

LEGISLATIVE COUNCIL

THURSDAY, 14th AUGUST, 1947.

The Council met at 2 p.m., the Hon. Sir Eustace Woolford, O.B.E., K.C., Deputy President, in the Chair.

PRESENT

The Deputy President, the Hon. Sir Eustace Woolford, O.B.E., K.C. (New Amsterdam)

The Hon. the Colonial Secretary, Mr. W. L. Heape, C.M.G.

The Hon. the Attorney-General, Mr. F. W. Holmer, K.C.

The Hon. the Colonial Treasurer, Mr. E. F. McDavid, C.B.E.

The Hon. F. J. Seaford, C.B.E. (Georgetown North).

The Hon. C. V. Wight, O.B.E. (Western Essequibo).

The Hon. J. I. de Aguiar (Central Demerara).

The Hon. H. N. Critchlow (Nominated).

The Hon. F. Dias, O.B.E. (Nominated).

The Hon. Percy Wight, O.B.E. (Georgetown Central).

The Hon. J. Gonsalves, O.B.E. (Georgetown South).

The Hon. Peer Bacchus (Western Berbice).

The Hon. C. R. Jacob (North Western District).

The Hon. A. G. King (Demerara River).

The Hon. A. M. Edun (Nominated).

The Hon. V. Roth (Nominated).

The Hon. C. P. Ferreira (Berbice River).

The Hon. T. T. Thompson (Nominated).

The Hon. W. J. Raatgever (Nominated).

The Hon. G. A. C. Farnum (Nominated).

The Clerk read prayers.

The Minutes of the meeting of the Council held on the 11th July, 1947, as printed and circulated, were taken as read and confirmed.

ANNOUNCEMENTS.

THE PRESIDENT'S ABSENCE.

The DEPUTY PRESIDENT: His Excellency the Governor is unable to be present this afternoon owing to pressure of immediate public business. His Excellency regrets that he is unable to take the Chair today.

GOVERNOR'S AUTHORITY TO SANCTION ADVANCES.

The COLONIAL SECRETARY communicated the following Message to the Council:—

MESSAGE No. 18.

Honourable Members of the Legislative Council,

I have the honour to refer to Answers Nos. 1 and 2 in the Reply to Question No. 16 by the Honourable H. C. Humphrys, K.C., given by the Honourable Colonial Secretary in Council on the 6th of March, 1947.

2. In those answers an undertaking was given that the Government would obtain a ruling from the Secretary of State for the Colonies on the question as to whether or not it is properly within the constitutional powers of the Governor to authorize payments by way of advances from public funds without the specific approval of the Legislative Council, and would report the ruling of the Secretary of State to the Council.

3. It will be recalled that the question arose out of the following specific cases of advances which had been authorized by the Governor:—

- (a) An advance by way of loan or otherwise of £81.7s.3½d. to the Honourable H. N. Critchlow to assist in meeting the expenses of travelling to attend the World Trades Union Conference in the United Kingdom.
- (b) An advance of £50, by way of loan or otherwise, to the Honourable E. G. Woolford to assist in meeting expenses as this Colony's delegate to the West Indian Conference.
- (c) An advance of £250, by way of loan or otherwise, to Honourable A. M. Edun, to assist in meeting expenses of travelling to India in pursuance of a Welfare and Educational project in the interest of workers on sugar estates, and of discussion between Mr. Edun and the principals of the sugar companies.

- (d) An advance of £359.0s.11d., by way of loan or otherwise, to Messrs. D. M. Harper and H. J. M. Hubbard, to assist in meeting expenses of travelling to attend the Trades Union Conference in Paris.

4. The matter has been referred to the Secretary of State who has now furnished the following ruling in a despatch dated the 3rd of July, 1947 :

"I am advised that it is customary to accept the Governor's authority as sufficient for advances if they fall within the following categories:—

- (a) personal or other similar advances to public officers;
- (b) purely temporary advances incidental to the public business of the Colony.

Where it is known that an advance will eventually have to be met from Colony expenditure, as in the cases provided for in Colonial Regulation 281, (and more recently in cases of certain expenditure to be met from the Colonial Development and Welfare Vote), the prior approval of the Legislative Council and the Secretary of State is necessary.

Of the cases in question, the payment to the Hon. E. G. Woolford, as it was not repayable, appears to have been treated as final expenditure, and does not come under the above paragraphs, but the amount falls within the Governor's powers of authorization under Colonial Regulation 265 (1) (a) and he was therefore, in order in authorizing the payment.

The other three cases come under the practice described in the last paragraph above. It is evident that your predecessor considered these advances to be temporary advances incidental to the business of the Colony, and on consideration of the information before me, it would seem that he was justified in taking this view.

As regards the question whether an advance which has been authorized by the Governor alone can be "written off" if it is not repaid, I am advised that the writing off of irrecoverable advances falls under Colonial Regulation 278 (c), and as an advance can only be written off by a charge to expenditure, this entails seeking the approval of the Legislative Council to the provision of funds to meet the write off."

C. C. WOOLLEY,
Governor.

GOVERNMENT HOUSE,
British Guiana.
31st July, 1947.

COMPASSIONATE ALLOWANCE TO RURAL CONSTABLE.

The COLONIAL TREASURER communicated the following Message to the Council:—

MESSAGE No. 19.

Honourable Members of the
Legislative Council,

I have the honour to invite you to approve of the payment of a compassionate allowance at the rate of \$60 per annum, with effect from the 3rd of January, 1947, to Rural Constable Ashton Hunte, of Plantation Skeldon, Courantyne, Berbice.

2. Rural Constable Hunte was severely wounded on the 3rd of January, 1947, when, acting in the execution of his duty, he attempted to arrest one Alladin on a charge of assault. Hunte was attacked by Alladin with a cutlass and received a serious incised wound on his left hand and wrist, the muscles and tendons of the hand being severed. On the medical evidence the wound has resulted in a permanent 50% impairment of the use of the hand.

3. Prior to this injury Hunte's earnings as a shovelman averaged about \$9.50 a week in addition to fees earned as a Rural Constable. His partial disability has rendered him unfit for further employment as a shovelman but he has been found employment as a watchman at \$5 a week. Rural Constables are excluded from the provisions of the Workmen's Compensation Ordinance (No. 7 of 1934) and there is no provision in the Constabulary Ordinance, Chapter 30, for payment to them of a pension or gratuity.

4. In the circumstances I recommend, with the advice of the Executive Council, that Rural Constable Hunte should be paid a compassionate allowance at the rate of \$60 per annum for life.

C. C. WOOLLEY,
Governor.

GOVERNMENT HOUSE,
British Guiana.
8th August, 1947.

PAPERS L.A.I.D.

The COLONIAL SECRETARY laid on the table the following:—

Statement of Loans from voted expenditure written-off during the year ended 31st December, 1946.

Provisional Rules of Court relating to sittings of the Court made by the rule-making authority under sec-

tion 75 and section 78 of the Supreme Court of Judicature Ordinance, Chapter 10.

Annual Report by the Director of the Imperial Institute for the year 1946.

Report of the Transport and Harbours Department for the year 1945.

Report of the Director of Public Works for the year 1946.

The Post Office Savings Bank (Amendment) Regulations, 1947.

The Post Office Telegraph (Amendment) Regulations, 1947.

Annual Report of the Department of Local Government for the year 1945.

Annual Report of the Department of Local Government for the year 1946.

The ATTORNEY-GENERAL laid on the table the following :—

Legislative Council (Elections) (Amendment No. 2) Regulations, 1947.

Draft Explosives (Amendment) Regulations, 1947.

Report of the Committee appointed to consider the Factories Bill.

GOVERNMENT NOTICES.

EXPLOSIVES (AMDT.) REGULATIONS.

The ATTORNEY-GENERAL gave notice of the following motion and of his intention to move at a later stage the suspension of the relevant Standing Rules and Orders to enable it to be debated at this meeting :—

That, this Council approves the Explosives (Amendment) Regulations, 1947.

COMPASSIONATE ALLOWANCE TO RURAL CONSTABLE.

The COLONIAL TREASURER gave notice of the following motions, and of his intention to move at a later stage the suspension of the relevant Standing Rules and Orders to enable the motions to be debated at this meeting :—

That, with reference to Governor's Message No. 19, dated 8th August, 1947, this Council approves of payment of a compassionate allowance for life at the rate of \$60.00 per annum as from 3rd January, 1947, to Rural Constable Ashton Hunte.

UNIFIED WEST INDIAN CURRENCY.

That, with reference to the Report of the Currency Conference held at Barbados in May, 1946 (copies of which were laid in Council on the 19th of July, 1946), this Council approves of the establishment of a unified currency for the Eastern Group of the British West Indies and British Guiana in accordance with the recommendations contained in the Report, and undertakes to enact the necessary legislation to give effect thereto.

UNOFFICIAL NOTICES.

TEMPORARY INCREASES FOR PENSIONERS.

