

LEGISLATIVE COUNCIL.

Thursday 28th February 1929.

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

PRESENT.

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

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

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

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

The Honourable F. Dias (Nominated Unofficial Member).

The Honourable T. Millard, Colonial Treasurer.

The Honourable S. H. Seymour, A.M.I. Mech. E. (Nominated Unofficial Member).

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

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

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

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

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

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

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

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

The Honourable N. Cannon (Senior Member for Georgetown).

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

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

The Honourable E. A. Luckhoo (Senior Member for Berbice).

The Honourable Percy C. Wight (Junior Member for Georgetown).

The Honourable J. Eleazar (Junior Member for New Amsterdam).

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

The Honourable J. Gonsalves (Member for Georgetown).

The Honourable J. Smith (Nominated Unofficial Member).

MINUTES.

The minutes of the meeting of 27th February, as printed and circulated, were confirmed.

GOVERNMENT NOTICES.

The COLONIAL SECRETARY (Mr. C. Douglas-Jones): I ask permission, sir, to give notice to introduce at this afternoon's session of the Council certain Bills. I am not able to give notice now because the Bills are being printed in an extraordinary "Gazette" which will not be ready before this afternoon. I also ask permission to give notice of the suspension of the Standing Rules and Orders to have the Bills read a first time.

Permission granted.

The ATTORNEY GENERAL (Mr. Hector Josephs): I give notice that at the next meeting of the Council I will ask leave to introduce and have read a first time:—

A Bill to facilitate the proof of service of process in proceedings in the Magistrates' Courts under the Petty Debts Recovery Ordinance, 1893, the Summary Conviction Offences (Procedure) Ordinance, 1893, and the Indictable Offences (Procedure) Ordinance, 1893.

UNOFFICIAL NOTICE.

REFUND OF DUTIES.

Mr. WEBBER gave notice of the following motion:—

Whereas Neville Schuler, recognised Ophthalmic Optician of this City, presented a petition to the late Combined Court on 20th September, 1927, praying for a refund of duty on certain scientific optical instruments for the practice of his profession;

And whereas under similar circumstances, Medical Practitioners, Dentists and Veterinary Surgeons were allowed professional instruments free of duty under section 11 (c) third schedule of the Customs Duties Ordinance;

And whereas on the consideration of the said petition, the Committee on Petitions were divided in their findings, and suggested that the matter might be brought by independent motion before the Legislature:

Be it Resolved,—That His Excellency the Governor be respectfully invited to authorise a refund of the Customs duties involved, and this Council pledges itself to approve of such refund in the event of His Excellency the Governor so directing.

ORDER OF THE DAY.

INCOME TAX.

Mr. MILLARD (Colonial Treasurer): I move that the Council resolve itself into Committee to consider "A Bill to impose a tax upon incomes and to regulate the collection thereof."

Professor DASH seconded the motion.

Question put, and agreed to.

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

The CHAIRMAN: Yesterday the Council discussed the principles of this Bill, and I was much impressed by the fact that several members said that the Bill was obviously going to be passed, and that the best thing we could do would be, irrespective of whether the Bill was a good Bill or a bad Bill, to make it as

good as possible by discussing any amendments that may be considered necessary in Committee to-day. I hope that spirit will emanate from hon. members in discussing the various clauses and that we will try and turn out as good a Bill as possible. Naturally, we won't get a perfect Bill, nor a Bill that will satisfy everyone, but we have got to make a start somehow with this Income Tax and it is probable that this Bill will be a satisfactory one with a few minor amendments. We will now consider it clause by clause.

Clause 3.—Appointment of administrative authority.

Mr. MILLARD moved that the words "to be styled 'Commissioners of Income Tax'" be inserted after the word "Commissioners" in the second line.

Professor DASH seconded.

Question put, and agreed to.

Clause 8.—Exemptions.

Mr. ELEAZAR: With respect to this clause I suggest that in (a) the word "Governor" be substituted for the words "Officer administering the Government." We want to safeguard the income of the Governor, not the income of any Officer administering the Government. If for any reason the Governor is on short leave any individual who acts for him would certainly claim exemption from Income Tax if the clause is left as wide as it is.

