

LEGISLATIVE COUNCIL

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

THURSDAY, 22ND NOVEMBER, 1956

The Council met at 2 p.m.

PRESENT:

His Honour the Speaker,
Sir Eustace Gordon Woolford, O.B.E.,
Q.C.,

Ex-Officio Members:

The Hon. the Attorney General
Mr. G. M. Farnum (Ag.)

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

Nominated Members of Executive Council:—

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

The Hon. P. A. Cummings (Mem-
ber for Labour, Health and Housing)—

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

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

The Hon. R. B. Gajraj

Nominated Unofficials:

Mr. W. A. Phang

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

Mr. C. A. Carter

Mr. E. F. Correia

Mr. H. Rahaman

Miss Gertie H. Collins

Mrs. Esther E. Dey

Dr. H. A. Fraser

Mr. R. B. Jailal

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

Clerk of the Legislature

Mr. I Crum Ewing.

Assistant Clerk of the Legislature

Mr. B. M. Viapree (Ag.)

Absent:

The Hon. the Chief Secretary,
Mr. F. D. Jakeway, C.M.G., O.B.E.
—on leave.

The Hon. R. C. Tello—on leave.

Mr. J. I. Ramphal—on leave.

Mr. T. Lee on leave.

Rev. D. C. J. Bobb—on leave.

Mr. Sugrim Singh.

The Speaker read prayers.

Speaker Welcomed Back

The Attorney General: Before the
business of the Council commences
may I, on behalf of this Council, ex-

[The Attorney General]

press to you, Sir, our great pleasure in having you back as Speaker of the Council.

Mr. Luckhoo: On behalf of the "floor" Members, if I may be permitted that particular pleasure, I seek this opportunity to welcome Your Honour back not only to the country of Guiana but to your seat of office. We are very happy to see you, Sir, looking completely rejuvenated (I think that is the word) and certainly sparkling in your personality. We are happy to have you back, Sir.

Mr. Cummings (Member for Labour, Health and Housing): I must embrace this opportunity to join in this welcome back to you, Sir, and I do so from the same place in which you left me. (Laughter).

Mrs. Dey: On behalf of the lady Members, Sir, I wish to add my quota in welcoming you back.

Mr. Speaker: It seems quite unnecessary for me to have to put the question; there seems to be unanimous agreement on this matter. I can assure hon. Members that I am equally happy to be back. I have much to be thankful for in knowing that Mr. Macnie occupied this Chair with every satisfaction. I have known Mr. Macnie's capabilities from his early youth, and I would like to express my gratitude to him for having made it possible for me to take a holiday in England. I have noticed from the Minutes that Members eulogized his presidency in this Council and his conduct of its deliberations. I do not suppose that an earlier opportunity to place on record what has been felt about Mr. Macnie's services in this Council has been afforded, because I recognize that for one Member of the present Legislature to praise another

Member's efforts would have been invidious and perhaps dangerous, not being a mutual admiration society, as I once heard this Legislature described. But I am in a position to say that as a result of his recent public appointment the Council has lost the services of a very able legislator.

Mr. Macnie was certainly much respected here both for his courtesy, his wide knowledge and his readiness to give Members the benefit of his experience which has been a very long and valuable one. I cannot recall any speaker in the Legislature who gave less offence when he differed from anybody, and the charming manner in which he did so. I would also like to express the view that if and when the opportunity arises we shall have the pleasure of seeing Mr. Macnie a Member of the Legislature again. (Applause).

Mr. Luckhoo's Resignation from Executive Council

I have received a communication from His Excellency the Governor informing me of Mr. Macnie's resignation as Deputy Speaker of the Council, taking effect as from the 25th of November, and Mr. Luckhoo's resignation from the Executive Council, effective from the 17th November, 1956.

Leave has been granted to Mr. Lee to be absent from today's meeting, and to Mr. Ramphal from today's meeting and subsequent meetings during the period he has to attend the work of the Labour Commissioners' Conference.

The hon. the Chief Secretary (Mr. Jakeway) is unable to be present today. I have just heard that the Rev. Mr. Bobb is absent on account of illness which I hope is only temporary.

CONFIRMATION OF MINUTES

The Minutes of the meeting of the Council held on Friday, 9th November, 1956, as printed and circulated, were taken as read and confirmed.

PAPERS LAID

The Financial Secretary: I beg to lay on the table.

Minutes of meetings of Finance Committee held on the 18th and 31st of May, the 21st of August and the 7th of September, 1956.

Sir Frank McDavid (Member for Agriculture, Forests, Lands and Mines): I beg to lay on the table:

Sessional Paper No. 9/1956—The Regional Rice Agreement 1956, together with the official Circulation and Conference papers and extracts from the reports of the proceedings of the Regional Economic Committee of the British West Indies, British Guiana and British Honduras relating to the Agreement.

Sessional Paper No. 10/1956—Statement on Sessional Paper No. 9/1956 relating to the Regional Rice Agreement 1956.

Mr. Kendall (Member for Communications and Works): I beg to lay on the table:

Report of the Director of Audit, British Guiana, on the Accounts of the Transport and Harbours Department for the year ended 31st December, 1955, together with a certified copy of the Financial Statement.

GOVERNMENT NOTICES

APPROPRIATION BILL, 1957

The Financial Secretary: I beg to give notice of a Bill intituled:

“An Ordinance to appropriate the supplies granted in the current session of the Legislative Council.”

What I am aiming at is that the Estimates for 1957 should be in the hands of hon. Members by the end of this week. I hope that the Appropriation Bill will be published on Saturday, and I propose to move its second reading tomorrow week, on Friday, the 30th of November. It is hoped that as Members will have had the Estimates in their hands for at least a week, that we should be prepared to start consideration of them in Finance Committee, as is usual, at the beginning of the following week, that is on Monday, the 3rd of December. I would further hope—and this is my greatest hope—that we shall be able to complete the passage of the Budget by the end of the year, so that at the beginning of January we should know how to plan our spending for next year.

WAGES COUNCIL BILL

Mr. Cummings (Member for Labour, Health and Housing): I beg to give notice of a Bill intituled.

“An Ordinance to provide for the establishment of Wages Councils.”

Mr. Farnum (Member for Local Government Social Welfare and Co-operative Development): I beg to give notice of a Bill intituled:

“An Ordinance further to amend the Georgetown Town Council Ordinance.”

UNOFFICIAL NOTICES

NOTICE OF MOTIONS

Mr. Luckhoo: I have handed to the Clerk of the Council copies of seven motions, of which I now give formal notice:

SUSPENSION OF EMERGENCY ORDER

Be it resolved:

That this Council respectfully recommends to His Excellency the Governor

[Mr. Luckhoo]

the suspension of the operation of the Emergency Order prepared in accordance with Section 5 of the B. G. (Emergency) Order in Council, 1953.

MATRIMONIAL PROCEEDINGS BY WIFE

Be it resolved:

That this Council respectfully recommends to Government that legislation be enacted similar to the Matrimonial Causes Act 1950, Section 18, as to additional jurisdiction in proceedings by a wife.

HOMICIDE BILL, 1956

Be it resolved:

That this Council respectfully recommends to Government that early steps be taken to introduce legislation in this Colony on lines similar to that embodied in the provisions of the Homicide Bill, 1956, at present under consideration by the House of Commons, whenever the said Act becomes law in Great Britain.

GOVERNMENT'S LIABILITIES IN TORT

Be it resolved:

That this Council respectfully recommends that Government enacts legislation to provide that the Government shall be subject to all those liabilities in tort in respect of which, if it were a private person of full age and capacity, it would be liable if committed by its servants or agents as is provided for under the provisions of the Crown Proceedings Act 1947.

PURCHASE OF RAILWAY LANDS AT KITTY

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

And Whereas the use for these lands as a railway marshalling yard has been abandoned;

Be it resolved:

That this Council respectfully recommends to Government that all of the tenants occupying these said lands be permitted the opportunity of purchasing the lands at a reasonable price, taking into

consideration the fact that the tenants have been responsible for the building up and care of the lands over many years.

RUIMVELDT AND ALEXANDER VILLAGE TENANTS

Whereas the tenants of lands at Ruimveldt and Alexander Village are suffering great hardship since they cannot freely sell, repair or sublet their own houses;

And Whereas these lands are included in the Industrial Zone of the Greater Georgetown Plan.

Be it resolved:

That this Council respectfully recommends to Government that Government should either forthwith rehouse the tenants, as was undertaken to be done by Government, or take the necessary steps to have the Ruimveldt and Alexander Village areas excluded from the Industrial Zone in the Greater Georgetown Plan.

ORDER OF THE DAY

BILLS — FIRST READING

The following Bills were read a first time—

A Bill intituled "An Ordinance to provide for the establishment of Wages Councils";

A Bill intituled "An Ordinance further to amend the Georgetown Town Council Ordinance".