Mr. ROTH gave notice of the following motion :—

WHEREAS Government has recognized the necessity, due to cost-of-living conditions, of providing those Government Servants in receipt of not more than \$200 per month with an increase of the temporary bonuses granted in 1943, and those Government Servants in receipt of more than \$200 per month with a temporary bonus as from 1st January, 1947;

AND WHEREAS after no little pressure Government, late in 1944, granted Government Pensioners in receipt of not more than \$60 per month a small bonus;

AND WHEREAS these pensioners have not been granted any increase of that small bonus as in the case of Government Servants;

AND WHEREAS despite Government's theory that a pension is not a living wage, the great majority of Government Pensioners have no source of livelihood other than their pensions;

AND WHEREAS neighbouring Colonies and the United Kingdom have been generous in regard to cost-of-living bonuses to their Pensioners;

AND WHEREAS in common equity Government Pensioners are entitled to the same proportionate treatment as Government Servants;

BE IT RESOLVED that this Honourable Council recommends to Government that it take into tangible consideration the position of Government Pensioners by granting them such temporary increase of emoluments as may be commensurate with the increases granted to Government Servants as from 1st January, 1947;

AND BE IT FURTHER RESOLVED that, in order to avoid delay, this Council suggest to Government

that it be guided by the principles enunciated in paragraph 3 of His Excellency the Governor's Message No. 17 of 1944.

TRAIN SERVICE TO BERBICE.

Mr. EDUN gave notice of the following motions :—

- (1) WHEREAS the ordinary travelling facilities by rail of the inhabitants of the town of New Amsterdam and the Corentyne and Berbice Districts, to and from Georgetown, the Capital of British Guiana, have been considerably curtailed through the exigencies of war conditions causing dire inconveniences and grave dissatisfaction;

AND WHEREAS the inhabitants of the aforesaid town and districts have borne with all the inconveniences of travel caused by the said policy of curtailment of services on the part of the Transport and Harbours Department with commendable patience and equanimity;

BE IT RESOLVED that this Honourable House strongly recommends to the management of the Transport and Harbours Department the immediate restoration of the original twice daily week-day services and one Sunday-service to and from Georgetown and New Amsterdam, in the best interest of all concerned.

INCREASE OF BASIC WAGE RATES.

- (2) That, this Honourable Council recommends that the minimum basic time wage paid to able-bodied unskilled male employees of Government be increased from the present rate of eight cents to nine cents per hour in the country districts and from ten cents to eleven cents per hour in Georgetown with effect from 1st January, 1947.

INCREASED PRICES TO RICE PRODUCERS.

- (3) WHEREAS the cost of living index has arisen from point 161 to 182 from December 1946 and at which point it has taken a steady stand to this date;

AND WHEREAS the cost of labour has arisen considerably in the Rice Industry;

BE IT RESOLVED that this Honourable House strongly recommends that the Rice Mar-

keting Board increase the price of rice on all grades to be paid to padi growers and rice producers, by one and a half cent per pound, to take effect from 1st January, 1947;

BE IT FURTHER RESOLVED that this Honourable House strongly recommends that the aforesaid Rice Marketing Board open negotiations immediately with West Indian purchasers of rice requesting an increase of two cents per pound on all grades of rice to meet with the high cost of labour and the cost of living of the padi growers and rice producers of British Guiana.

NOTICE OF QUESTIONS.

SAFETY OF BUILDINGS AT SPORTS.

Mr. ROTH gave notice of the following questions :—

1. Will Government state whether there are in existence any laws, rules, by-laws or regulations governing the structural safety of buildings and erections, permanent and temporary, occupied by the public, to wit theatres, dance-halls, sports-ground stands and the like ?
2. If the answer to (1) is in the affirmative what body or who is legally responsible for the injuries sustained by members of the public at the Georgetown Cricket Club ground on 4th August, 1947, through the collapse of a temporary stand ?
3. If the answer to (1) is in the negative, will Government take immediate steps to enact legislation providing for the structural safety of such buildings and erections ?

STAFFING OF MAGISTRATE'S OFFICE.

Mr. GONSALVES gave notice of the following questions :—

1. Now that four Courts are being held by Magistrates in Georgetown is Government aware that the staffing of the Magistrate's Office in Georgetown is extremely inadequate for the work required to be done in that office ?

If Government is so aware, is anything being done to remedy the position ?

If Government is not aware, will immediate enquiries be made with a view to remedying the position ?

PENICILLIN AND PAUPER PATIENTS.

2. Is it a fact that "penicillin" is only administered at the Public Hospital, Georgetown, to patients in the Paying-Wards of the Institution and not to those in the Paupers-Ward? If so why is it not administered to such patients if and when deemed requisite?

INCREASED BONUS FOR PENSIONERS.

3. Has Government yet re-considered, as recently promised in the Legislative Council, the question of increased cost of living bonus to pensioners who at present receive war bonus? If not, how soon will it do so?

RELAXATION OF QUOTA RESTRICTIONS.

4. Does Government subscribe to the view that relaxation as regards "quota restrictions" especially in regard to foodstuffs and clothing, would largely assist in reducing the present high cost of living? If so will it take steps to have the existing "quotas" favourably revised? If not, why not?

PETITION.

AMENDMENT OF SPIRIT SHOP HOURS.

Mr. KING presented a petition from the British Guiana Licensed Dealers Association praying for an amendment of the opening and closing hours of retail spirit shops in Georgetown.

Mr. KING: I suggest that the petition be submitted to the Committee appointed recently to consider those hours.

The DEPUTY PRESIDENT: My recollection is that that Committee has reported already.

Mr. KING: Then it will probably be considered by the Governor in Council.

The DEPUTY PRESIDENT: I must point out to the hon. Member that the prayer of the petition is that there should be some alteration in the hours of opening, but that matter has been finally dealt with by the Committee. I do not quite know what should be done in regard to the petition.

The COLONIAL SECRETARY: I think the procedure in cases of petitions presented to this Council, is that they are referred to the Executive Council.

The DEPUTY PRESIDENT: If there is necessity for amendment it will be given effect to, but the hon. Member must not hope for an early decision, because the main question has been dealt with by the Committee.

Mr. KING: The suggested alterations are so slight that I do not think there will be any difficulty.

ORDER OF THE DAY.

MR. CRITCHLOW'S MOTION DEFERRED.

Mr. CRITCHLOW asked leave to defer his motion regarding the introduction of a forty-two hour working week.

The Council agreed.

EXPLOSIVES (AMENDMENT)
REGULATIONS, 1947.

The ATTORNEY-GENERAL: I gave notice a short while ago of the following motion:

"That, this Council approves the Explosives (Amendment) Regulations, 1947."

I now beg to move the suspension of the Standing Rules and Orders to enable me to move the motion today.

Agreed to.

The ATTORNEY-GENERAL: These Regulations are really an endeavour to put in permanent form Regulations which were made under the Defence Regulations some time ago. It will be appreciated that the majority of those Regulations have been revoked, but it is desirable that these Regulations should be put in permanent form, hence the motion before Council. The Director of Public Works is strongly of the opinion that these Regulations should be put in permanent form, and that is also the opinion of the Commissioner of Police. I may point out to hon. Members that under the Regulations as to the importation of certain explosives and their storage and transport within the Colony, which were made in 1905, it is provided:

"5. Every ship loading or discharging explosives shall moor abreast of Fort William Frederick, but not nearer than 75 fathoms from low water mark on the east bank of the river, and no vessel arriving at the Port of Georgetown with explosives shall proceed up the river until such explosives have been discharged off Fort William Frederick."

During the war Regulations were made under the Emergency Powers (Defence) Regulations called the Defence (Importation of Explosives Mackenzie) Regulations, which provided that any ship entering the harbour consigned to the Demerara Bauxite Company may proceed up the Demerara River as far as Mackenzie without discharging its explosives in Georgetown. Those Regulations are now being put into permanent form, because experience has shown that it is advisable to continue that arrangement. I do not think it is necessary for me to go further into the necessity for it. I move that the Council approve of these Regulations.

Mr. ROTH : Whilst in this case there seems to be nothing controversial in these Regulations, which I do not propose to oppose, I must record my most emphatic protest against Government's custom of expecting this Council to come to a decision on matters of which they are acquainted for the first time when they come into Council. I do not think it is fair, and it is what the Press describes as railroading. I object to the principle.

The ATTORNEY-GENERAL : It is because I thought hon. Members would not oppose this matter, as it is not controversial, that it was brought forward today. It will be appreciated that if any hon. Member had expressed dissent to the motion for the suspension of the Standing Rules and Orders so as to have more time to go into the Regulations, then of course the motion would have been deferred. The hon. Member will appreciate the fact that it is not controversial. We have been acting under the Defence Regulations, and it is only to make permanent what we already have by way of Defence Regulations.

Mr. ROTH : I thank the hon. the Attorney-General for the explanation, but I made it quite clear that I am not opposing the motion.

The ATTORNEY - GENERAL : I appreciate the hon. Member's point.

Motion agreed to.

SUSPENSION OF STANDING RULES.

The COLONIAL TREASURER : I beg to move the suspension of the Standing Rules and Orders in order to enable me to

move the two motions in the Second Schedule of the Order Paper, one dealing with a compassionate allowance and standing in the name of the Colonial Secretary, and the other standing in my own name with regard to a unified West Indian currency.

The COLONIAL SECRETARY seconded.
Motion agreed to.

COMPASSIONATE ALLOWANCE TO RURAL CONSTABLE.

The COLONIAL TREASURER : I beg to move :

"That with reference to Governor's Message No. 19 dated 8th August, 1947, this Council approves of payment of a compassionate allowance for life at the rate of \$60.00 per annum as from 3rd January, 1947, to Rural Constable Ashton Hunte."