The CHAIRMAN: There is no difference between the Governor and the Officer administering the Government. If the Governor happens to be away on leave the Colonial Secretary is appointed and he is the Officer administering the Government. It would be rather unfair to charge the Colonial Secretary, for instance, if he were acting Governor on the salary of the Governor. This clause is universal in Crown Colonies and is put in by the Colonial Office.

Mr. ELEAZAR: If that is the idea I will let it pass. Under (b) it seems

that it is the intention to exempt from taxation the income of Local Authorities from any service. The New Amsterdam Town Council is operating an electric lighting plant and selling current and it also has a water service and is selling water to the inhabitants of the town. Unless an exemption is made the income from these sources would be liable to taxation and I ask that electric and water supplies be included.

Mr. LUCKHOO: I should like to support the suggested amendment. We have invested in the electric plant \$134,000 and the plant is run economically. We also provide an efficient water supply for fire purposes. All the profits go to the reduction of rates and every encouragement ought to be given to the Municipality.

The CHAIRMAN: I am afraid we come up against a rather strong principle there: whether we should encourage Government or the Municipality to trade at the expense of private enterprise. It is not a principle which we can get the Secretary of State to approve of or I think get this Council to approve of.

Mr. CRANE: The view I take is that the claim to exempt electric lighting cannot be sustained because Local Authorities are exempt only in so far as they are not carrying on trade. An electric lighting service is a trade which is usually carried on by a private concern, as in Georgetown. Water Works should be exempted because Water Works are usually run by Local Authorities for the benefit of the public.

The COLONIAL SECRETARY: The idea underlying Municipal services is that the charges of these services are such as to cover maintenance and running cost and if there is any profit it goes to the reduction of the rates. If these services earn a profit that make them liable to Income Tax the ratepayers would have a distinct grievance because they should not earn such a profit.

Mr. SMITH: I am very much interested in the arguments of the hon. Members for Berbice, where there are Municipal lighting and water ser-

vices, and those of the hon. Member for West Demerara on behalf of Georgetown, where there is only a Municipal water service. I do not think we can make fish of one and fowl of the other. If the Water Works in Georgetown are exempted the Water Works in Berbice must also be exempted.

The ATTORNEY GENERAL: This is not a question of what Georgetown runs or what New Amsterdam runs. There is a principle which affects a question of this nature. Perhaps the application of that principle varies somewhat in the Colonies from the application in England and one has to make certain exceptions. Water supply is usually, almost always, a Municipal duty. It is not merely done for profit; it is a Municipal duty in the interest of the health and welfare of the inhabitants of the township. In addition to that is the fact that it is almost always done by Municipal bodies. If it is not only the ordinary function but the duty of Municipal bodies in the Colonies, I venture to think it is a thing that should be exempted from the tax. The question of lighting, however, stands on the same basis as the running of tramcars. We do know that some Municipal Authorities supply electric light and some run tramcars, but the running of tramcars, though it might be said to be a public utility, is no doubt a species of trade in the same way as the running of omnibuses or cabs although the public gets some benefit. These are businesses usually done by private individuals or trading companies. So also when you come to lighting. When Municipal Authorities make a profit out of something which is usually done as a matter of trade by other people they ought to pay Income Tax, therefore I submit that it would be reasonable to exempt water supply from Income Tax, but that would not apply to electric lighting any more than it would apply to the running of omnibuses or tramcars.

Mr. ELEAZAR: I think the Attorney General erred when he said that lighting is not one of the usual functions of Municipal corporations.

The ATTORNEY GENERAL: In the West Indian Colonies.

Mr. ELEAZAR: I have been to a few and found the town lighted either by gas or electricity, and that is a function a corporation is bound to provide by law. New Amsterdam and Georgetown are bound to provide light by law. Georgetown has elected to purchase power from the Electric Company. On the other hand New Amsterdam has elected to pay for it out of the taxes. I refer the Attorney General to section 75 (5) of Ordinance 10 of 1916, which, under the caption "Powers and functions of the Town Council" reads:

The lighting of all public buildings, streets, roads, thoroughfares, stellinges and bridges of the town and the manufacture and supply of gas or electric light for all purposes, public or private, within the limits of the town, and within a radius of five miles of the Town Hall.

Mr. CANNON: I heartily support the plea on behalf of the Berbice section. I regret that Georgetown did not follow their example of installing their own lighting plant.