HYDRO-ELECTRIC POWER BILL

Sir Frank McDavid (Member for Agriculture, Forests, Lands and Mines): I beg to move the second reading of a Bill intituled:

"An Ordinance to make provision for the grant of licences authorising the utilisation of the waters of the Colony for the purpose of generating electrical energy, and for matters connected therewith".

As you, Mr. Speaker, must be aware, this Bill has a very long history, and hon. Members may be interested to hear something of it.

As far back as the year 1934, the late Mr. Hector Josephs, then Attorney General, produced a draft Water Power Bill styled "The Water (Electricity Generating) Bill". The draft was sent to the Colonial Office for comment and advice. An answer was received, but it was not until 1941 that the Bill was revised in the light of the Secretary of State's comments. However, for some unascertainable reason, no action followed.

In 1951, on receipt of the application by the B.G. Consolidated Goldfields Ltd. for a licence to construct the hydro-electric power development at Tumatumari (now nearing completion), the question of provision of special hydro-electric power legislation was revised. In 1952, the old draft Bill was disinterred and again revised by the addition of certain new provisions taken from the Canadian Dominion Water Power Act. This revised Bill was introduced into the Legislative Council by the then Attorney General, Mr. Holder, in November, 1952 and given a first reading. However, just as the second reading was about to be taken representations were received from the Demerara Bauxite Company offering criticisms of many of the provisions. Hon. Members will recall that this Company had been, and still is, engaged in metering a number of British Guiana's falls, some on behalf of the Government and some on their own account. While these representations were being considered the session of Council ended and that also ended the Bill.

At this stage, the Potaro Hydro-Electric Company, formed to carry out and operate the Tumatumari Development for the B. G. Consolidated Goldfields Ltd., also joined in giving their views about the draft Bill. After careful consideration of all points of view

the Bill was again revised, and draft Regulations to be made after the Bill became law were also prepared. For this purpose, the best available comparative legislation was used, mainly the Canadian Dominion Water Power Act and Regulations and the British Columbia Water Act. Finally, the draft Bill was submitted for examination by the Consulting Engineers, Messrs. Preece, Cardew and Ryder, and the result is the Bill now before Council.

I would like to digress for a moment to explain that the existing Crown Lands Ordinance does contain a general enabling power with respect to the disposal of Crown lands under which Government may grant a licence conferring water power rights. At one time it had been proposed to use this power to grant a licence to the Potaro Hydro-Electric Company together with an Order under the Electric Lighting Ordinance. This was obviously an unsatisfactory procedure. Consequently the alternative was adopted of granting permission to the Company in terms of a "letter of intent" setting out the principal conditions under which a licence would be granted under the provisions of a Hydro-Electric Power Ordinance when enacted. The project at Tumatumari has therefore proceeded in terms of this somewhat informal authority and, now that it is nearing completion, it is most desirable that a formal licence should be issued. This will be done as soon as this Bill is passed and enacted and Regulations under it are made by the Governor in Council.

Now, I do not wish to convey the impression that the sole purpose of this Bill is to regularise the position of the Potaro-Electric Company. There is more to it than that. Hon. Members will recall that the Consulting Engin-

[Sir Frank McDavid]

eers. Messrs. Preece, Cardew and Ryder, have recently completed a preliminary hydro-electric survey. I tabled their report in this Council a short while ago. Government is giving careful consideration to the possibilities for hydro-electric development. I hope that the second stage of investigation, as recommended by Messrs. Preece, Cardew and Ryder in their report, will before long be undertaken. It is very clear that we must now have on our Statute Book the necessary provision for control of the utilization of water power and the generation of electrical energy therefrom. This, then, is the general purpose of the Bill which is before this Council.

As regards the Bill itself, hon. Members will appreciate, I am sure, that many features of it are highly technical. Nevertheless its main objectives are fairly simple and straightforward. I propose to indicate briefly what these main objectives are, and then to direct attention to the explanations of the various clauses as set out in the statement of Objects and Reasons and to add any comments of my own where necessary.

Perhaps the most important provisions of the Bill are those which declare its application to all Colony water powers and the related lands, and also declare the vesting of title thereto in the Crown, subject to any right lawfully held. This is, of course, analagous to the existing rights of the Crown under the Crown Lands Ordinance. The next important provisions are those which give the right to the Governor in Council with the approval of the Secretary of State to grant licences authorising the use of water powers for the generation of electricity. In this connection, provision is made for the expropriation of private

lands where required by the Crown with appropriate compensation. Provision is made for the cancellation of licences on specified grounds, and also in certain circumstances for the taking over by the Government of any hydro-electric undertaking in respect of which a licence has been granted. The formula for the calculation of compensation to be awarded in such cases and also where the term of a licence has expired is set out in the Bill. Another important provision is for the appointment of an Engineer with the necessary qualifications, who will be assigned specific duties by the Governor under the Ordinance. Last, but not least in order of importance, is the enabling power granted to the Governor in Council to make regulations covering a variety of matters as specified in the Bill. That, then, is a general description of the Bill and what it contains.

I wonder if hon. Members would now join me in a brief perusal of the clauses of the Bill with the intention of making ourselves more fully acquainted with what we are about to do. Clause 3 of the Bill, as I have said, applies the provisions of the Ordinance to all water powers and all lands in relation to them. Clause 4 seeks to vest in the Crown the property in and the right to the use of all Colony water-powers as defined in clause 2.

Clause 5 seeks to provide that lands upon or within which there is water-power, or which is required for the protection of water-power or for the purposes of any undertaking as defined in clause 2; and the water-powers and waters thereon shall remain Crown property.

Clause 6 seeks to empower the Governor in Council to grant licences authorising the use of water-power for the generation of electrical energy,

and that such licences shall specify the price at which electrical energy may be sold to consumers.

Here I want to make my first comment in relation to this obligation to specify in the licence the rate at which energy shall be sold. That applies only in the case of what is stated in sub-clause (3) as a public undertaking. Now a "public undertaking" is defined in the definition clause and is stated there to mean an undertaking established and operated wholly or mainly for the supply of energy to meet a public demand. It follows therefore that what the clause seeks to do is to authorize the Governor in Council to specify in the licence to any undertaking set up to meet public demand the rates which that undertaking is going to charge.

There is a proviso to subclause (3) which says it shall review these rates every five years. Members will agree this is a useful safeguard for the public. It only applies to public undertakings and not private undertakings. We have our first hydro-electric undertaking, the Potaro Hydro-electric Company, Tumatumari. This has been set up not to meet public demand wholly or mainly but to meet the needs of the B.G. Consolidated Goldfields, Ltd. It is conceivable that it will not be used only for private purposes because I am sure the company will wish to supply people around and about, certainly its own employees and possibly a little further afield; but the fact is, it is not a public undertaking and therefore there is no obligation on the Government to make the rates specific. I am not saying that the Government cannot do it, but there is no compulsion to do so. So much for Clause 6.

Clause 7 seeks to provide for the grant of a licence by the Governor in

Council, for the terms of the licence, and for the renewal of such licence. The comment I want to make is that Members will see that the licence is going to be normally granted for an initial period of 50 years, but nevertheless there is power to grant a renewal of the licence for a subsequent period not exceeding 50 years where the undertaking has paid its rents, royalties and has complied with other requirements of the licence, and where the Governor in Council is satisfied that to renew the licence is in the interest of the public rather than allowing some other person to use the site for a similar development. Fifty years may sound a long time, but Members will appreciate that for any undertaking entering this field a vast amount of capital is required and therefore those who will raise it will be entitled to know that that undertaking will have a reasonably long life. Normally it is associated with some industrial undertaking and therefore it is not unreasonable to fix a period of 50 years. I feel most applications will be for this period and possibly for renewal for a long time after, if the Governor in Council is satisfied that it is in the public interest so to do.

Clause 8 seeks to provide for expropriation of private lands by the Crown where required for any undertaking or where necessary for creating, protecting or developing any water power. Well, I think Members will realize that is absolutely necessary. If we are going to have a large water power undertaking it is quite possible that at some time private property may come into the picture, and this clause is to give the Governor in Council power to expropriate such property under the provisions of the Crown Lands Resumption Ordinance with, of course, necessary appropriate compensation.

[Sir Frank McDavid]

Clause 9 seeks to provide for cancellation of grants, leases and licences in certain cases and the compensation to be paid therefor. As I said, where there is freehold property the Governor in Council has the power to expropriate; similarly in this clause the Governor in Council has the power to cancel leases and so on in order that an area set aside for developing water power shall be free from private ownership and private rights to the land. Again there is provision for compensation for persons from whom these titles are to be withdrawn.