There is little I can add to what has been stated in the Message. This unfortunate rural constable was severely wounded whilst on duty. He attempted to arrest someone and received a wound with a cutlass, as a result of which his left arm has been seriously injured. The medical report certifies that it has resulted in a permanent 50 per cent. impairment of the use of the hand. It appears that Hunte worked as a shovelman and earned about \$9.50 per week in addition to fees as a rural constable. Since the injury he has been unable to follow his normal occupation, but he has been found employment as a watchman at \$5 per week. Government has carefully considered the matter, and proposes to the Council that he be given a permanent allowance of \$5 per month for life. I do hope that the Council will pass the motion.

Motion agreed to.

UNIFIED WEST INDIAN CURRENCY.

The COLONIAL TREASURER : Sir, with the permission of the Council I now move the second motion to which I referred just now—the motion dealing with the establishment of a unified currency in British Guiana and the West Indies, which reads :

"That, with reference to the Report of the Currency Conference held at Barbados in May, 1946, (copies of which were laid in Council on the 19th of July, 1946), this Council approves of the establishment of a unified currency

for the Eastern Group of the British West Indies and British Guiana in accordance with the recommendations contained in the Report and undertakes to enact the necessary legislation to give effect thereto."

Money is a very fascinating and intriguing subject, and one which I personally find deeply interesting, but I think there really is no excuse for me to make this an occasion for a dissertation on currency. In fact it would be presumptuous of me to attempt to do so, because my knowledge of the subject is not very wide. I say that there is no excuse for such an attempt on my part, because in April, 1945, the question of the establishment of a unified currency note issue for the British West Indies and British Guiana was very fully debated in this Council, and on the 6th of April, 1946, Resolution No. XXXIX was passed by the Council recording the Council's approval of steps being taken to this end. It seems, therefore, that it is only necessary for me to give a brief resume' of the events and the circumstances which have led up to the introduction of this motion, and to explain the recommendations in the Report of the 1946 Currency Conference which took place at Barbados, and which this Council is now asked to adopt and to undertake to implement by later legislation.

In 1945 a Resolution was passed as a result of an invitation by the Secretary of State for the Colonies to the West Indian Governments concerned and, of course, the British Guiana Government, to consider themselves and to take the sense of public opinion generally, and of their Legislative Councils, on this very old question of the establishment of a unified currency for the British West Indies. Hon. Members will recall that memoranda on the subject were published, and that a number of public bodies in the Colony, notably the Chambers of Commerce in Georgetown and Berbice, and the Sugar Producers' Association, were invited to express their views, and finally this Council itself considered the matter, with the result that I have just stated. The Secretary of State having become satisfied that a substantial measure of support in all of the Colonies of this idea was there, summoned a conference of representatives of each Colony which was held in Barbados in May, 1946. The conference was

attended by Lieut.-Colonel Spencer and myself as representatives of British Guiana. The Report of that conference was duly published, and it was tabled in this Council in July, 1946. Copies were circulated to hon. Members, but I have caused additional copies to be circulated to Members for their convenience, in view of the time that has elapsed since the issue of the Report.

Now it is the adoption of that Report which is the subject matter of the motion before the Council today. The first point to note is that the proposed unification applies not only to the existing Government currency notes system under a single controlling body, but also to the introduction of a unified West Indian coinage by that body to replace the British Imperial coinage which is now in circulation. The second point to note is that the Colonies concerned are what is known as the Eastern Group of the British West Indies—Trinidad, Barbados, the Leeward Islands, the Windward Islands and British Guiana. Jamaica is excluded, and so also, of course, is British Honduras which is on a United States currency basis. Bermuda and the Bahamas, as usual, exclude themselves completely from joint action of this nature.

I would like hon. Members, if they have their copies of the Report in front of them, to follow with me the various points *seriatim*, because I think that is the best method by which I can explain what is proposed. The first point to note is the question of control. That is dealt with under Head 2 at the foot of page 2. It will be seen that the Report recommends the creation of a Regional Board which will be styled Board of Commissioners of Currency for the British West Indies (Eastern Group)—

Mr. RAATGEVER: I see that British Guiana is left out. Am I to take it that we are not joining this scheme?

The COLONIAL TREASURER: I am quoting from the Report, and I expect and hope that the hon. Member will make a very forceful speech in which he will recommend that the title of the Board should be altered to suit the point he has just made. I repeat that the Report recommends that the Board should be styled the "Board of Commissioners of Cur-

rency for the British West Indies (Eastern Group)," and that it shall be the sole authority for the issue of currency notes and of coinage, the emphasis being on the word "sole."

The present position is that the Banks which are operating in these territories also have the right to issue notes. Barclays Bank (D.C. & O.) have that right under their charter. The other Banks—the Royal Bank of Canada and the Canadian Bank of Commerce—have acquired that right by statutory provision by the Legislatures of the various Colonies. In the case of the other Banks the removal of the right is a question for the local Governments concerned. I think hon. Members know that such action has already been taken and that bank notes have practically ceased to be issued and do not appear much in circulation in any of these territories at the present time, Government currency notes having taken their proper place as the greatest medium of currency in British Guiana and the West Indies. In the report, as hon. Members are aware, it is recommended that the Secretary of State should consider in consultation with the Governments concerned what steps should be taken to effect the withdrawal of all bank notes in circulation. As I have already stated, in the case of Barclays Bank it may require Parliamentary action, but in the case of the other Banks such action can be taken in the various Colonies. Bank notes have already practically disappeared from our circulation.

The second point is the question of location of the Board of Control. There was a great deal of controversy at the conference in Barbados as to where this Board of Control should be located. Some of the delegates held that the proper place was in London, while others held equally strongly that the location should be in the West Indies or British Guiana. It is quite obvious that for psychological reasons at least—political and to some extent practical reasons—that the location should be in the West Indies. It is quite true that some of the work—the designing and the making of the notes and so on—will be done in England but, nevertheless, the responsibility for administration should be centred in these parts. Consequently, all of us agreed that the loca-

tion of the Board of Control should be in the West Indies, and it was also agreed that the headquarters should be in Trinidad. The reason for that decision is that Trinidad is very largely the most important banking centre in the area, and it was felt that it would be more practical and convenient for the headquarters to be located there.

The next point is the question of the composition of the Board. The recommendation in the report is that it should comprise five territorial commissioners—one each for Barbados, British Guiana, Trinidad, the Leeward Islands, and the Windward Islands. It was also felt at the conference that, as the Leeward and the Windward Islands were moving towards federation, the number of commissioners should be reduced from five to four, the Leeward and the Windward Islands having one commissioner only. Lastly, the report recommends that there should be an executive commissioner and that there should be some care in appointing such a man. He would be the executive officer of the Board—sitting with the Board and attending all its meetings—and he would have to be a man who possesses the technical qualification and experience necessary for a post of that nature. The question of the appointment of the executive commissioner has recently engaged the attention of the Secretary of State and, I think, there has been some difficulty in selecting a suitable man. It is feared that the salary will have to be sufficiently attractive to secure a suitable man and, I think, a salary of anything like £1,000 or £1,500 a year will have to be voted. Personally, I do not think it will be possible to secure a suitable man at a lower figure. In passing I would state that it has been suggested that each commissioner should get an honorarium of \$500 a year in addition to travelling expenses.

As regards the question of the terms of issue and redemption of the notes and coins and the policy regarding reserve, the report says quite definitely that the existing principles of what is known as the Colonial Sterling Exchange Standard should continue. I do not think I should trouble the Council with an explanation of this; it simply means that notes are issued against sterling in England. That is to say, the Commissioners cannot issue notes unless

they have the equivalent of sterling in London. In other words, our notes are fully valued and fully covered by sterling security. Naturally, the same thing will apply to this Unified Currency issue and the same thing will apply to our coinage. Those are the fundamental principles which the Unified Currency Conference in Barbados adopted and on which it was felt that the Colonial Sterling Exchange Standard should continue.

The next point deals with the apportionment of the income from the currency notes issued and, secondly, with the apportionment of any liability which may arise as a result of the operation of the currency note issue. Here I may say that this phase of the subject was given very careful consideration, and we adopted the idea that the apportionment should be in relation to the currency in circulation in each Colony. That is not as easy as it sounds. We in British Guiana can say more or less accurately what our circulation is at any one time, but in some of the Islands it is not so easy to do that. There is a constant moving of notes through tourists moving around Trinidad and several Colonies thereabout, so that it is not always easy to tell what the circulation is in those Colonies. However, we worked out as carefully as we could what the circulation is likely to be, and in relation to that we arrived at the percentage at which the apportionment should be made.

It will be seen from the report that it is proposed that the Colonies concerned should share in the surplus income or assets or meet deficiencies on the following scale:—Trinidad 55 per cent., British Guiana 25 per cent., Barbados 10 per cent., and the Leeward and the Windward Islands 10 per cent. I need not trouble hon. Members now with the possible division between the Leeward and the Windward Islands. The report recommends that this arbitrary scale should be in existence for two years and that during those two years the Board of Commissioners should undertake a careful investigation into the circulation and should recommend another scale if they thought another scale necessary as regards apportionment of the surplus income or assets, or liabilities.