Mr. DIAS: With respect to the section of the Ordinance quoted by the hon. Junior Member for New Amsterdam, it confers on the Town Council power to establish an electric lighting service, but it does not make it obligatory on the corporation to do so. That makes all the difference.

Mr. ELEAZAR: The law says we are bound to do it.

The CHAIRMAN: I should like the Attorney General to say whether he agrees with the view of the Hon. Mr. Dias or the hon. Junior Member for New Amsterdam.

The ATTORNEY GENERAL: I entirely agree, sir, with the construction of the Hon. Mr. Dias. All the Ordinance does is to confer authority on the Town Council of New Amsterdam, but they are under no obligation to light New Amsterdam with gas, electricity

or anything else. It was open to any body or company to apply for a licence to light New Amsterdam. The functions of the corporation are limited by the statute which creates it. A statute which enables a company to run railways does not authorise them to run tramcars or omnibuses. In the same way a company which want to obtain a licence to produce light must have power under a Memorandum of Association to do so.

The CHAIRMAN: We have two points under discussion at the moment: one is the question of water supply and the other is the question of electric lighting. Government is quite willing to exclude the taxation of water supply run by the Municipality. That seems part of the Municipality's duties. On the question of electric lighting, if one were guided entirely by the strict legal point of view, one would certainly refuse to consider any amendment. Presently two things influence me. One is, I sympathise very much with the hon. Senior Member for Georgetown, as I consider it an obvious thing for a large town in a Crown Colony to start its own electric lighting factory and make a profit out of it, and thereby reduce the rates for the benefit of the ratepayers rather than let the profits go into the hands of a private company. There it might be said that I am deliberately encouraging Government or Municipal competition against trade. The second point that influences me is that I have not heard a single commonsense reason given yet why we should not exempt this electric light installation which was put in by the New Amsterdam Town Council in the absence, apparently, of any private offers to do so. I should like very much to hear real practical objections to a course of that sort.

Mr. LUCKHOO: As far as that is concerned I refer Your Excellency to the Order-in-Council. There is a special Order-in-Council imposing the obligation to light all our streets. I therefore urge that we are entitled to be excluded. That licensing order is still in force.

The **CHAIRMAN**: That seems to be an argument in favour. I asked for arguments against it. The hon. member does not want to speak against it—does he?

Mr. LUCKHOO: No, sir.

Mr. CRANE: As I was apparently against it, sir, now that you have asked for practical objections rather than legal objections, I say we have no practical objections to it. The only reason I have against it is that it is trade which is usually carried on by private individuals, and under the law would be taxed. Wherever Local Authorities trade they ought to be taxed, but if Government is inclined to give relief I would not stand in the way of New Amsterdam.

The **CHAIRMAN**: I should like to hear a practical reason.

Mr. WONG: I am loth to give a practical reason because I am in sympathy with the application of the New Amsterdam Town Council for exemption from taxation.

The **CHAIRMAN**: We want to get away from sympathy and get commonsense.

Mr. WONG: It seems to me, sir, that if you exempt the income from the electric lighting plant of the Municipality it is an admission of the principle that Government is prepared to help certain communities, or the community in general, to get their light at a lower rate than they would from a commercial undertaking. The obvious and logical extension of that principle would be to allow illuminating oils, such as kerosene, to come in free of tax. That seems to me a very commonsense view why Income Tax should be collected from lighting run by a Municipality.

The **CHAIRMAN**: Will hon. members consider that statement on its merits?

The **COLONIAL SECRETARY**: I should like, sir, to have an opportunity

to investigate what is done in regard to Municipal services in other parts of the Empire. If we find that it is done and we can adduce practical reasons for doing it we can amend the Ordinance at a later date. I cannot remember if it is done anywhere else. I think the Municipality in Trinidad supplies the town of Port-of-Spain with water, but I do not think that corporation is exempt from Income Tax on any profits it makes on the water. I cannot remember if it is done in South Africa either but that can be verified. I suggest that we leave the matter open, and if we find that we can do it without creating any difficulties we can amend the Ordinance.