Clause 10 makes provision for the payment of compensation by a licence, where compensation has been paid by Government as a result of the expropriation of private lands or the cancellation of any grant, lease or licence of Crown lands. Now this is a case where the Governor in Council, having decided to grant a water power licence and having expropriated certain lands, cancelled certain grants or leases and paid compensation, the Governor in Council decides that it is desirable that the person to whom the licence is granted should reimburse Government for the compensation so paid out. It is a permissive power. That is to say, the Governor in Council may not seek recovery from the licensee, but the power is there, and I suppose it will be exercised in the proper cases.

Clause 11 is somewhat technical. The Objects and Reasons state that this clause seeks "to provide for the joint development of two or more Colony water-powers, which, by reason of their situation can be more economically and satisfactorily utilized by joint development and by one control." I do not want to go into that in any detail. It is not simple but Members will no doubt understand what it means: where it is necessary to develop two water powers

and two interests are involved there are powers here whereby the Governor in Council can take certain steps so that that development can be carried out jointly and mutually and not separately.

Clause 12 seeks to provide for the cancellation of licenses granted under the Ordinance on certain grounds. Of course, a licence having been granted, the licensee, an individual or an undertaking, proceeds in the development at great expense and it should be almost impossible for that licence to be cancelled unless on grounds of great gravity. These grounds are set out in order in the clause, and I will only refer to three of them. Subparagraph (b) sets out: failure by the licensee for three consecutive years or more to pay the rent or royalty due in respect of the licence. I need hardly say that no licensee worth his salt would jeopardize things by not paying. Then (c) says: wilful and persistent waste of water. That, of course, is a serious offence, but another is referred to in (d): wilful diversion or use of more water than the licensee is at the time entitled to divert or use.

May I point out that there is another penalty for unlawful diversion of water in clause 27 where the licensee can be brought into court. Clause 27 reads:

"Any person who wilfully and without authority diverts water from any river or works, or any licensee or other person who diverts a greater quantity of water than he is entitled to shall be liable to a penalty not exceeding five dollars for each day or fraction of a day for each cubic foot per second or fraction of a cubic foot per second of water improperly diverted, or to imprisonment not exceeding thirty days or to both."

Well, the cash value of that penalty is reckoned in cubic feet per second and is an extremely heavy one, and the penalty, as I pointed out, can be inflicted before the court. But to me, the

most important breach mentioned is at the last sub-paragraph (h): the construction, maintenance, operation or use by the licensee of any works which are not authorized under his licence or any works, the plans of which are not approved by the Governor in Council.

Clause 12 refers to the power to cancel any licence for certain breaches, but it does not go on further. What happens? Obviously the licensee cannot continue to operate. It would be a very grave offence if he does. So Members will realize now the reason for the amendment which I have tabled affecting clause 13 which will seek to allow Government, if it wishes, to exercise the right of taking over an undertaking where a licence has been cancelled for any breach of the specific provisions—take-over, of course, with adequate compensation. I mention that because Members will wonder what happens after the take-over. If the amendment I am talking about is approved, that is what will happen.

To go on to clause 13. This seeks to empower the Governor to take over an undertaking before the expiry of the term granted. I expatiated on that earlier and said that normally a licence will be granted for 50 years with a right of renewal, but this clause introduces the right of the Governor at any time after the expiration of one-half of the original term of the licence to give notice of intention to take over the undertaking. That was taken from similar legislation. It is possible that it may be in the public interest to take over an undertaking. That right will exist if this clause is passed.

The compensation is to be arrived at by taking as a basis, having regard to clause 14, the actual cost of such undertaking and adjusting this figure by depreciation. I do not think I need

go into detail about the formula, but it means that beforehand you arrive at the agreed capital cost, taking into consideration clause 17, and a reasonable depreciation over the period is computed, and this amounts to the compensation. There is a proviso to clause 13 which allows a bonus to be granted where the undertaking has been forcibly taken away—three-quarters of one per cent. for each and every year of the unexpired term of the licence. That is extra compensation because of the deprivation the licensee will suffer on account of the undertaking being taken away.

Clause 14 seeks to provide for the vesting of the undertaking upon the expiration of a licence in the Crown, and also seeks to provide for the payment of compensation and for the method of computing such compensation. That is the case where, the licence having expired, having run its full term of 50 years, and not having been renewed, the Crown then has the right to take over the undertaking and to pay the depreciated value at the time of the expiry of the licence. In such a case, of course, there is no question of a bonus.

Clause 15 seeks to provide for the carrying out of surveys on the instructions of the Engineer, and for the keeping of the records and plans of such surveys. It does not need any comment.

Clause 16 seeks to provide for the approval by the Governor-in-Council of plans and specifications of proposed works. I have mentioned this matter before. It is very material that all the plans and specifications of works should have the approval of the Governor-in-Council.

Clause 17 seeks to provide for the fixing of the first cost of any works necessary for the operation of any

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undertaking, or of the addition to any such works. I have already mentioned that as part of the formula and the procedure for valuing an undertaking in the case of a take-over, it is essential that as soon as the works are completed the actual cost should be determined and agreed. That is provided for in this particular clause.

Clause 18 seeks to provide for the rights acquired by a licence under the Ordinance. I think the word "provide" in this sense is wrong. The clause merely says that a licensee is entitled to use the water and the land embraced by his licence in a proper way. It is merely a declaration of rights of a licensee.

Clause 19 seeks to make provision for the rights acquired by a licence not to be prejudiced by a subsequent grant, and clause 20 seeks to prevent a licensee from diverting more water than he can beneficially use. These are the converse of his rights. They are some of the things he cannot do and should not do.

Clause 21 seeks to enable the Governor in Council to waive any term or condition of a licence. It is a saving clause. As time proceeds in the course of 50 years there may be some unnecessary hardship caused by a specific term of the licence, and the Governor in Council is being given power to waive the performance of that specific term if it is established that it is the cause of hardship.

Clause 22, although it is not referred to in the statement of Objects and Reasons, is an important clause because it provides for the appointment of an Engineer who will have very many important functions under the Ordinance. It is the only section I know of in our

laws where the words "necessary qualifications" appear. They may be redundant, but in order to make assurance doubly sure the clause insists that the person to be appointed as Engineer should have what are described as the "necessary qualifications".

Clause 23 seeks to empower the Governor in Council to make Regulations for the carrying out of the provisions of the Ordinance. It is, of course, a most important clause. It contains enabling powers covering a wide variety of subjects which are connected with the administration of the Ordinance. The Regulations will provide the method by which applications may be made, the rights to be granted when an application to survey a site is made, and how the application should be made; what publication should be made, and if objections are made, how they should be dealt with.

Mr. Speaker: What is the meaning of the word "pondage" in paragraph (a) of sub-clause (1)?

Sir Frank McDavid: It is a technical term which has exactly the same meaning as the word "storage". You can store water in a lake, but when you talk about pondage you refer to the impounding of water artificially.

Clause 24 is a strange one in that it imposes an obligation on a licensee to have an office in Georgetown. I suppose that in 50 years Georgetown will remain the seat of Government, but supposing that it does not and our seat of Georgetown is transferred to New Amsterdam or Bartica, we shall have to amend the Ordinance.

Clause 25 seeks to provide that a licence shall not be assigned, transferred, or the licensed area parted except with the consent of the Governor in Council, but the licensee may,

subject to the approval of the Governor in Council, mortgage his undertaking. That is quite understandable. A licence is granted to an individual, a person who has been vetted, and who the Governor in Council is satisfied can carry out his obligations. Therefore it would not be right for such a person to transfer his licence without the specific approval of the Governor in Council. Similarly, a licensee is being given the to mortgage his undertaking with the approval of the Governor in Council.

Clause 26 seeks to create certain offences and to prescribe the penalties in respect of the commission of those offences. They are offences primarily committed by persons other than the licensee—people who wilfully or maliciously hinder or obstruct anything in connection with an undertaking.

Clauses 27 and 28 seek to prescribe the penalty for unlawful diversion of water, and for the pollution or obstruction of a river.

Lastly, clause 30 seeks to make provision for the reference of matters to the Supreme Court, while clause 31 seeks to provide that any question or dispute with respect to a licence or any matter or thing connected therewith, or the powers, duties or liabilities of the licensee thereunder shall be referred to arbitration. That is an extremely valuable provision because differences on those matters are hardly capable of solution in a court of law. Therefore the clause provides for arbitration.

I have perhaps wearied the Council by going through the Bill in some detail because of its importance, and because it was necessary, I think, to set down in *Hansard* a complete description of what it is all about. I do hope that having regard to its general importance the Bill will commend itself to Members of the Council. As I have

said, this Bill has been a long time in reaching this Council in final form, and I hope that now that we are taking this step it will at long last find its proper place in our Statute Book. I formally move that the Hydro-Electric Power Bill be read a second time.