Now we come to the most important feature of the whole business of this Unified West Indian Currency. This Colony passed a resolution in this Council authorizing the retention of the dollar as a monetary unit of currency. The dollar, such as we call it, has a value of 4s. 2d., and we felt we should make no change whatever in our unit of currency. We have got quite familiar with it and everybody knows what a dollar means. Some people thought it confusing to have the dollar in a British territory when there was the dollar in the famous and predominant territory of the U.S.A. You, Sir, are the hon. Member representing New Amsterdam and in that town the Chamber of Commerce passed a resolution recommending that there should be a new unit of currency, that it should be either a "Carib" or a "Raleigh" and that its value should be also that of a dollar. I should hesitate to make a speech now as to the wisdom of that suggestion, but I would not like to have my salary paid to me either in "Caribs" or in "Raleighs". At the conference Trinidad proposed a new unit for the West Indies—a "Royal" with a value of 2/-—a unit which would be an exact fraction of a £. However, better counsel prevailed and the conference eventually decided to retain our dollar unit so that the unified currency will be no different from the currency we have now. We will have the same "dollars and cents" as we have in each Colony, but as regards the question of design the conference did not include in its report any very significant statement about that. I know that very many people are interested in it from several points of view, and I would like to read a short note which was sent to me by the Secretary in relation to that phase of the matter. It reads:—

"I was, however, asked to bring to your notice that the delegates had in mind a series of designs which indicated the connection between the currency and the Colonies concerned. One suggestion, for instance, was that designs of notes and coins should include, individually or collectively, the Coat of Arms, the badges or crowns, or other symbols of these Colonies. It was generally assumed that the new issue should, of course, also reflect the connection of these territories with the Crown."

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I have read that out so that my hon. friend, Mr. Raatgever, who has stated that the Board of Control should have a title which would signify that British Guiana was being represented in this matter, would know that we might have some symbol to signify that British Guiana is part of this union with the West Indies. The Board of Commissioners themselves will have the designs prepared and, eventually, the Governments of the Colonies concerned in consultation with the Secretary of State will approve of those designs. Although I have been somewhat jocular, I think myself that the design on all or some of the notes will include some emblem which will indicate that British Guiana is in this union although not part of the West Indies.

As regards the denominations of the notes they will be precisely as we have them now—\$100, \$20, \$10, \$5, and \$1. The Commissioners have added \$1,000 notes because it is desirable to have some large notes to facilitate large-scale transactions between the banks. The Conference has also recommended that the coinage should consist of 50-cent, 20-cent, 10-cent, 5-cent, and 1-cent coins, and also half-cent coins for those Colonies that require them. The curious thing to note there is this 20-cent coin. I do not know that a 20-cent exists anywhere else; the normal division between 50 and 100 is 25, but I myself suggested 20 because English people coming here often find it difficult to translate sterling into cents, and if you have a coin that can be multiplied by the number of cents as shillings in a £ it would be easier to them. It is desirable to have a distinct coin different from a shilling and if a 25-cent coin is introduced it would be too near a shilling, so that the 20-cent coin would be better even than the shilling. I myself prefer the 20-cent coin.

As regards the question of issue there is no hope that our new coinage would come into force soon, if this proposal is accepted. First of all, it depends on the repatriation of the British coins in British Guiana now. Obviously, if we are going to bring in West Indian coinage we must be quite sure that the coins in circulation in this Colony are accepted by His Majesty's Government at par value. We do not want to lose on them. Before the War started there was no shortage of these coins in the Colony, but since

the War, I am afraid, there has been a shortage. Secondly, before we bring in the new West Indian coinage we will have to make some equitable agreement with the Colonial Office for the repatriation of all British Imperial money—both silver and copper—which is in circulation here. Therefore we should not look forward to our new coinage coming into circulation soon; I do not see it myself before another five years.

As regards the notes, there is no reason why they should not come into being within a year. I say a year, although the report has it that this new scheme should come into force on the 1st January, 1948, for it has taken all this time for the various Governments to consider it and bring it before their respective Legislatures. Therefore there is no hope of the notes coming into being in that time. The Commissioners have also recommended that a preliminary date should be appointed by all the territories to do all the preparatory work—draft designs of notes, arrange for representation from the various Colonies, etc.—and, of course, the Committee has not yet been appointed so that we have still very far to go.

There is one other point I want to talk about, and that is in connection with the precise liability of the new Board of Control for the new notes now in circulation. Each Colony will have to surrender its Note Guarantee Fund to the new Board and here, I feel, we will have to share a secret. Our Note Guarantee Fund is well in excess of the notes in circulation. Secondly, when we transfer liability to the new Board we will only transfer security for the actual value of the notes in circulation and, I think, there is a substantial amount which will fall to the credit of this Colony. Some people may urge that it should go to the new Board, but if each Government is going to bear its responsibility we should take the surplus and not hand it over.

Before I sit down I want to speak about a point which seemed to have been exercising the minds of some people when they heard about this West Indian currency. There has been a lot of talk about devaluating our currency, but there is no truth in that whatever. There will be the same value in the dollar and also in the

smallest coin—the 1-cent coin—as they have now, and there will not be the slightest difficulty in exchanging old notes for the new notes, or old coins for new coins. If you have a shilling and you want to exchange it for a 20-cent piece you would get a 20-cent piece plus 4 cents. I make that explanation because there has been a certain fear that people will lose money. Lastly, however, I want to get back to the Sterling Exchange Scheme. The last paragraph of this report is very cryptic, and I will ask permission to read it. It says:—

“Although in framing these recommendations the Conference considered that any new Currency authority should operate in accordance with the normal Colonial Sterling Exchange standard, they were also of the opinion that the present trend in the British West Indies toward increased responsibility in political and administrative fields should be matched by a corresponding evolution in Currency and allied financial matters. They therefore regard the formation of a Currency Board for the Eastern Group as a first step in a process of developing regional responsibility, control and flexibility in these matters.”

These words may appear to mean very little, but they do mean a lot. At the present moment the sterling exchange means that the value of Currency notes is represented in England—United Kingdom Securities—in securities in other Colonies and in Joint Colonial Funds, and so on. In other words, the value of our money helps to finance other places. In this case of what is termed Unified Currency, there is the possibility of the better use of funds by the Commissioners of the Board for purposes of the Colony itself, and that is a point of very much interest as regards the future of the Colony. I emphasize the importance of this paragraph so that hon. Members may appreciate that if approval is given to this motion it would mean much, I am sure, for British Guiana. We will be linked by our Board to a properly controlled organization, and this will be a source from which we may derive considerable financial benefit in regard to capital development.

I will not say more than that, but will emphasize that this is something of very considerable significance. I think I have covered all the ground. The Governments of Trinidad, Dominica, St. Vincent and St.

Lucia have already intimated their acceptance of this report as a result of resolutions passed in their various Legislative Councils. I have not heard yet of Barbados and the Leeward Islands. I do hope that this Council would accept this resolution. It follows, as I have already stated, on a resolution passed in April, 1945. I beg to move the resolution.

The COLONIAL SECRETARY seconded.

The PRESIDENT: The motion has been duly moved and seconded, and it is now open to discussion.

Mr. EDUN: It does appear to me that the hon. Mover has been able to convince the Members of this Council as to the effectiveness of this currency business, but on my part I am not convinced because I would like to know how much do we stand to lose or how much do we stand to gain. I do understand this much, that this question of currency is indeed a profitable business of this Colony and, unless the hon. Mover gives me more tangible things to convince me, I consider this move nothing more than a superimposition from the Colonial Office end. I see in it whereby British Guiana will lose its identity. I feel certain that in the evolutionary sequence of things we ought to get first self-government, secondly federation, and then other things like currency and reciprocal matters which should be fully examined by fully responsible governments. But here we are just beginning to creep in political matters, and we are being asked to absorb ourselves within this currency area. I consider it too premature, and I would rather wait to see the results of the Federation issue at Montego Bay before I commit myself in a matter of this kind. It is easy to say, Sir, that we should do away with sentimental values, but we have such sentimental things like the House of Lords, an anachronism. It serves no useful purpose, but it is there for its sentimental value. I agree with the hon. Member when he says that the last paragraph of this Report has given an indication of what is passing through the minds of the Colonial Office. That is, it speaks here of valuation in currency. But, I think, whatever can be said in favour of a unified currency I still maintain that the question of self-government

should come first before this country takes the responsibility to plunge into the dark and waste its assets in currency.

We are going to play second fiddle to Trinidad. Trinidad will be, what I call the Exchange House for Finance so far as British Guiana is concerned. Trinidad will have priority, prestige and status and we, as a continental country, will play just second fiddle to Trinidad, and believing that the destiny of this country lies in its standing on its own feet I will never agree at this juncture to examine a question of this kind. I have mentioned the idea that this currency business has been a very profitable business for British Guiana, and unless I am satisfied that we know how much we have to gain or lose in actual money I do not think we should plunge into this business at all. As a matter of fact the question of currency had been mooted some nineteen years ago, and it took a long time for men and leaders of this country to come to a decision. Of course, I shall accept this decision as a decision of this country as the hon. the Colonial Treasurer and Colonel Spencer went to the Conference and represented this country, but it is a report we have to examine fully and satisfy ourselves as to whether or not it will be in the best interest of British Guiana.

The COLONIAL TREASURER : I hate to interrupt people, but I do not want a point like that to go unchallenged. Colonel Spencer and myself went to the Conference because of a resolution passed by this Council. If this Council had passed a resolution not expressing approval of the idea, we would never have gone. We went to carry out what this Council said and to take steps towards that end.