The **ATTORNEY GENERAL**: Having regard to the very great importance of water supply in this community as compared with other communities, I think it would be perfectly safe to exempt water supply from Income Tax. It is important everywhere. Here a very large amount of money is being expended to ensure a water supply for the sewerage system in Georgetown as well as a pure water supply generally. I may say that in Jamaica the Municipality supply water and they are exempt from taxation in respect of their Municipal undertakings. Electric light throughout that Colony is supplied by local companies just as it is in Trinidad, and New Amsterdam has the distinction of being the only Municipality in the West Indies that lights its township. It may be a long time before any other Municipality is able to undertake that. In Georgetown there is a licence that will not give the Municipality an opportunity for a very long time. The lighting of the streets in New Amsterdam is done under the authority of the Electric Lighting Ordinance and not under the Town Council Ordinance.

The **CHAIRMAN**: There is a point which I do not know whether hon. members have thought about. Two of the biggest factors in public health are

pure water and light. Where light comes in Public Health Officers are apt to say that dirt and disease go. I know that was a great argument held out in favour of our installing an electric light supply in the capital of the Gold Coast, and I think it was a factor under rather severe depression that enabled us to carry out and put in our own Government electric installation. I cannot see any disadvantages myself in excluding a Municipal electric installation in a town. It has every advantage from a health point of view on its side and it has reduction of the rates point of view, and there does not seem to be any probability that on any date in the near future or even in the distant future of any competition by private enterprise. In any case should private enterprise come along and Government consider it advisable in the interest of the country that it should be encouraged, there would be no reason whatever why we should not remove the New Amsterdam electric establishment from the list of exemptions because they built it before these exemptions on Income Tax were decided on. I am therefore quite willing for Government to accept the amendments for electric and water supplies.

Question "That sub-clause (b) be amended by the insertion of the words 'electric and water supplies' at the beginning of the sixth line" put, and agreed to.

Clause 8 (c).—Exemption of emoluments to members of the permanent Consular Services of foreign countries.

Mr. WEBBER: I draw Your Excellency's attention to the table of exemptions in the Customs Duties Ordinance, 1929, in which there is an exemption of articles of all kinds when imported for the official use of the Consulate of any foreign country or place; "provided that a similar privilege in respect of similar articles is accorded by the laws and customs of such foreign country or place to His Majesty's Consulate therein." I should like to know whether this exemp-

tion should not be placed in the same category in relation to the proviso.

The ATTORNEY GENERAL: I am not aware that there is any country to which we send Consuls where they have to pay Customs duty. It is part of the comity of Nations and so it is in respect of this provision of Income Tax.

Mr. WEBBER: I am not in favour of any slavish following of what is done in other places. I believe there is only one Consul here who receives regular emoluments. If British Consuls in New York have to pay Income Tax I am against the American Consul here being given exemption despite any law in any part of the world. There is no harm in putting in the proviso.

The CHAIRMAN: I think this is really a trifling point. If at any time we find that British Consuls are charged Income Tax in a foreign country, we can take the necessary steps. At present I think it is better to leave the clause as it stands. Does the hon. member desire to press the point?

Mr. WEBBER: No, sir.

Clause 8 (q).—Exemption of income of any club.

Mr. WEBBER: What is the object of this exemption? Some of these clubs are run at very great profit. I view it with great apprehension and disfavour. After all a club is a combination of a few men. I can understand the encouragement of thrift or education, and it should not be left in this wide way. I do not want to suggest a want of confidence in the Governor-in-Council, but it throws the onus on the Governor-in-Council, which I do not think is fair. On what ground these clubs claim exemption? I do not like to move its deletion. There might be some good reasons for the exemption which do not occur to me at the moment.

Mr. CRANE: I am not moving amendments here for obvious reasons, but I confess that I never saw this ex-

emption before now. It seems to me that "any club" is a little too wide. If it is restricted to athletic or recreation clubs I could understand, but it would take in social clubs which are a luxury and in some cases make handsome profits. I think it might be restricted to recreation, athletic or sport clubs.

The COLONIAL SECRETARY: I think the sub-clause has been left purposely wide to meet the special conditions of clubs in this country. There are some clubs for recreation or sport, and are to a certain extent social clubs, which should obviously be exempt and which I think every member of the Council would wish to have exempt. At the same time it would be very difficult to distinguish, having regard to how clubs are established, whether they are social or recreation clubs. The Council can very well leave it to the Governor-in-Council to decide which clubs should be exempt and the reasons for so doing.