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

Mr. Luckhoo: This may well be termed a land of many waters. Here in this country of Guiana, Nature has been kind to us on many occasions and in many places. Sometimes she frowns on us. We suffer to the extent of having our foreshore low, the waterfront difficult, large areas of land upon which we can grow very little, while on the other hand we have large rivers, many waterfalls, and I think it is intended that we should so utilize Nature as to be able to make the best conceivable use of her kind acts and gifts to us. And when one sees, as one is seeing here today, that efforts are being made in the correct direction to provide for the promotion of hydro-electric power, one must necessarily welcome such steps.

Let me say this, Sir, that hydro-electric power offers perhaps the most exciting possibilities for the future of this country. If we were to exclude perhaps the finding of oil, this may well be the future of the country. It is no use our speaking in the abstract and being vague about this being a "Magnificent Province", with limitless opportunities. We must endeavour to take what we have and make the best possible use of that which is. What we want more than anything else in this country is the means whereby we can utilize our manpower, the growing population, the people who can be absorbed into industries. How are we going to have those industries? It is no use thinking that British Guiana is a charming country, so gifted that she

[Mr. Luckhoo]

simply has to wave a wand and industries will spring up. One of the chief inducements to attract capital and to have industries established, is cheap electric power which can be obtained through hydro-electric power.

I recall as a youngster going to school when one used to hear so much about Kaieteur and of the abundant power that could be made available if only that waterfall were harnessed. We have many other waterfalls and many other rivers besides the Potaro, and one is happy to see at last there is some effort being made for the proper utilization of the waters of the rivers of the Colony for the purpose of generating electrical energy.

I wish to say this, that everything conceivable should be done by Government to induce the further exploitation of hydro-electric power. We need to have capital interested and to do everything we can to make them aware of what we have to give them—such concessions—in the hope that out of it may arise the boon and blessing of hydro-electric power with which one associates the future of the country. By that means we will have industrialists coming into this country and consequently result in thousands who are unemployed or are under-employed and the thousands who are coming out from our schools being able to look forward to the future with greater confidence.

I feel, Sir, that a Bill of this kind is a necessary step in the movement towards obtaining hydro-electric power, and, as I have said, I am happy to support this Bill. I repeat, Sir, because it is worthy of repetition that there are places today in the Colony where unemployment is very keenly felt—places like the Port Mourant area from which I received yesterday another telegram

to the effect that those who are unemployed are virtually starving in that area. I went there and saw for myself. They are very hard pressed because of two causes—the closing down of the factory and the improved methods used in the field. They are very hard pressed indeed, and consequently when one sees any movement which, although it may not be for the future, offers at least some hope for the future one must rejoice and be exceedingly glad.

Although hydro-electric power will not solve the difficulties of those people of Port Mourant, they are hoping that they would be able to get certain lands which they would work on their own. To my mind those lands leased by the estate but not being used should be given them so that they can cultivate them and they would so be able to help themselves. Yet my hon. friend friend (Mr. Cummings) laughs. Surely he laughs because he does not know the extent those people who are unemployed are suffering. I do mean it, they are suffering, and the future of this country does lie in hydro-electric power. I repeat that everything conceivable to induce the development of this type of power should be done, and I hope it will be done by Government. I support the Bill.

Mr. Cummings (Member for Labour, Health and Housing): Mr. Speaker, I did not intend to rise to speak so early in my unqualified support of what is obviously a far-reaching and well thought out developmental measure, but what surprised me is that my honourable and learned friend misunderstood my reason for laughing. I was laughing at the fact that he has only now — I do not know why so suddenly — appreciated the importance of something that struck this Government for some years now — the Bill that is now before this Council. I had hoped that by now he would have realized from his experience of

the past few months that this matter had been receiving the very careful consideration of the hon. Member for Agriculture for some period, and but for the necessity of having expert advice and the necessity of making certain that people would be introduced in the right way, this Bill might well have been law for some time past. I am also surprised that only now the hon. Member appreciates or cares to state how concerned he is over the position of the unemployed in this Colony.

Mr. Luckhoo: To a point of order!

Mr. Cummings: I will not give way.

Mr. Luckhoo: The hon. Member is indulging in personalities, and I do not think he is permitted to do so. I do not see how his remarks are relevant. If he wishes a boxing-match this is not the place for it.

Mr. Cummings: Mr. Speaker, I have no desire to humble the hon. Member. He has done so himself.

Mr. Luckhoo: Conceit is my hon. friend's greatest gift.

Mr. Cummings: I am not going to pursue the interruption. I have no desire to hit a man who is down. It is not part of my training. All I am saying is, it is abundantly surprising that one who saw fit, in spite of dangers, to become a Member of the Government and sat on its Committee and listened to what was pending for a number of years should now come out and seek to tell the people that nothing has been done by Government for the past years.

Mr. Luckhoo: I must rise to a point of order. I am supporting the

Bill. What my hon. friend wants me to do? He is indulging in needless personalities, which he is not permitted to do under our Rules.

Mr. Cummings: I am going to abide by any ruling of the Chair, but I do not see any reason why anyone should say I have referred to personalities when I am referring to what the hon. Member said. The hon. Member referred to someone laughing. Knowing that I was laughing I am telling this Council why I laughed. I laughed because — my opinion may be wrong.

Mr. Speaker: I accept the hon. Member's suggestion.

Mr. Cummings: Your Honour, I am entitled to speak.

Mr. Speaker: I am supporting you there. You intend to give an idea of your reason for laughing.

Mr. Cummings: Is Your Honour ruling that I have been personal in my remarks? I hope my honourable and learned friend does not regard what I regard as fair comment on what he said as something personal. He said it and I am referring to what he said. I am not struck by any personalities. What I was saying is this: the question of the unemployment of the people of this country is something that has been receiving the attention of this Government for a period of years, long before this "Carefaker" Government was set up. Quite recently—and the hon. Member knows that too—the situation at Port Mourant was brought to the attention of the Government, discussed by the Government and all possible measures taken by the Development Secretary to see how the unemployed can be settled on Land Settlement Schemes conceived by Government for some time now. I am entitled in my position as a Member of the Government to defend Government

[Mr. Cummings]

against this attack—it is nothing short of that—under the guise of support but meant to be an attack. That is my view in which this Council would find my reason for laughing while the hon. Member was speaking.

Mr. Carter: I hope the hon. Member for Labour does not think a Land Settlement Scheme is the only scheme to employ all our unemployed.

Mr. Cummings: I am grateful to the hon. Member for assisting me in my line of attack. I am saying that you, Mr. Speaker, sat here and listened to Development Programmes put to this Council by Government. I do not know what the motives are for trying to make it appear that nothing has been done by Government during the past few years. Development Schemes do not blossom overnight. Certain visual aspects do not immediately materialize. The problem of land settlement, the problem of industrialisation, the question of the inducement of capital from abroad are matters which have occupied the attention of Government long before this “Caretaker” Government came into being. Why particularly my honourable and learned friend should do so on this occasion? I say without fear of valid contradiction that all this talk about the future of those unemployed people is but an attempt for political, and other reasons, to say that this Government has been sitting and doing nothing until by the wave of some magician’s wand something is plucked out of the mystical sky.

In supporting this Bill I wish to congratulate the hon. Member for Agriculture very heartily. It is with much regret I have had to say what I did, but it was absolutely necessary. Because the Bill had to be presented in a proper form, it took so long to come before this Council.

Mr. Correia: Your Honour, this Bill before the Council today is vitally important to this country. It was on account of its importance that I approached the hon. Mover of this Bill, when it was on the Order Paper for its second reading, to defer it for a week so as to allow Members a little more time to study the Bill. I was very glad that the hon. Member got the Chair’s permission to defer the Bill not only for a week but actually for two weeks. Reading the Bill through I have found it very technical, but the Objects and Reasons are put so very plainly that the Bill can be understood by any layman.

I suppose the hon. mover of this Bill has studied Bills of the same kind produced by other countries, so as to be able to draft a Bill for this country which is sound and something of which we can be proud. It is by trial and error that other countries have developed sound policies, and I expect that the hon. Member has been able to get the benefit of the experience of other countries.

In the past, as the hon. mover mentioned, it was extremely difficult for anyone to apply for a licence to develop water power because we had no laws laid down and rules had to be devised for each application separately. With the passing of this legislation it would be very easy for anyone to apply for a licence to develop water power in this country. We are blessed with a number of rivers and waterways which can develop this country by means of cheap power. So far we have not found oil or coal—two minerals which have helped to develop other countries—but we have water power, and this is something which will play a major part in developing this country.