Mr. EDUN : I am glad to be corrected, but so far as my recollection goes—maybe the hon. Mover is correct—I do not remember it. I consider it to be a premature matter at this juncture, and it ought to be deferred until the Federation issue is settled in Jamaica. Let us go through this report. Has any Member really studied it? How is it possible to convince me unless I know the figures, unless I get something more tangible? In financial matters Trinidad is to receive 55 per cent. of the profits as against British Guiana 25 per cent. How am I to be satisfied about that?

It is just asking me to plunge into the dark without knowing where I will land. For that reason I consider this thing too premature. Why this haste? For nineteen years we had been dabbling with it and could not come to a conclusion. Why this indecent haste to rush it now? Barbados has not ratified it, and why should British Guiana rush and ratify it in order to please somebody? The hon. Mover has made out a very good case and, maybe, some Members are convinced, but I can only be convinced when I know what are the benefits accruing to British Guiana.

There are some points here in the report I am not satisfied about. For instance, the question of control. British Guiana is to have one Commissioner and each other Colony a Commissioner. But from my experience gained in travelling I have not found any difficulty at all in dealing with financial matters in Trinidad. Our currency is accepted there. In Jamaica it was very difficult for me to change dollars into pounds. Why does not Jamaica accept this scheme? Why should not this scheme absorb even Jamaica and the other Colonies? There must be something wrong.

The COLONIAL TREASURER : I had said why. It is because Jamaica is on the pound sterling. It uses the pound (£) and does not want to change to the dollar. That is a simple explanation.

Mr. EDUN : I am suspicious about it. We are talking about federation between Jamaica and all the West Indian Colonies except, perhaps, British Bermuda.

The DEPUTY PRESIDENT : Bermuda too!

Mr. EDUN : And here we are being asked to divide on the whole issue of currency, whereas we have no difficulty in financial exchange with Trinidad. I do not see why we should rush and accept this report and get ourselves enmeshed in currency difficulties. Standing as I do here as a lover of this country, my own country, I would think a hundred times before I plunge into this thing. I want more facts. I want to study it. I want to see whether or not I am doing a wrong thing in the interest of the people of this Colony. Why not wait until after the General Elections?

That is a question every Member should ask himself. Why this measure cannot wait, since for nineteen years it was mooted, discussed, shelved and lapsed. Just within a few days we have got this notice that this matter is to be considered and a vote taken on it. I shall move that the matter be deferred until after the General Elections.

Mr. de AGUIAR : Mr. Deputy President, this is one of the rare occasions when the hon. the Colonial Treasurer is at home on a subject with which one expects him to be very familiar. I am almost tempted to say, Sir, or rather to compare him with a person who was embarking on a trip and decided to ride on a plane. He certainly during the course of his remarks must have found himself fairly well amused at having taken the Members of this Council for a ride in the air, because he felt that in dealing with such a complex subject it is just possible that the motion might be passed without any discussion. I think, Sir, I am right in assuming that at one time his hopes were about to be realized until the hon. Nominated Member, Mr. Edun, rose from his seat. But, Sir, I do not share the same views as the hon. Member who has just taken his seat. I regard the step that this Council is asked to take today as an intermediate one. We had the preliminary step when the motion to which the hon. Member referred was put before the Council and it was decided that representatives from this Colony should attend the conference for the purpose of smoothing out the details. The hon. the Colonial Treasurer, as a member of that delegation, is now presenting the report of the conclusions reached at that Conference, and it is proper that the report should be laid before the Council so that the views of the Council might be sought on the various decisions reached. I think it is a very proper thing to do, to bring that report before the Council today, because sufficient time has elapsed since the Conference met and submitted its report. There is of course the third stage that will take place a little later on, when this Council will be asked to pass the necessary legislation. We are not doing that today. The third step will be when this Council is asked on a subsequent occasion to pass the necessary legislation to bring the whole thing into being. For those reasons I think it is quite right and proper

that opportunity should be taken to discuss the report now so that, if Members have any views to express on any point in the decisions reached by this Conference, this is the time to make those representations. It will be improper or inadvisable, I suggest, to wait until the necessary legislation appears before Members can express their views on it and arrive at some working arrangement.

The first question I am tempted to ask is this : When this matter was considered by the Conference, did the representatives consider that the interest of this Colony was sufficiently safeguarded ? Are we satisfied that everything possible has been done, so that the Colony will derive its fair share of the benefits that will accrue as the result of this decision ? I must assume, and I must accept the good faith of the delegates, that in considering the proposal when put before them they had in mind to safeguard the interest of the Colony, and what is, perhaps, more important is to see that the benefits that should accrue to the Colony are provided for. It is easy enough for Members to think that in a matter of this kind the details can be so fully worked out, all the i's dotted and the t's crossed, as to make the report foolproof. I do not think the delegates to the Conference even thought so themselves, because they have provided in certain cases where certain recommendations have been made that those recommendations should not be a decision for all time but are to be subjected to revision at the end of two years in the first instance and, I think, later on at the end of three years. And again they further provided that even when this Board is brought into existence the whole position should be kept in constant review in five years periods. That, to my mind, is where, I think, the delegates at the Conference took the precaution of protecting the interests of the various Colonies. I use the words "various colonies" advisedly. This is not a matter with which British Guiana alone is concerned; this is a matter with which the West Indian Colonies named in the document are concerned.

My hon. friend said that something like this should await the discussion or decision—I do not know which—at the forthcoming Montego Bay Conference. I would like to suggest to him that it is possibly one of the

steps that may well be taken in advance, if we can ever hope that there will be federation and closer union in the West Indies. We have to show good faith on our side, and it is my belief that unless we are prepared to accept recommendations of this sort we will find it exceedingly difficult to reach agreement on questions more vital to this Colony and even the other Colonies in the West Indies. The hon. Member also asked why Jamaica was not included in this discussion. It is perhaps a reasonable question to ask. The hon. the Colonial Treasurer has given him an answer, and there are probably more answers than that. I am inclined to the view that it would be in the interest of Jamaica later on to come in by themselves if they feel that there is something in the way of closer union of the Colonies in the Eastern Group and themselves. As a matter of fact I do not very well see myself how they can well keep out of such an arrangement. At the present moment they are so wedded to the pound sterling, whereas we in this part of the Caribbean prefer to use the decimal system and refer to our currency as the West Indian dollar. I like the pound sterling myself and would like our currency to be in pounds sterling, but I am not so sure that is the majority opinion of the people of this community who are so accustomed to the dollar—the West Indian dollar—and to try now to educate them to the pound sterling will make it difficult for them.

I am now going to turn to what I regard as the meat of the points I wish to make. From his remarks when the hon. the Colonial Treasurer was dealing with the various recommendations set out in this report and when he was dealing with the currency issue, I am tempted to ask a question, Sir: Where the original fund when the new Board is established will come from? Before the hon. the Colonial Treasurer makes a note of the question I would like to say, I am aware that so far as this Colony particularly is concerned we have a Note Fund most, if not all, of which is kept invested in gilt-edged security. Of course some of it is kept in liquid cash. The point I wish to make is, we at the present moment have a Note Fund with a fairly large sum of money. I would like to know whether a calculation has been made for the transfer of the entire amount

that is at present at the credit of the Fund to the new Board, or whether this Colony's liability will be worked out and such sums as we are liable to the new Board for will be withdrawn from the Fund and the balance, if there is a balance, will accrue to revenue? I ask that question, Sir, because I made reference to the fact that I am aware of the Note Fund we have in this Colony and, I think, I am right in assuming there are similar funds elsewhere in Trinidad and Barbados. But, I think, I am right in saying in respect of the smaller Islands, I am not too sure that during the past years they were able to build up a fund of their own, so that they can hand over from that fund their liability to that Board. I do not know whether I have made my point clear. Perhaps I may amplify it by saying this: I am aware that some of these small Islands drew their currency notes from a bigger one. Trinidad, I think, supplies Grenada, St. Vincent and possibly one or two other places with notes. I am not aware of the arrangement they have and, therefore, I am not aware as to whether they were able during that period to build up a fund of their own. As they will to some extent be liable to put up a sum to the "kitti," I cannot think of a better word at the present moment.

Mr. SEAFORD: That word needs no explanation to the hon. the Deputy President. (Laughter).

Mr. de AGUIAR: I am wondering whether they are hoping to obtain assistance from some other source. Not that I have in mind that this Colony should seek assistance to meet their own liability. As I say, we have our own fund and, subject to what I have said about that fund, I think we will be able to do it ourselves. The next question I would like to ask for information is in regard to Recommendation 8. How is it proposed in the future to distribute any surplus income? It is provided here that the Governments in the constituent territories should share in the surplus income, or asset, or meet deficiencies, and certain scales have been put down as to how the income will be arrived at for each Colony, but it is not provided as to how that income is to be distributed. I would like to know whether the income will be set aside in a fund, or whether the income will be distributed to the respective

Governments in cash. I think it is a proper question to ask at this stage, because those of us who expect to be returned to this Legislature will then have the opportunity of taking the hon. the Colonial Treasurer to task, if it is found that his revenue side shows an omission in this respect.

