read the second time. This Company, which is the second Life Insurance Company established in this Colony, was incorporated under Ordinance No. 6 of 1925. The Ordinance was in due course referred to the Secretary of State for the Colonies. On a scrutiny of the Ordinance certain questions were raised by the Secretary of State, and, following upon a long discussion of the subject between the Company and the Government, a decision was taken and the Bill now before the House is to give effect to the recommendations of the Secretary of State. The Bill is to put in proper form and order the strict requirements of Life Insurance Companies started in this Colony.

Mr. SMELLIE seconded.

Question put, and agreed to.

Bill read the second time.

The Council resolved itself into Committee and considered the Bill clause by clause.

Clauses agreed to.

Mr. DIAS: I move that the Bill be read a third time and passed.

Mr. SMELLIE seconded.

Question "That this Bill be now read a third time and passed" put, and agreed to.

Bill read a third time and passed.

ADJOURNMENT.

The PRESIDENT: For the convenience of hon. members I may say that as far as Government is concerned there will be no necessity for another meeting of the Legislative Council until August at the earliest unless something unforeseen turns up. Notice of that kind will enable hon. members to arrange their affairs more conveniently. The Council is adjourned.

The Council accordingly adjourned *sine die*.