The Bill gives Government very wide powers, and I refer to clauses 8, 9 and 10. Clause 8, for instance, seeks to provide for expropriation of private

lands by the Crown where required for any undertaking or where necessary for creating, protecting or developing any water power. Clause 9 is similar and so is clause 10. The powers given to the Government are, however, necessary, and we can only hope for a stable Government because these wide powers can be abused by an unstable Government. Anyway, we have to gamble on that.

Whenever Government presents a Bill that is constructive and in the best interest of the country and the people, we should support it and commend Government on its actions, especially if it concerns the development of the country. At the same time, whenever Government brings something before this Council which I think is not beneficial to the country, and the people, I will, and in the same spirit condemn Government as I am now commending it in speaking on this Bill.

Cheap power in any country is the road to success and development and without it no country can hope to compete in the modern world. I support this Bill and I hope that Government will bring others just as constructive and beneficial to the country.

Mr. Lord: I support this Bill because I regard it as a realization of a plan which I have long thought should be accomplished in this country. Very many years ago I took part in a survey of one of the rivers of this country to establish a reservoir for water power, and in my travels I was struck, as have other persons, with the enormous water power potentialities in this country. I came into the picture when one of the mining companies desired to establish an electric power station on the Potaro River, and at that time I advised Government that under the Mining Regulations a licence could be issued for mining purposes but I felt there should be some enactment which was more comprehen-

sive and which should control such licences. I therefore undertook to draft a Bill to control the use of water resources, and in that I would say I was guided by the Dominion Water Power Act of Canada. I also had the advice of the United Nations hydro-electric expert, Mr. Van Staalen, who suggested that in an undeveloped country such as this, where there is not a great amount of money to develop this type of power, if progress was desired, the provisions of the Bill should be flexible enough to encourage capital, not discourage it from being invested in this field.

That Bill, as the hon. mover said, was published in 1952 when it went through a series of examinations, and finally it has emerged in its present form. I am very happy to see Government taking this opportunity to present this Bill for acceptance by this Council. I think it is unsatisfactory, really, that a company should go in for investing millions of dollars in hydro-electric development when there is no legislation to control this activity. In the case of a private undertaking it was my intention, and I put this up to Government, that the term of the licence should be equal with the term of the lease, so that the two things would end more or less at the same time. I do not think I need further praise the Bill because it is there to commend itself. I have very great pleasure in supporting this legislation.

Mr. Carter: I was very happy when I heard Mr. Luckhoo praise the waterways of British Guiana. Every Member of this Council is aware of the value of hydro-electricity to this country. Mr. F. H. Hutchinson, Consulting Engineer, on 7th June, 1949, presented his report on the possibilities of hydro-electricity in this country. The hon. mover, Sir Frank McDavid has said the draft Bill was made in 1952, and the hon. Member, Mr. Lord has just supported this Bill which shows some changes on the 1952 draft.

[Mr. Carter]

There are very few changes in the 1952 draft Bill when the Hutchinson Report is considered, and although I am prepared to support this Bill for the purpose of developing hydro-electric power for this country I cannot support it as it is presented to this Council. I would support it if Government itself meant to spend the millions of dollars it would take to harness waterfalls for the purpose of providing electrical energy. I would like the hon. mover to tell this Council which individual in British Guiana or which combination of Guianese is going to subscribe to the amount of money necessary to establish a hydro-electric power-plant. Some of the clauses of this Bill are likely to scare any foreign company from any idea of investing money in the establishment of a hydro-electric plant in British Guiana. To start with clause 6, we find that Government is to dictate the rates which a company should charge for the supply of electrical energy even before the extent of its investment is known.

Clauses 8, 9 and 10 deal with the question of compensation in regard to expropriation or the cancellation of a licence. If I owned land through which a company desired that its railway should pass, the company would have to negotiate with me as regards the charge for such a concession. Similarly, if a creek runs through my private land and a company desired the use of the water from that creek for its hydro-electric plant it would have to negotiate with me for the use of the water. Why then should Government expropriate land for which I hold transport?

With regard to clauses 12, 13, 14 and 20, am I to accuse Government of trying to be robbers? A company is granted a licence for 50 years to operate a hydro-electric plant, and after 25

years Government may exercise its power to take over the undertaking. Such a provision would not encourage people with money to come to the Colony and set up a hydro-electric plant. There are certain large concerns with whom I am in contact who are interested in this Hydro-Electric Bill, and they would like to study it a little more. Although the Bill was deferred for one week, which was extended to two weeks because the Council did not meet in that week, I am asking that it be deferred for one week more.

Mr. Jailal: I believe that we reached another milestone in the history of British Guiana when this Bill was brought before this Council for second reading. I am not in the habit of showering excessive congratulation on Government for things they are doing, but on this occasion I wish to pay a public tribute to all those concerned—the officers who have examined the details and the Administration who have studied and brought forward this historic bit of legislation in the annals of this country's history. As the hon. mover has said, it has a long history, originating with the late Mr. Hector Josephs.

The records show that some countries have become great as a result of the development of hydro-electric power which has been responsible for full-scale industrialization. We have always been clamouring for the establishment of industries in British Guiana. We feel that our agricultural pursuits would be greatly enhanced by the production of cheap power. At the present time our motive power is for the most part generated by internal combustion engines, for which fuel supplies cost the country a good deal of money. We are converting continuously to diesel engines and the use of diesel oil instead of gasolene. Indeed the greater consumption of diesel oil may result in the

companies producing it increasing its price, and to offset the loss of revenue on gasolene Government may even increase the duty on diesel oil.

But a new vista is being opened. In another few years, if hydro-electric development proceeds with the speed which I hope it will, I visualize electric drying equipment for rice farmers and completely noiseless rice mills operating all over this country. Georgetown will probably become more highly industrialized in course of time with the passing of the present system of production of electrical energy, a system under which we pay probably the highest rates in the world per unit. The development of hydro-electric power will provide cheaper lighting and power for the people of the country.

There are possibilities of establishing industrial plants in the interior of the Colony. For instance, there is an abundance of sand for the manufacture of glass, and a Committee has recommended the establishment of a chipboard plant. It is my view that with the development of hydro-electric power a chipboard industry in this Colony would be able to stand up against competition in this line of manufacture in any part of the world, because there is no necessity for the construction of great dams. This country provides natural waterways for Venezuela and Brazil, and I do not think hydro-electric projects would experience any difficulty in having a sufficient supply of water. That, however, is a matter on which technicians must advise us. In terms of development I feel that British Guiana is at the cross-roads. I would liken it to an adolescent stage, and it is up to us to choose which path we will follow.

The hon. Member, Mr. Carter, referred to the development of hydro-electric power as a Government project, and Government taking over any undertaking in certain circumstances. I can-

not agree with that. I would recommend to Government that in the Regulations to be made, provision should be made to ensure that the various plants to be established produce a uniform voltage. I agree with Mr. Carter that in our lifetime we may not be able to find sufficient money to undertake a great hydro-electric project like that at Niagara, but we may be able to build a small one at Tumatumari and another in some other part of the interior. With such small plants generating electricity of similar voltage there could be the requisite tying-up of those plants and the establishment of the grid system to which the Member for Communications and Works (Mr. Kendall) has often referred. I think such an arrangement would be far better than if Government tried to construct a huge plant to supply power to the entire country. We do not want to find ourselves still planning 100 years from now. We want a little bit of speed even if we break down on the way; we could get out and repair the engines. The whole progress of the country depends upon the production of cheap power, for which we have been clamouring for years.

With regard to the question of the fixing of rates, I think that if the Government of that day had taken power to fix the rates when they were awarding the lighting contract to the Canadian firm who provide us with electric power, local consumers would not now be complaining of oppressive power charges. I feel that no Government—I do not care who run the Government—can so fix the rate that it will be completely uneconomical to any Company. We will never be able to do business as companies will not embark on such projects. I feel such a clause is unnecessary.

There was a third point made by the hon. Member, Mr. Carter, that there are people owning creeks. I do not know that, and I whispered across to my hon. friend, Mr. Correia, about it, as I was in

[Mr. Carter]

wonderment about people owning creeks. But all I can hear is that the people in this country do not own creeks. Creeks are not private things. If even you own the lands on both sides of a creek, that creek, like a river, belongs to the Crown. I think that is the case. I feel there is every reason for Members to support this Bill. I feel that we should support it, if not in every line and sentence then we should see to it that at least the principle of it is supported to the fullest.

Mr. Speaker: I think the expression "creek" is the usual expression given to a waterway that runs through Crown lands. Is not that so, Mr. Lord ?

Mr. Lord: A creek is defined as a natural waterway not more than ten miles in length running through Crown lands. There is a reservation of 16 feet along both sides not included in the licences issued in respect of those lands.