The last point—I hope it is the last—is a minor one which I would like to make. Reference has been made in this report to the fact that some of the Banks—I do not know in which particular territory, possibly Trinidad or Barbados, or maybe here—have a large amount of notes at the present time or had at the time when this Conference was being held. I also observe that in the calculation that factor was taken into consideration, but what I would like to know is whether any steps will be taken to prevent similar occurrences in the future. We have to be careful. I do not want to impose any restriction on any particular Colony in the use of these notes when this arrangement comes into operation. I think they should be allowed as much freedom as possible in the use of the notes that are in circulation, but at the same time I think that great care should be taken that too many notes are not held up in a particular Colony. In other words, steps should be taken to prevent the hoarding of notes in a particular Colony.

I would like to say one word on the concluding remarks in the report of the conference, and the remarks made by the Colonial Treasurer on that paragraph. It is not a recommendation but merely an observation, and I do not know how it is proposed to embody it in any legislation that may be introduced in connection with this matter. If it is proposed to introduce it into any legislation it must be done in the widest sense. In other words it must not be limited to the actual words which appear in the final paragraph of the report. I merely mention it today so that when the time comes a fuller opportunity may be afforded Members, including myself, if I am here, to deal with it. I am perfectly satisfied that as far as possible every safeguard has been taken to protect the interests of this Colony in this matter, and I am willing to support the proposal.

Mr. FERREIRA : The matter before us is a very interesting and intriguing one,

but I must confess that I do not feel myself qualified to debate it. I have a very open mind on the subject. I consider the hon. the Colonial Treasurer a man of experience, and fully qualified to guide us along the right lines, and I am prepared to follow his advice. I would, however, like to be told more fully to what extent we expect to gain from this transaction, what benefits we stand to get out of it, or in what way we would be better off if we substitute this for our present system which, as far as I know, is already sufficiently beneficial to us. I do hope we will be told something along those lines when the Colonial Treasurer replies.

I observe that the penny coin is to be abolished. Frankly, I do not think that should be, and I would be very surprised to know that the introduction of a half cent in the West Indies will meet with the approval of the mercantile community. Frankly, I am very much against that, and I would certainly ask hon. Members to support me in a plea for the retention of the penny coin. It must be remembered that we are jumping from one cent to five cents. As regards the other coins, I am perfectly happy. On page 7 of the report we are told that \$1,000 bills are to be restricted to Banks. I have nothing up my sleeve and I do not intend to use them, but I do not see why they should be restricted to Banks. I would also like to see that cut out. I am all in favour of unification of Customs, and if we can have unification of currency I am all for it. If the Treasurer in his reply satisfies me that we have something to gain I would support the motion.

Mr. SEAFORD : The hon. the Colonial Treasurer has put his case so very lucidly that he has left very little to argue about. Apart from that, I should imagine that everyone in this Council is very diffident to speak on matters of high finance and money, because they are really matters for experts, and if I may say so, I believe there are very few experts in the world on those matters. I tried once to learn something about the subject. I got a large book with "Money" written on the cover, and I read it very carefully. Then I bought a large yellow book which I also read very care-

fully, but I must confess that at the end of it I knew nothing more than I did before. It is not a subject with which the ordinary layman can deal, therefore we have to accept to a great extent the opinion of the experts. At the same time I feel that we cannot allow the occasion to pass without expressing our views, because it is an important step in the advancement of this Colony and the British West Indies. It is one step towards closer union, and it is by such steps that we will arrive at federation if it is ever desired here. I do not think we should wait until federation is decided upon to see how we can get together and collect our chickens. We should get together and see how we are moving.

I wish to deal with one or two points in the report of the Conference. It is stated in Recommendation 3 that the Board should be located in the British West Indies. I do not think anyone would dispute that it should be located in this part of the world rather than in London, and I think we will be unanimous on that point. As regards the selection of Trinidad as the Headquarters, I think we are bound to accept the reason given in the report that "it was considered that the Headquarters should be specifically in Trinidad since that Colony was the chief banking centre of the area." I think we have to accept the fact that it is the chief banking centre, and it is only natural that it should be the Headquarters. It is desirable that we should get ahead and become the chief banking centre, and then we may ask that this Colony should be the Headquarters. I do not think we are quite ready for that.

I was rather surprised when the hon. Mover was dealing with the question of the appointment of a full-time Executive Officer, to hear him say that we were trying to get such a gentleman for about £1,000 or £1,500 a year. To my mind that is toying with the situation. Such an officer must be of the highest ability and responsibility, and if we are trying to get a man for that salary I think we are going to sink our ship before it goes to sea. For goodness sake it must be realized that this is a big undertaking. In this Colony we are always too mean in these matters. I consider that in order to get a good man we will have to pay him £500 more, which would be a good investment.

I observe that paragraph IV is headed "The Apportionment of Surplus Income, Assets or Liabilities between the Governments of the Constituent Territories." I would like to ask the Mover if he could give any figure of the extra money we are likely to make. I am willing to wager him now that he could very well leave out the word "Liabilities" altogether. I cannot see where liabilities come in, or how it is possible for us to incur any loss. I have always felt that in this part of the world, especially where we deal with little bits of paper money, a fair proportion of those notes is lost, and Government is always able to make a good deal of money.

I am very glad indeed to see that it is recommended that we should adhere to the British West Indian dollar as the unit of currency. It is well known to the people here, and it is significant that it should be the same in all the British West Indian Colonies. I appreciate that Jamaica is tied to the pound sterling, but it may not be long before the people of that Colony realize the simplicity of the decimal system. One has a certain amount of sympathetic feeling for the little "bitt" we have in this Colony. I think it is the only coin of its kind in this part of the world. It is minted especially for us, and I think its loss will have a certain sentimental effect, but we have to advance with the times. It is not so many years ago that a good many paylists were made up and wages paid in bitts. That has all changed, and it is now all dollars and cents. I think that was brought about chiefly when, about two years ago, it was agreed to adopt a unified currency for this part of the world.

There is one point on which I am not quite clear. In paragraph VI of the report it is stated :

"It was represented to the Conference that, in the event of the Banks being compelled in anticipation of the creation of the new Board to return these notes to the existing Currency authorities, they would be penalized by having to pay the prescribed charges on their surrender. This matter was discussed by the delegates and it was agreed that it was one which should be settled equitably between the banks and the existing Currency authority before the latter was replaced by the new Board."

Will there be a different arrangement in each Colony? How is it proposed that that should be handled? I am not quite clear about that. I am glad that the Colonial Treasurer has referred to the question of the devaluation of currency, because that is a matter which has been universally spoken about in this Colony.

One last point with regard to the concluding observation in the report. The mover referred to the observation in that paragraph and pointed out that it might be of great assistance to capital development in the future. We know that there are funds lying idle which may be of great assistance to us, but that again is a question of high finance which will have to be handled in a very careful manner, because unless such funds are handled with meticulous care they are likely to be gambled with. Those funds might well be a two-edged weapon in our hands. Although they may be of the greatest value they may be very dangerous at the same time. With all due reference to the hon. Nominated Member, Mr. Edun, I do not think he means that he is against this proposal. I do not think he can justify doing so now. I have great pleasure in supporting the motion which has been so ably moved by the hon. the Colonial Treasurer.

Mr. PERCY C. WIGHT: I came here with a perfectly open mind to listen to this debate. Unfortunately, my health does not permit me to go very minutely into the question. I think I know a little about finance, and the world's financial position today worries me considerably. I think that before we attempt anything of this description we should have the benefit of the brains of Mr. Montagu Norman who is the only person qualified to advise on finance. I wish to say first of all that this Government has had some particular reason for not permitting the reshipment of silver. We are perfectly aware that our four-penny coin is not known in the West Indies. I happened to be in New York this year with a couple of them and was told they were worth a lot of money. I think that our silver coins are worth a considerable sum in excess of their face value in the United Kingdom, whether to coin collectors or otherwise, I do not know. It is an old saying that fools rush in where angels fear to tread, and I am going to suggest that this matter be

deferred, because I want some little time to go into it. I am not going to be an echo for the Colonial Treasurer on this occasion.

During the first World War a certain individual in Trinidad took all the Royal Bank of Canada notes he could get hold of to Canada and saved the 40 per cent. rate of exchange at the time. The Bank immediately issued new \$5 notes payable in the West Indies. I feel that this is something of that description.

As regards the proposal to appoint the members of the Board in the West Indies, it is my opinion that they should be appointed in London. There is no doubt about it that they are the only people who can advise us as regards finance. Our finances are now controlled by people on the other side. The hon. the Colonial Treasurer told me once that I had a bee in my bonnet on this exchange question. I have been giving the subject some thought, and I can tell him that there is stock which we can buy in the United States and sell it on the London market at five times its value. I have borrowed books from a friend on the subject of exchange, but I must admit that I was none the wiser after having read them.

It must be remembered that the Royal Bank of Canada can issue notes in this Colony. The Treasurer was not clear on the point. I can tell him that when the new Bank was formed in Canada it took over all the assets of the other Bank, and the note issue was never reduced, but they would not issue any Royal Bank of Canada notes at all. Barclays Bank has a charter, and I do not know how we can stop their issue of notes. The Treasurer said that we are about to do it. He must be much cleverer than I am, but I cannot see how we could stop the issue of those notes.