The CHAIRMAN: Hon. members, it appears, are straining at a gnat here. It may be very admirable in principle that a sporting club should get off Income Tax, but let us look at it from a practical point of view. What is the minimum profit that a club must make in order to be charged Income Tax? I should like to ask the Treasurer that question.

Mr. MILLARD: The minimum profit, sir, is one dollar.

The CHAIRMAN: Well, what is the general profit made by a club during a year? I venture to say that the profit made by any club, whether it is a sporting club or a social club, should be spent in that year for the service of its members, so that as far as Government is concerned there is no objection at all to the total deletion of this sub-clause. It only means that a club which is hoarding up money has to spend it for the benefit of its members.

Question "That this sub-clause be deleted" put, and agreed to.

Clause 10 (i) (b).—Deductions allowed.

Mr. HUMPHRYS: I should like to be clear whether this sub-clause includes rents and fees paid by lessees and licensees in respect of Crown lands. I presume they are intended to be included, but I do not think it is quite clear that they are. I am thinking, for instance, of licensees and lessees of timber lands, bauxite lands, balata lands and so on. These are lands held by tenants of a sort, in respect of which rents and fees are paid, and I think they should be excluded. Very considerable sums some of these licensees have to pay. Perhaps the hon. Attorney General can enlighten us as to whether that was the intention of Government.

The ATTORNEY GENERAL: This sub-clause refers to expenditure which is made for the purpose of acquiring an income. For instance, if a man rented Crown land merely to live on it he would not be acquiring an income and there would be no exemption. But so far as the acquisition of an income is concerned any rent which he pays in respect of the land would be exempted. I do not know what fees are paid; most of the charges in respect of Crown lands are in the form of rent.

The CHAIRMAN: Perhaps the Commissioner of Lands and Mines can explain the question of fees.

Mr. MULLIN (Commissioner of Lands and Mines): Claim licence fees are really rent. The question that also arises is whether royalties should be exempt. They would not come under the category of rent.

The CHAIRMAN: Sub-clause (b) refers specifically to rent.

Mr. HUMPHRYS: May I suggest an amendment? It is to add after the word "income" the words "and the rents, fees and royalties paid by any lessee or licensee of Crown or Colony

land." If a man occupies land under a number of claim licences or timber grants he is in the same position as a tenant.

The CHAIRMAN: Rents are deducted, not fees. Royalty is certainly not included under (b) and the question is whether it is advisable or not.

Mr. MULLIN: I do not think it would be advisable.

Mr. CRANE: Sub-clause (i) provides for "such other deductions as may be prescribed by any rule made under this Ordinance." The Governor would have full power to make rules to meet special cases that might arise during the operation of the Ordinance.

The CHAIRMAN: I think that suggestion would meet a good many criticisms.

Question "That this sub-clause as printed stand part of the Bill" put, and agreed to.

Clause 10 (1) (g).—Rates and taxes on immovable property.

Mr. WEBBER: It has been suggested that the rental value of a property occupied by the owner should not be included in income because he has to pay rates and taxes which are practically rent. I take it that an owner can claim exemption on the house he is living in.

Mr. MILLARD: It is qualified by clause 10 (1) and would not be subject to deductions.

Clause 14.—Deduction in case of residents in the Colony.

Mr. MILLARD: The hon. Senior Member for South-East Essequibo yesterday made a suggestion that Government might consider the possibility of putting deductions under this clause on a percentage basis. I think the hon. member must have lost sight of the fact that the deduction is dependent on and varies according to the income.

Mr. WONG: I had not lost sight of that fact and I maintain that my argument is sound.

Clause 15.—Deduction for wife.

Mr. ELEAZAR: I am going to crave Government's indulgence to urge what I did yesterday. That is to ask that a provision similar to that which is in operation in England should be given some consideration. Besides the deduction for a wife there should also be a deduction for any dependent relative of the husband or wife, incapacitated by old age or infirmity, whose income from all sources does not reach \$240 per annum. These parties are given the consideration I am asking for in England and we cannot do better than the Mother Country in giving these deductions here. My suggestion is that for such a dependent the deduction should be \$120 per annum. It is well known that in this community a good many mothers are dependent on their sons for support and in some cases the mother-in-law. This is not a house of morals, but Government will do nothing to destroy filial feelings. Very seldom you will find an indigent mother or father who could not get succour from the one who is better off in the family.