Mr. Speaker: Mr. Carter! Are you referring to a waterway on private property ?

Mr. Carter: Yes, Your Honour.

Mr. Speaker: Do you know any creek outside Crown lands which is owned by a private individual ?

Mr. Carter: I have a friend living at a place eight miles before you reach Wismar who owns 1,300 acres of land with a creek running through the centre of the land.

Mr. Cummings: I learnt at school that the definition of a creek is a waterway which empties into a river. The fact that it empties into a river designates its classification.

Mr. Rahaman: I rise to support this Bill. It would be one of the greatest achievements by Government if electricity could be supplied from one end of

this Colony to the other. It is one of the amenities the people of the rural areas greatly need and it will solve the problem of the people of the rural areas flocking into Georgetown. There are three things the people in the rural areas greatly need—electricity, potable water and good streets in the villages. I am sure that given those things they would remain in the rural areas. I know there are children in the rural areas who left school in the 4th or 5th standard and when taken to task have been found to have forgotten all they learnt at school because they did not keep on reading after they left school. The reason for that is, there is no encouragement to read with oil lamps. If there had been electric lighting in the villages those children would have had the encouragement and desire to read newspapers and books in their homes at nights.

If electricity can be supplied in the rural areas not only would such problems be solved but in the rice industry the millers are looking forward to instal electric motors in their factories. When the time comes I am sure that will cut down the cost of production, as there will be less wear and tear of machinery, less use of diesel oil, although Government may lose some revenue in that respect. Therefore I am supporting this Bill.

Miss Collins: I desire to congratulate the hon. Mover for presenting to this Council such a valuable Bill. Fourteen years ago we called on Government to do what lay in their power to get cheap electric power, because we had realized that cheap electric power would play an important part in the industrialisation of this Colony. I do hope that the time is not very far distant when hydro-electric power will be an established fact and not just a document.

Mr. Speaker: Does any other Member desire to speak on the Bill ?

Mr. Gajraj: Mr. Speaker, when a group of persons get together and delve into the problem of trying to produce in comprehensive legislation, something which is needed at the present time and which is itself relevant to the future, and then we find that the efforts of that group—such as the Government of this country—are clearly defined in a speech, such as we have heard from the hon. Member for Agriculture, I believe that those of us who have been associated in that task would feel it is necessary for our voices to be heard in support. But when in addition to that we come to the Legislature and find such unanimous support of a measure that must have far-reaching effects on this Colony, then it behoves us, as I do now, to rise and say how appreciative we are of those Members of the Legislature for commending this Government and particularly the hon. Member in charge of the measure for the work that has been done and the clarity which has been put into the measure which has been presented to this Council.

There is no doubt that, in the development of any country in these modern days particularly, motive force is absolutely essential, for without such power the wheels of industry cannot turn. All the scientific accomplishments would just be bogged down, unless you have motive force to put them into action. Throughout the centuries we have seen various forms of motive power. From the time when Watts brought forth his steam engine there has been a revolution in the way of life, a revolution in industry and all forms of production and movement. From that day on onwards we have been moving on, so that the world today recognizes that electricity is the cleanest and best means of making use of motive power which is so necessary for all the things I have referred to.

Electricity can be generated by several means. We have got the thermal units whereby electricity is generated

after things like diesel oil have been used for the purpose of converting motion into electricity. In these latter days we have the atomic plants. But, Sir, I think it will be agreed that where there is so much of natural water-power, the cheapest and most lasting source of electricity is the development of that water-power. That is where hydro-electricity comes in because by generating electricity by the use of water-power we have an assured source of supply which will outlive us who are in this Council today and those living in this country today. We have the assurance of the abundance of water in British Guiana coming from the heights of the country and falling down to the levels which we would be able to use for the purpose of turning generators to provide us with this cheap form of power.

I was very pleased to hear many Members speak of the new vista which hydro-electric power opens to the mind—the development of large areas of soggy forest lands, planting them with crops which will not only feed the growing population of this country but also enable us to bring in additional revenue, because the value of our production would increase and we would be able to take care of the excess of population which our neighbours in the Caribbean have got so much on their hands and which cause them tremendous worry. There are so many things we can do if cheap power is brought to our country. But we cannot bring that cheap power until we are prepared to regularize how that power should be produced, how it is to be used and at what cost to the people who ultimately would consume that power. These things the Government had in mind. They are new to British Guiana and, therefore, it was necessary to take a long time to reach this stage, as advice had to be obtained so as to make sure that we are on the right path.

All of us in this Council, indeed all of us who profess a desire to lead and guide this country, will agree that one

[Mr. Gajraj]

of the things we need is the expansion of industry. But industry will never come in full force to British Guiana unless we can provide at least three inducements in addition to the others which we offer: income tax holiday, duty-free admission of goods, etc.; unless we can offer cheap energy, good roads for transportation and a plentiful supply of pure water we would never be able to get industries in this country in the way we would like.

This Government has certainly been trying its best to lay the foundation for attracting capital in large amounts and industrial enterprises of varying types, but nothing can be done overnight; all these things need very careful planning, very careful study and the proper setting before they can be successful. But despite the fact that we have been absorbed in all these things, I think that during the period of office of the present Government many new undertakings have placed themselves in the position of having a toe-hold in the development of this country.

When one talks of power one cannot fail to remember the brewery that is going up not far from Georgetown, the large biscuit factory not much farther away, the large and modern soap and margarine-making plant in operation also on the East Bank. Those are what we can see, but let us not forget the large manganese enterprise in the interior on which hundreds of thousands of dollars have already been spent, not in extracting manganese from the soil but in preparing the soil so that in two or three years' time we will see a start made in the development of that mineral which is in abundance in this country. Members will notice that I have refrained from using the word "exploit". "Exploitation" is a word that is looked upon with opprobrium because of the taint of colonialism that is associated

with it. This is development of the country's natural resources, so that the people will benefit from it according to their heritage and their right.

It has been heard here today that the creeks of this country passing through private lands must be considered as owned by the owners of the land. I want to disagree with my hon. friend, Mr. Carter, because a creek, like a river, is part of the natural resources of the country and as such no matter where it flows it belongs to the Government and the people as a whole. It is nationalized property, if I may say so.

Mr. Speaker: Don't go too far with that term. Remember Suez!

Mr. Gajraj: Yes, Sir, I will say this, with due respect: there is a difference between a canal and a creek. One is a natural waterway and the other is a waterway dug by man.

Mr. Speaker: It is not my intention to make any difference. What I am telling the hon. Member is that Mr. Carter spoke about water running through private lands. We have had a definition of a creek. What Mr. Carter really referred to was ownership and he claimed there should be some protection from the old river bed being interfered with.

Mr. Gajraj: Yes, Sir, but I am entitled to say that if it is a creek the water belongs to the country and no individual rights can interfere with that. A canal is dug by human beings. If I choose to dig a canal, then I can claim the canal is mine, but when it is a waterway put there by the Almighty, then it is different.

On the question of electric power bringing with it industrial development, one has only to look at what has been done in the United States within living memory. I refer to the project known

by the letters "T.V.A."—Tennessee Valley Authority — in which tremendous quantities of water were used to develop electric energy. At the time the scheme was started it was calculated, after a survey of the needs, that there would be a surplus of power. With this cheap power available people settled in the area, factories sprung up, larger communities developed and within five years it was found that all of that surplus energy was taken up. They planned another Authority of that type to bolster further development of the area. I venture to suggest that if we in British Guiana should find ourselves in that position after we have developed water power, we would thereby encourage the development of communities wherever the power lines are run.

The hon. Member, Mr. Jailal touched upon a very important point when he spoke about having in some measure uniformity in the voltage and frequency of electricity to be provided by hydro-electric schemes. I want to assure him that Government is very well aware of the difficulties that will present themselves to us all if the generation of electricity were committed in such a manner that where in one area we would have, let us say, a frequency of 50 cycles, in another area we have 40 or 30 cycles. I think this Council knows — the Development Programme reveals it and the hon. Member for Communications and Works has mentioned it time and time again — that we are planning colony-wide electrification so that we can feed into a central system all the surplus energy and power that come in. This is not a dream of the Government: it is a plan that faces reality, but it will take time to come to fruition.

I think perhaps it might not be brought to fruition as quickly as we

may wish, nevertheless I want to lay claim to the foundation being laid by this Government to light up this country wherever people reside because we realize more than ever that it is the absence of proper lighting to a great extent that encourages the exodus from the country districts to the city. This Government is of the views that there should not be the best only for urban areas, but that we should carry to the rural areas all the amenities which we in the city enjoy. But let me stress that in this age we do not have Alladin's Lamp. It needs hard work and proper and precise planning, and with the help of God and the goodwill of the people of this country our efforts will be crowned with greater success.