The money market is so unsettled that I do not believe anybody can tell us anything on the question, except Mr. Montagu Norman. Exchange and everything is down in London, and I think if we are going to embark on this unified currency scheme the Headquarters should be in London, where everything is known and regulated almost every day. There is no doubt that our money is being devaluated every day. I have spent five months in New York and I have gained some ex-

perience there. The two local Banks have quite a lot of silver, and I know that the Manager of the Royal Bank of Canada was very much incensed with this Government for not permitting him to ship the silver he had in his vault. I would like to hear something on that point from the Treasurer. I know that the coins which are being minted today do not contain anything like the same amount of silver as the old coins. Therefore, every Queen Victoria silver coin is worth double its original value. That is universally known, and to dispose of such coins at merely their face value is not fair to this Colony.

The COLONIAL TREASURER : Does the hon. Member really suggest that a two shilling coin contains silver which is worth more than its face value ? If he does he is quite wrong.

Mr. WIGHT : I make the positive statement; jewellers have told me so.

Mr. SEAFORD : Is the hon. Member referring to blackmarketing ?

Mr. WIGHT : That is not blackmarketing. A sovereign today is not worth 20 shillings, it is worth 60 shillings. That price is easily obtainable and there is no blackmarketing about it.

The DEPUTY PRESIDENT : I wish you would give me a quotation for a half sovereign, because I have one.

Mr. WIGHT : You can come to me and I will give you \$7.20 for it with pleasure. I am sure it is within your knowledge, and the knowledge of everyone in this Council, what is the price of a sovereign today.

The DEPUTY PRESIDENT : There are some people who would even pay more for it and deface it. It does not remain a sovereign.

Mr. WIGHT : When I landed in New York I was asked if I had any sovereigns, half sovereigns or other gold coins. They even wanted to take away my sovereign links but I had no other links to wear. They did not describe my links or my chain as gold, but as metal. It is not often that the hon. Nominated Member, Mr. Edun, has my support, but on this occasion I agree with him. I have not the time or the ability possessed by the

hon the Colonial Treasurer, but he has never been able to satisfy me on this question. I have been at him for some time on this question of finance, but I regret to say that this currency scheme is beyond me. On account of ill-health I have not had a chance to go minutely into it, but I am satisfied that there are no brains in the West Indies for such a scheme. Jamaica has kept out of it, and it is said that the best brains in the West Indies are in Jamaica. There is no doubt about that; it is universally admitted, and they must have something up their sleeves. When I hear that Jamaica has come into it I will give the matter further consideration.

I am satisfied that this proposal requires far more study than we have been able to give it up to the present. I am convinced that it is not a wise move at present. We should wait until the money market is stable. There are restrictions here, and the dollar and sterling question is going to break many heads. I confess that I cannot follow it. I have been trying to experiment with certain American stock, but I have been up against this dollar question. I am going to test it in the Law Courts before very long. The men at the head must have far more brains than we possess here. I am not going to put my simple brain against theirs, but this matter is one which calls for some solution. We know perfectly well that the hon. the Colonial Treasurer is going to get instructions; I do not think he can act on his own. Those instructions must come from the Colonial Office and he must carry out whatever they tell him, whether he is satisfied with it or not. I think the matter should be deferred as it is much too stupendous for us to rush into it in this manner.

Mr. JACOB : I did not intend to speak on this motion, because I thought it was such a wise and progressive step that this Council would have approved of it an hour ago. I was a little disappointed to hear the hon. Mover speaking for such a long time, but having heard the hon. Nominated Member (Mr. Edun), and the hon. Member for Central Demerara (Mr. de Aguiar) on the subject I thought I should say a word about it. I think this will be a most profitable undertaking provided it is properly managed. I do not understand

this idea that the matter should be deferred until after the general elections. What has that got to do with it? We have very many things deferred and being deferred already. Whatever the decision of this Council is, I think, we should act now so that this proposal could go through immediately. It has been suggested that we should wait until the question of federation and closer union has been decided, but I do not think there would be any adverse opinion about federation at all. Perhaps certain people would not like to see federation come about and that is because they are selfish and shortsighted. If we have the people of Europe willing to have Europe allied to the United States of America, why should not we in this country agree to federation with the West Indian Islands? The whole thing is monstrous. We have to get united with the West Indian Islands. I am not concerned with the fact that certain people in this Colony with a population of just 380,000 people are talking about a continental destiny, because it is absolute nonsense to do so. We should be able to talk about 30,000,000 or even 300,000,000 and unless we have the people we have to talk of federation.

It has been said that Jamaica is not in this business, but perhaps they are selfish. We have been told that they are dealing in £. s. d., but whenever I have to calculate in £. s. d. I give it to somebody else to do. Perhaps that is one of the reasons why the United States of America has progressed so much—it deals in dollars and cents, and that is the best currency. Now Great Britain has to depend on the U.S.A. for a good many things. I will not say that Great Britain has not done very much, but she is too old-timish in her methods. The hon. Member for Georgetown Central (Mr. Percy C. Wight) has said that Jamaica has better brains than we have in this country. Jamaica has progressed constitutionally, but I do not think that island will be wise in keeping out of this Unified Currency business. I think the hon. Member for Georgetown North (Mr. Seaford) and the hon. Member for Georgetown Central deviated from the question a great deal; we are not considering West Indian Federation. We are considering Unified Currency and, I think, we can

make money out of the proposal if it is properly managed.

The DEPUTY PRESIDENT: Perhaps it may be of interest to hon. Members if I refer them to the *Official Gazette* of Saturday, March 29, this year. Under the provisions of the Ordinance, which is known as the Government Currency Notes Ordinance, No. 14 of 1937—perhaps hon. Members have a copy of it in front of them—there is to be shown from time to time the amount of Currency Notes in circulation, and that is very interesting at this stage. The actual amount of Currency Notes in circulation on 31st December, 1946, was \$7,391,000. As regards the Note Security Fund, the investments at market prices ruling on 31st December, 1946, totalled \$4,580,740.71 while the investments in Joint Colonial Fund totalled \$3,425,101.58 and Cash on deposit with the Colonial Treasurer stood at \$81,705.25.

The Colonial Treasurer was not in a position to give hon. Members these figures out of his head. He could only give you the position of the securities—that the market value of our securities against the notes issued under the law, (the Government Currency Notes Ordinance) at the present moment exceeds the actual deposit. The market value of the Securities at 31st December, 1946, was more than the cost price by \$327,344.76. That, of course, is an indication of the actual appreciation of the Fund itself. I mention these matters in order that hon. Members may consider how far the issue of Currency Notes is a proper thing to do.

Mr. PERCY C. WIGHT: May I ask when the valuation of these securities was made? Is it on today's valuation?

The DEPUTY PRESIDENT: The quotation is given as on December 31, 1946.

Mr. WIGHT: The position has not improved since then; it has worsened.

The DEPUTY PRESIDENT: Two hon. Members have asked that this matter be deferred, but there has been no actual amendment to that effect. I cannot put a mere suggestion. I will direct the attention of hon. Members to the text of the motion which reads:

“That, with reference to the report of the Currency Conference held at

Barbados in May, 1946, (copies of which were laid in Council on the 19th of July, 1946), this Council approves of the establishment of a unified currency for the Eastern Group of the British West Indies and British Guiana in accordance with the recommendations contained in the Report and undertakes to enact the necessary legislation to give effect thereto."

The hon. Member for Central Demerara has stated that there will be further opportunity for discussion as this is only a stage in the matter, but it is a very important stage. I do not quite know, however, why the motion was framed in this way. I believe it is not quite correct to say that this Council "*undertakes to enact the necessary legislation to give effect thereto*" unless that legislation is in force. I do not think it is at all likely that it will be. From what I have gathered from the opening remarks of the hon. the Colonial Treasurer, there is not the slightest likelihood of the legislation being enacted before another year or so, and I think myself that these particular words should be reconsidered. What we are being asked to do is to approve in principle the object of the resolution, and I do not think this Council should be asked to give an undertaking to enact something which is not likely to come before us at all. I do not think it can be said that a future Legislature is necessarily bound by what is taking place at the present moment. This motion in its context seems to contemplate that and, subject to what the hon. the Colonial Treasurer has to say, I think the part to which I have referred ought to be removed.

The COLONIAL TREASURER: As you have said, Sir, only two hon. Members have expressed any opposition to the motion. One of them only asked that the motion be deferred and I think the other—the hon. Member for Georgetown Central—opposed it altogether, although he also said he would like to have it postponed. I must express some thanks to the hon. Member for Georgetown North and, to a certain extent, the hon. Member for Central Demerara for his back-handed compliment. I certainly do not pose as an expert in monetary matters. However, I know a little bit about the subject. The hon. Nominated Member, Mr. Edun, and also the hon. Member for Central Demerara and the hon. Member for Berbice River have

asked what benefits do we stand to gain financially or otherwise by taking part in this scheme. As regards the issue of Bank notes, I did not deal with the question of what we stand to gain in this particular resolution for the simple reason that that was discussed in April, 1946, when the Council considered whether or not they wanted to join the Unified Currency Scheme. It was not necessary for me to go minutely into the whole matter. The whole point is that we are covered financially. It is also in the interest of tourism that we should take part in the scheme, and the finances of our people seem to require that the currency of these territories should be one and the same. As a matter of fact, the hon. Nominated Member (Mr. Edun) rather supported the motion when he said that he found no difficulty whatever in Trinidad because British Guiana notes were accepted there.