The CHAIRMAN: I do not think the hon. member need labour that question. Government is in full sympathy towards that. The question is the practical side. The hon. member suggests that if the dependent has an income of less than \$240 a year the man or woman on whom the individual is dependent should be allowed relief in respect of \$120. That is the proposition?

Mr. ELEAZAR: That is the proposition, sir.

The CHAIRMAN: Will the hon. member limit the number of dependents?

Mr. ELEAZAR: Yes, sir, not more than four.

Mr. WEBBER: May I in supporting that point out, as I endeavoured to do yesterday, that consideration ought to

be given to the case of a lawful child over 16 years of age who is infirm, or a cripple or may be an imbecile. I do not plead so much for mothers-in-law but dependents.

The CHAIRMAN: That rather more comes under clause 16. We are now discussing the question of age and infirmity combined. The English Act reads:—

If the claimant proves that he maintains at his own expense any person, being a relative of his or of his wife who is incapacitated by old age or infirmity from maintaining himself, or his or his wife's widowed mother, whether incapacitated or not, and being a person whose total income from all sources does not exceed fifty pounds a year, he shall be entitled to a deduction of twenty-five pounds in respect of each person whom he so maintains, and a like deduction shall be made in the case of a claimant who, by reason of old age or infirmity, is compelled to depend upon the services of a daughter resident with and maintained by him or her.

That is about the same rate as the hon. member suggests. I should like to know what the disadvantages of it are. Does the hon. Colonial Treasurer consider that it would affect the returns very much?

Mr. MILLARD: The deductions are very liberal in this Bill. That is the only consideration I have to urge in the matter, otherwise I have nothing to say against the proposal of the hon. member. I could not, at the present time, estimate at all what the effect would be on the revenue.

Mr. MULLIN: What I suggest is that in this Colony filial relations affect persons who would not pay Income Tax.

The CHAIRMAN: I find it difficult to reconcile the statement in respect of filial responsibility for dependents with the fact that there are 803 occupants of the Alms House, one-third of whom come from the neighbourhood of New Amsterdam. (Laughter). Government is quite prepared to draft an amendment to be considered after the interval.

Mr. WEBBER: I should like to ask a question, sir, with respect to the deduction for a wife. Take the case of a Jew, a Mohammedan or a Turk, who comes along and says he has a wife. Is he going to be required to produce evidence or just a statutory declaration that the woman is his wife?

The CHAIRMAN: He has to produce evidence, if called on. If he makes a statutory declaration or in his form put down that he was married he would be called upon to prove it, as the Income Tax Commissioner would be perfectly justified in doing. If it was found that he had not a certificate of marriage or registered his marriage he would then be liable to all the penalties under the penalty clause.

Mr. WEBBER: It is just the question of registration of marriages that I wish to refer to. In this Colony there are two classes of marriages. The Christian marriages have to be registered by virtue of the law, but the East Indian marriages are only registered under a certain form of law. I would like to know what would happen if a Jew or a Turk came along and said he had a wife. There is no machinery in the Colony where such a person can register his marriage and bring himself under the law. I want to know whether such a man would be excluded.

The CHAIRMAN: Doesn't the hon. member think we might leave those cases to be dealt with as they come up? We have all the law to deal with them.

Mr. WEBBER: I think we might insert—

The CHAIRMAN: I am afraid the hon. member is proposing something which I do not want to introduce—the East Indian obligation—in this Bill. The Income Tax Commissioner has power to call on a man, who states that he is married, to prove that he is married, and if he has cause to do so he will no doubt do it. A man who makes

a statement in his Income Tax return is liable to be called upon to prove it, and if he cannot prove it satisfactorily he is liable to a very severe penalty, so that this Income Tax Bill should do something towards the promotion of truth in this Colony.

Clause 16.—Deduction for children.