Mr. Carter : I am not ready with certain amendments.

Mr. Speaker : Is the hon. Member asking for a postponement of the second reading?

Mr. Carter : If the hon. mover wants to go ahead, he can go ahead.

Sir Frank McDavid : I should like to reply briefly before going into Committee. First of all, I thank Members for their commendatory words and support which they expressed. They have given me personally great pleasure because I have been connected with the planning of this measure for a very long time. I would like to make a few comments on Mr. Carter's remarks. May I say that had I been subjected myself to a transformation from the Government to the "floor" such as we have recently seen taken place, I would have offered one criticism. Inasmuch as I have not heard it expressed, I will make it myself.

One Member referred to certain reports on the question of waterpower in

[Sir Frank McDavid]

British Guiana. Of course, there have been several reports and the subject has been written upon exhaustively. But one thing that has been a serious detriment to any development of water power was the unfortunate lack of any real gauging results. Everyone knew we had falls but no one knew what were their true power capacity. We talk about Kaieteur Fall, but it is only in these days that its power is becoming known. It is only recently that we have been introducing the gauging of falls—a matter on which I myself have touched—and in the next five years we shall have certain falls properly metered, so that any corporation wishing to develop them will know precisely what would be their capacity.

As I said, the Demerara Bauxite Company has been actively engaged in this matter both on its own account and on the account of the Government, and it is really very important that we should know what we can do if we are considering development of water power in a particular fall or series of falls.

To return to Mr. Carter: I would have been extremely alarmed if I had to accept his statement, that this Bill would be discouraging to persons who wish to go in for hydro-electric development. I think this is what he said, that the nature and terms of the Bill were such as to obstruct the possibility of a company or companies and individuals wishing to enter this industry. I would find it very alarming if I had to accept that, because this Bill has been examined very carefully by people who are interested in hydro-electric development—the Demerara Bauxite Co., the Potaro Hydro-electric Co., and the C.D.C.

Those are the three organizations who may, I hope, be induced to go in for hydro-electric development in this

country, and it is because we want to be quite sure that we should enact nothing that would discourage them we have taken all this time and trouble to have all these matters carefully considered before we brought the Bill before Council. Consequently, although I accept the hon. Member's suggestion that there is some organization with whom he is in contact that might be discouraged, I want him to accept my assurance that reputable people have been through this Bill and have found no objection to it in its present form. I hope the hon. Member will accept that in spite of the fears of some unknown person he may have consulted about it.

While I am on Mr. Carter's comments may I say that I am a little surprised at the intrusion of his little argument about creeks. Creeks, of course, hardly ever come into hydro-electric development *per se*. In fact they disappear as such when the land is flooded. The hon. Member seems to suggest that creeks are going to be used as a source of water power. Nothing is further from the truth. I am not going to enter into any argument as to whether a creek does or does not belong to the Crown. It is sufficient to say that what would happen to the creeks is that they would be flooded if they happen to be in an area covered by hydro-electric development. They would be lost.

In the Bill "Colony water-power" is defined as meaning any water-power in lakes, falls, rivers or streams which can be used for the purpose of generating electricity, and "river" is defined as including all natural water-courses or sources of water-supply, and all streams, lakes, creeks, springs and ravines. Further on the Bill seeks to vest all those sources of water supply in the Crown. So that so far as water power is concerned I am afraid that the creeks become vested in the Crown, the only reservation being those wonderful words "subject to any rights lawfully held."

If there should be any creek on private property lawfully held by the owner, then I presume that if it is taken over the owner of the property would be entitled to compensation. But so far as this measure is concerned, undoubtedly a creek becomes vested in the Crown for purposes of water power.

I am grateful to the hon. Mr. Gajraj for having referred to the question raised by Mr. Jallal, and for his explanation of it. I do not want to go into it again, except to say that of course the subject of the linkage of supplies of hydro-electric power or, for that matter all electric power, is a matter which the Government is completely alive to. It is not so much a question of unified voltage but more particularly of unified frequency. As I have said, this question of the possibility of being able to link all sources of electricity supply is a matter on which we are very much alive, and I feel sure that nothing would be done to prevent the proper development of the grid system in British Guiana as it exists in England. I am not at all pessimistic about this. I have mentioned three organizations that are obviously interested in hydro-electric development in British Guiana, and I have reason to believe and hope that before very long, even if none of those three organizations come forward with proposals for development, Government itself would certainly have to undertake the second stage of the survey which has been recommended by the Consulting Engineers, Messrs. Preece, Cardew and Ryder. I do hope to live long enough to see hydro-electric water power development operating in British Guiana.

Mr. Speaker: I propose to put the question "That the Bill be read a second time."

Agreed to.

Bill read a second time.

COUNCIL IN COMMITTEE

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

Clause 1.—*Short Title.*

Agreed to.

Clause 2.—*Interpretation.*

Sir Frank McDavid: I would ask the Council to accept the deletion of the definition of the term "licensed area" on page 2 of the Bill, which is stated to mean the area within which the exercise of the rights, privileges and authorities conferred by a licence is confined. I have been advised by the Law Officers that that definition is redundant, because if Members would look at clause 6, sub-clause (2) they would see that it says:

"(2) Any licence granted under this Ordinance shall be applicable to specified areas (hereinafter referred to as licensed areas) and such areas shall be defined or described in the licence."

In other words, where the term "licensed area" is used in the Bill it carries its own definition. Consequently, a separate definition in the interpretation of terms is unnecessary. I therefore move the definition of "licensed area" be deleted from clause 2.

Clause 2, as amended, agreed to.

Clauses 3, 4, 5 and 6 passed as printed.

Clause 7.—*Terms of Licence.*

Mr. Carter: Sub-clause (2) provides that a licensee may apply in writing to the Commissioner for a renewal of his licence, not less than 24

[Mr. Carter]

months prior to its termination. I see no reason for 24 months' notice for a renewal of a licence, and I move that it be reduced to 12 months.

Sir Frank McDavid: The hon. Member has not given any reason for wanting a change to 12 months. I can assure him that when a licence expires and the property is expropriated by the Crown, there are certain compensatory rights which accrue to the licensee. So that Government should know well beforehand what is going to happen. Is the licensee contemplating asking for a renewal of his 50-year licence for another period, and the grounds on which he will apply; is it in the public interest that he should be granted a renewal? In a matter of this sort perhaps 24 months' notice is too short. However, that is the accepted term, and I see no reason whatever for altering it.

Mr. Carter: I cannot see why those questions could not be considered within 12 months. Subclause (3) provides that the licensee who applies for a renewal of his licence shall be given preference over other applicants for a licence to use and occupy the waters and lands included in that licence. Why should Government entertain applications from other persons when the licensee has applied for a renewal of his licence?

Sir Frank McDavid: May I ask the hon. Member why he does not like 24 months? I would like to know why he prefers 12 months' notice.

Mr. Carter: Why shouldn't it be 12 months instead of 24?

Mr. Correia: The hon. Member is inconsistent. I cannot follow the argument of the hon. Member.

The Chairman: The hon. Member is being asked for his reasons for the amendment. It is an important concession, and some notice must be given by the licensee to the Government, and should not give short notice in a matter of this kind.

Mr. Carter: I think one year is sufficient notice.

The Chairman: There must be some supporting grounds.

Mr. Carter: I had asked for a deferment of this Bill for a week as I did not want to oppose the Government on it. I cannot reply at the moment in support of my objection.

Sir Frank McDavid: I am extremely sorry to oppose that. This Bill has been published since the 25th of October and has been on the Order Paper for a long time. It was deferred for one week on the last occasion at the request of the hon. Member, Mr. Correia, and in the ordinary course the time was extended for another week. For any Member to say now that he wants time to prepare amendments to the Bill, he is just delaying the action of this Council. May I say quite firmly that the hon. Member is incapable of drafting an amendment to the Bill which was drafted by legal professional people of the highest calibre. I can assure him that if he puts forward any amendment I would be bound to reject it.

The Chairman: I cannot hear from Mr. Carter the reason for his objection.

Mr. Carter: It is not possible for me to have this Bill deferred any longer, if the hon. Mover wishes it to go through as it is.

The Chairman: It is too important a measure.

Mr. Carter: I agree to withdraw the amendment.

The Chairman: We are very much indebted to you Mr. Carter. We must get this Bill through this afternoon.

Clause 7 passed as printed, also clauses 8 to 12:

Clause 13—*Power to take over undertaking before expiry of term.*

S. Frank McDavid: I wish to move the following amendments, which have been circulated to hon. Members—

- (a) Insert after word and comma "licence, in line 4, the following words—"or upon the cancellation of the licence";
- (b) insert after the word "that" in line 7, the following words—"where the undertaking is being taken over otherwise than upon cancellation of the licence"; and
- (c) insert after the word "term" in the marginal note, the following words—"or upon cancellation of licence".