As hon. Members will recollect, during the War a temporary Ordinance was enacted which made Jamaica, British Guiana, Trinidad, and Barbados notes acceptable in one or other of the Colonies so, to some extent, we are already unified in a way. If the hon. Nominated Member (Mr. Edun) had gone to Barbados he would have found that in a hotel instead of getting notes of that Colony only he would have got instead some pink Trinidad notes, some red British Guiana notes and some red Barbados notes all at the same time. That has happened to me in Barbados and, of course, the Bank there accepted them. It does not happen to the same extent in British Guiana, however, because the Banks here have co-operated with me and whenever any other West Indian notes come here we repatriate them and the Commissioners pay the expense. What we are doing now is really carrying this unification to its logical conclusion in so far as the notes are concerned. That is why, Sir, I was very surprised—in fact, horrified—on hearing the hon. Member for Georgetown Central say that we do not have the brains in the West Indies to manage a Unified Currency of this description. It mystifies me to know how we can do it in relation to Trinidad, Barbados and British Guiana and yet we have not got the brains to do it more extensively. I admit that the scheme is a very bold one and that it will

require substantial legislation to have the notes designed and so on—it will require a certain amount of knowledge to start the thing—but I refuse to accept that we do not have the brains in the West Indies to issue a unified currency of our own.

To come back to the point about a fair share of the surplus income or assets, I think, I said in my opening remarks that we were most careful in trying to arrive at a fair proportion. I think hon. Members know me sufficiently well to realize that I tried to get the best I could for British Guiana. I have a statement attached to the report of the Committee and this is how we did it: We took the income from the currency notes—Trinidad \$298,000; British Guiana \$106,000; and Barbados \$32,000—a total of \$436,000—and with that net income for one year we worked on a calculation which gave the following percentages—Trinidad 55%, British Guiana 25%, Barbados 10%, and the Windward and Leeward Islands 10%. Trinidad would get \$239,000; British Guiana \$109,000; Barbados \$42,000; and the Windward and Leeward Islands would get \$43,600. I must explain for the benefit of the hon. Member for Central Demerara what the position really is. The Windward and Leeward Islands have not got any currency notes of their own; they use by law the Trinidad notes and these have been legal tender in those islands for some time now. Trinidad hands over to the Windward and Leeward Islands, however, a small amount of the profits made by that Colony through getting its notes circulated in those islands, and that is why Trinidad itself had to surrender a portion of its share to the Windward and Leeward Islands in this calculation. As regards the question of liability, the Windward and Leeward Islands have no liability; the liability is Trinidad's.

Mr. de AGUIAR: Are they not participants in the new arrangement?

The COLONIAL TREASURER: They are participants but at the present time they have no liability. They are using Trinidad notes and are getting a share of the Trinidad profits. I hope this Council would realize that we have tried to apportion this income as fairly as possible, and that we have put a limitation of two years as a preliminary period. At the end of two

years everything will be revised again, and then after that every five years. I think these Colonies should realize that in their own interest they should combine and continue this scheme instead of keeping out of the arrangement as it is now.

As regards the question of the personnel of the new Board, that is a detail which will follow. What is going to happen when the new Board comes into being is that it is going to take over the responsibility for all the notes in circulation in each territory. When it does that, the Currency Board of each territory will hand over the equivalent in investments—in securities—repaid by those notes in circulation. I was careful to point out that there is a surplus in the Note Guarantee Fund. On December 31, 1946, the surplus was \$361,000 so that the value of the securities of the Fund was \$361,000 more than the notes in circulation. When we come to take over the liability for these notes we will not surrender the whole of the Fund but will retain the balance. In other words, we will only give over a part of the Fund and the surplus will be a retained reserve which will come into our pockets. If you hand over the Fund at the bare market value there is just a mere possibility that at some future date when you revalue your securities they will be less than the value of the notes in circulation. The market value may have dropped and in that case the actual loss will be ascertained and the Legislatures of the constituent Governments will vote the necessary funds to make up that loss. The point the hon. Member is making here is that the income itself may be sufficient to do that. It may or may not be, but supposing there is an exceptionally big loss the constituent Governments may be called upon to make it good. That is why a constituent Government is called upon to provide for its portion of any liability that may arise. It means that we will have to apportion the liability; it does not mean that we expect a loss. It may be that things will go on as at present whereby this Colony is getting a substantial sum—collecting something in the vicinity of \$100,000 a year as our profit. That is the whole point.

As regards the other remarks made by the hon. Member for Georgetown Central, I am afraid he was slightly irrelevant.

What he was describing as very irritating control has got to be exercised on the use of American and Canadian currency. The hon. Member would, of course, like to exercise his particular genius in investment in current securities and make considerable profits. I feel sure that if he was privileged to invest freely in American dollars—both American and Canadian—with the knowledge he has of such matters he would be a very much more wealthy man than he is in a very short time. But, unfortunately, that cannot be done for the reason we are hearing today. We cannot let him play with American dollars; this is not a question of the exploitation of American dollars. This restriction on American dollars is altogether necessary and may become even more severe than it is at present.

The hon. Member for Georgetown North referred to a point in the report which is slightly irrelevant. It is that the Banks in Trinidad and to some extent here have no reserve as regards the Government Currency notes and, since the Rules provide that when they redeem these notes—when they bring them to the Treasury for redemption—they have to pay a commission, they should be entitled to redeem them without a commission being charged. The Banks feel that during the War they had to carry a larger amount of notes than usual and, therefore, the Governments should redeem them without any charge. The point is, however, that the Commissioners feel that all such trivial matters between the Governments and the Banks should be settled before the new Board takes over. Each Colony, of course, should settle its problem independently. The problem is not a serious one and can be settled within a short time.

The most important point made to my mind was when it was asked what were the implications in the final paragraph of the report, but it simply means that you will arrive at a point where you can manage this Currency and use it in your own way. I did not want to go into details. I did not want to particularize. I did not want to say the Board of Commissioners will be empowered by law to lend some of that money out either in the United Kingdom or other Colonies. But, I think, Members quite realize what I am driving at. It will be a long time before that point is

reached. As the hon. Members for Central Demerara and Georgetown North respectively rightly said, when that time is reached we will have to use every precaution and device to safeguard the use of any such measure. I doubt very much whether the legislation will have any provision of that nature. It is something for the future. If at any time we do find it desirable and possible and practicable to use our currency in that way, then very special legislation can be made. I think it was wise to refer to that very far-reaching implication in the final paragraph.

I do feel that the Council ought to pass this resolution. As the hon. Member for Central Demerara said, it is an intermediate step. We have already by resolution accepted this West Indian Currency, and this is the second step—to accept the report. Sir, you have made the legal point that the last words of the resolution "*and undertakes to enact the necessary legislation to give effect thereto*" take the matter too far. I am inclined to think you are right, inasmuch as we have no opportunity just now to introduce a Bill of this nature, and if there is delay it will make no difference whatever in effect. With your permission I would like to suggest that I be permitted to take out the following words "*and undertakes to enact the necessary legislation to give effect thereto.*"

The DEPUTY PRESIDENT: Do hon. Members agree to that deletion?

Deletion agreed to.

Mr. PERCY C. WIGHT: May I be permitted to ask the hon. the Colonial Treasurer a question? He has given me the figure \$7,391,000, which at 3½ per cent. will give \$264,500 profit, and has said that on the new scheme our profit will be \$209,000. That shows we will be suffering a loss by handing over to this new institution all the assets we have. I would like to hear him on that score.

The COLONIAL TREASURER: May I try to explain to the hon. Member? Last year the gross income of our notes system in this Colony was \$180,800, and after paying staff salaries, operating expenses, cost of notes, etc., which came up to \$10,706, we transferred to Reserve Fund \$80,000 as net security. The total expenditure was

altogether \$90,786, leaving \$90,000 which went to revenue. The same thing will happen under the joint arrangement. From the gross income will be taken the expenses of staff, cost of notes, operating expenses, etc., and a percentage retained in order to create a sort of reserve. There is no possibility of a loss occurring. It will be exactly the same procedure only taken jointly.

Mr. PERCY C. WIGHT : Without taking into account the free use of the notes, without paying interest ?

Mr. EDUN : I would like to ask whether the new Board will be satisfied just to receive the currency value of the notes and not the whole lock, stock and barrel of our finance.

The COLONIAL TREASURER : The point the hon. Member is making is, would the new Board be satisfied to accept liability for the notes in circulation and only get investment equal to the value of those notes. I do not think I can go into that. You will find legislation and agreement between the Governments represents to do that. That is an agreement between the con-

stituent Governments and, as they are under a guarantee of each Government, I do not see that it concerns them at all. That is part of the constitution, the foundation of the whole thing which they are bound to accept.

The DEPUTY PRESIDENT : I think the matter has been sufficiently debated, and I propose to put the motion with the deletion.

Motion as amended put, and the Council divided and voted as follows :

For : Messrs. Farnum, Raatgever, Thompson, Ferreira, Jacob, Critchlow, de Aguiar, C. V. Wight, Seaford, the Colonial Treasurer, the Attorney-General and the Colonial Secretary—12.

Against : Messrs. Roth, Edun, Percy C. Wight—3.

Motion carried.

The DEPUTY PRESIDENT : There being no other business I adjourn the Council to Thursday next at 2 p.m.

Council adjourned to Thursday, 21st August, 1947, at 2 p.m.