What I would like to explain again is what the result is. Hon. Members will see that clause 13 seeks to give power to the Governor at a certain time before the expiry of the term of a licence granted to take over the undertaking on payment of compensation calculated in a certain way. These amendments are designed to permit the Governor to take over the undertaking in exactly the same way if the licence has to be cancelled for a breach of its terms. The only difference is, where the undertaking is taken over because of a breach there is to be a bonus; that is to say, that where the undertaking is taken over by virtue of the licence being cancelled through some breach, then the compensation is limited to the precise calculation as the result of the formula prescribed. I hope I have made myself clear.

Question put, and agreed to.

Clause 13 as amended passed.

Clauses 14 to 31 and the title and enacting clause passed as printed.

The Council resumed.

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

Mr. Cummings: I beg to second the motion.

Question put, and agreed to.

Bill read a third time and passed.

SUPPLEMENTARY ESTIMATES, 1955

The Financial Secretary: I beg to move the following motion—

"That this Council approves of the Statement of Supplementary Expenditure totalling \$869,475.57 which has been incurred during the year 1955 and has not been included in any previous schedule and is to be admitted as a charge to Public Funds under Colonial Regulation 223 (2) (c) and which has been laid on the table."

As hon. Members will realise, this Schedule of unauthorised excess expenditure for 1955 is large and contains a large number of items. In as much as large sums are involved, I think it is quite true to say that almost everyone of those items would have been passed in Finance Committee if they had been brought before it at the proper time. The special feature of the Schedule is that the Departments concerned did not know the votes were going to be exceeded. They did not know and so did not take the necessary safeguards. A good many arose through the provision for the revision of salaries being under-estimated. This totalled \$148,000; Cost of Living Allowances, \$85,000 — a large sum which was actually paid on a Resolution of this Council passed in 1955—Stationery Store, \$35,000; Unallocated

[The Financial Secretary]

Stores, \$384,000, which arose because of the need to get in larger stocks. The total involved is \$869,475.57.

We hope it will be far better this year, especially in view of the strictures made in Finance Committee: Every effort will be made to reduce the number of unauthorised excess expenditure. I very much hope that for 1956 the Schedule will be comprised of fairly small items. I move that the motion be adopted by this Council.

Mr. Cummings: I beg to second the motion.

Question put, and agreed to.

Motion carried.

SUPPLEMENTARY EXPENDITURE FOR 1955

The Financial Secretary: I beg to move.

"That this Council approves of the Statement of Supplementary Expenditure totalling \$1,858,146.00 which has been incurred during the year 1955 and has not been included in any previous schedule and is to be admitted as a charge to the Development Fund, and which has been laid on the table."

Although this Schedule is described as being a statement of supplementary expenditure, in fact, by far the greater part of it is a formality. The expenditure was authorised in the Estimates and funds of the expenditure was shown to be charged either to C.D.W. funds or to Revenue. The sum of \$1,416,305 represents a switch from C. D. & W. funds to Revenue. This amount was shown as charged in the Estimates to C.D.&W. funds but for one reason or another was found to be inadmissible for re-imbusement. The figure \$305,900 representing the reverse process where C. D. & W. schemes have

been approved for projects put down in the Estimates, is being produced from Revenue. The sum of \$112,092 represents C. D. & W. expenditure for an aerial photography scheme to cover the entire Caribbean area. It should have appeared in our Estimates because we are the administering authority for the scheme. The sum of \$23,350 only represents an actual excess on votes. It will be seen therefore that this Schedule is, again, very largely a formality to have the expenditure correctly charged in the Accounts. This has been to Finance Committee also.

Mr. Cummings: I beg to second the motion.

Question put, and agreed to.

Motion carried.

SUPPLEMENTARY APPROPRIATION BILL (1955)

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

"An Ordinance to allow and confirm certain additional expenditure incurred in the year ended the thirty-first day of December, 1955."

This Bill is entirely a formality; it is to regularize the position by which certain heads of Expenditure cost more in 1955 than was in the Estimates and in the Appropriation Bill. The excess on these heads has already been approved by the Legislative Council as individual items. We are really repeating the process as we did a few moments ago; all the supplementary provisions have been brought up in this Supplementary Appropriation Bill, will provide for the authority for actual expenditure on each individual head during the year 1955.

Mr. Cummings: I beg to second the motion.

Mr. Correia: I cannot allow this Bill to pass without saying something on it. Only a short while ago I said I would commend the Government on any deserving measure it may put forward and condemn it when it is responsible for putting anything before us which I think is wrong. In this case I do not mean that the explanation in the Bill is wrong, but certain principles are wrong. I am very sorry that the hon. Member for Communications and Works is not here; anyway it is no fault of mine that he is not in his seat.

The Financial Secretary: May I respectfully suggest, though I do not have any objection to the hon. Member making this sort of observation, that I do not think it has any particular reference to this Bill. I am sure I know what he is going to say.

Mr. Correia: It is a Bill before this Council, and I feel I have the right to speak on any of the Heads in it. It is over a year now since the Government bought B. G. Airways. On several occasions we asked the Member for Communication and Works about the management of the airways and he promised us a White Paper. With your permission, Sir, I will read from the Minutes of Finance Committee —

Mr. Cummings: May I inquire under what Head the hon. Member is addressing his remarks?

Mr. Correia: "VIII, Civil Aviation" in the Schedule.

The Financial Secretary: B. G. Airways is run on a suspense account basis; there is no voting provision for it.

Sir Frank McDavid: I sympathize with the hon. Member's intention, and I think he is entitled to get the in-

formation he is seeking, sometimes in the discussion on Appropriation Bills, supplementary or otherwise, but in this particular instance he is a little far off the mark, and I wonder if the hon. Member would not take the opportunity to do it in the general debate on the Budget when, goodness knows, we cover an extremely wide field. I think myself that it would be much more appreciated at that time and that the hon. Member would be much more satisfied with the result than if he uses this opportunity.

The Financial Secretary: If there is anything that the hon. Member wishes to inquire about, and which is likely to concern next year's budget, then he can do so later.

Mr. Correia: When we agreed to that suspense account basis we put a loop around our necks. It means that Government can do anything with the management of the B. G. Airways because we have already approved \$150,000 suspense account.

Mr. Speaker: I am wondering whether this is the proper occasion for the hon. Member to make his inquiry. The head "Civil Aviation" has no sub-items.

Mr. Correia: I agree with you, Sir, and I will give way on that point. But I would like to make some observation in relation to Head XXXVI, "Police". For some time there has been talk about creating a Fire Department separate from the Police—in fact, a Bill appears on the Supplementary Order Paper in this respect — I am warning Government not to take this step because to have a Police Department and a Fire Department as well is going to prove very expensive. I am afraid I am going to oppose that Bill.

I would also like to say that this Council has been treated with discour-

tesy in that it was not informed that the Police Headquarters would be removed to Kingston. The Police Department is a very important Department. I am not saying that this Council should have been consulted on the matter, but I feel that it should have been told about it. I first knew of it when I read it in the Press. I was questioned about it by the public and I told them it was not true. Later I found out that it was so. Government did not have the courtesy to tell this Council that they were removing the Police Headquarters from Brickdam to Kingston. I am not saying that Government should have consulted us, but at least they should have had the courtesy to tell Members on this side of the floor. We are treated like figureheads. This Government is being run like a Crown Colony Government. We should not be treated as figureheads.

Mr. Speaker: I suppose you may be told that that expenditure is not included in this Schedule. You seem to have some good ground for making complaints. Why not make them at a more favourable opportunity?

Mr. Correia: I accept your ruling, Sir. I shall wait for the proper time.

Mr. Speaker: Is there any other item on which you wish to comment?

Mr. Correia: Actually I wish to speak on the Volunteer Force and on the Colonial Emergency Measures. I think I have a right to speak on the Volunteer Force.

Mr. Speaker: It is five o'clock and as you will take some time, I do not think we are likely to conclude what is likely to develop into a debate by half-past five.

Mr. Correia: I shall not be more than 10 minutes on the floor. I wish to refer to the last item on page 2 of the Schedule — Volunteer Force, \$10,333.39. This Council is already committed to a large sum as this Colony's contribution to the establishment of the West India Regiment. I have changed my mind, Sir. I think I will table motions dealing with the Volunteer Force and the Colonial Emergency Measures.

Question put, and agreed to.

Bill read a second time.

Council resolved itself into Committee and passed the Bill as printed.

Council resumed.

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

The Attorney General: I beg to second the motion.

Question put, and agreed to.

Bill read a third time and passed.

Mr. Speaker: I adjourn Council until Thursday next, 29th November, at 2 p.m.