Mr. CRANE: I beg to move that at the end of clause 16 there should be added the amendment of which I have given notice :

(2.) If the claimant proves that for the year of assessment he has the custody of and maintains at his own expense any child who is under the age of sixteen years at the commencement of that year, or who, if over the age of sixteen at the commencement of that year, is receiving such full-time instruction as aforesaid, and that neither he nor any other individual is entitled to a deduction in respect of the same child under the foregoing provisions of this section or under any of the other provisions of this ordinance, or, if any other individual is entitled to such a deduction, that that other individual has relinquished his claim thereto, he shall be entitled in respect of the child to the same deduction as if the child were a child of his.

I think I said yesterday that this is an inoffensive clause. It does not give rise to the question of illegitimacy or otherwise. It merely enables a man who genuinely and *bona fide* has the custody of a child for whose maintenance he is responsible to claim a deduction in respect of that child. Custody is a fact that can be ascertained very readily and I hope Government will accept the amendment.

The CHAIRMAN: Government is in favour of the principle of it. The question is how far we can make the Bill knave proof.

Mr. MILLARD: It is a question of declaring a fact, but I do not see any difficulty in ascertaining in a case of doubt whether that fact was a fact.

The CHAIRMAN: Government certainly will make an allowance for the

well known custom of adopting children, which I think is especially prevalent amongst the East Indians. Apparently it will not exclude the adoption of an illegitimate child by the father.

Mr. CRANE: It does not seem so, sir, but, of course, Government will be guided by the views of its legal adviser. I must confess that the father of an illegitimate child might adopt that child, but Government is not going to tax the man if he *bona fide* spends his money on that child.

The CHAIRMAN: Exactly. That amendment will be brought in after the interval. Clause 16, to which there is an amendment, will now become 16 (1).

The ATTORNEY GENERAL: The object of my first amendment was to limit the deduction where the father wholly maintains his child. On further examination the general principle of deduction is made by reason of legal obligation. In England the only reason why the deduction is not given is if a child has an income of its own of £40 or upwards a year; but a child having a scholarship does not exclude the right of a parent to a deduction. I therefore venture to think that that amendment need not be made because it would be a deviation from the general principle of law. I propose that the word "who" in the sixth line be deleted, and at the end of the second paragraph the words "or of the husband of the mother where she is married and living with her husband" be inserted. The reason for that addition is that by the law of this Colony, following Roman-Dutch law, a mother makes no bastard and an illegitimate child is heir of the mother. That being so it is right that provision should be made. In clause 20 a wife's income and a husband's income are joined together, and if a wife has a child previous to marriage the case would be covered by the words to be inserted.

Question, "That this clause as amended stand part of the Bill" put, and agreed to.

Mr. ELEAZAR: I ask Government to see its way to increase the allowance for children from \$144 for each child to, say, £50 to the first child and £37 for the others. It used to be in England up to last year £37 in the case of the first child and £27 with respect to the second. At the present time the rate is £60 in respect of the first child and £50 in respect of the second. We don't want to go so far as that, but where a wage-earner has an income to tax he must spend more than \$12 a month on each child.

The CHAIRMAN: The hon. member has made a very moving appeal. Government has gone as far as it can legitimately go by allowing concessions to dependents and other children and I think we will leave it at that.

Clause 17.—Deduction in respect of life insurance, etc.

Mr. GONSALVES: Wouldn't you consider, sir, the suggestion I made yesterday with regard to insurance with respect to a child? In some cases a man has insured his child and not his wife.

The CHAIRMAN: I do not think Government is prepared to accept that.

The Committee adjourned for the luncheon interval.

The Council resumed.

INTRODUCTION OF BILLS.

The COLONIAL SECRETARY: In accordance with the permission granted to me this morning, I beg to introduce the following Bills:

A Bill to provide for the charging of tolls in respect of the passage of cattle over the Rupununi Cattle Trail.

A Bill to amend the Mining (Consolidation) Ordinance, 1920, by vesting in the Governor-in-Council the power to make regulations by the said Ordinance conferred on the Governor and Court of Policy.

A Bill to amend the Customs Duties Ordinance, 1929, with respect to the rates of duty on certain oils.

The Standing Rules and Orders were suspended to enable the Bills to be read the first time.

The COLONIAL SECRETARY: I move that "A Bill to provide for the charging of tolls in respect of the passage of cattle over the Rupununi Cattle Trail" be read the first time.

Mr. SMELLIE seconded.

Question put, and agreed to.

Bill read the first time.

The COLONIAL SECRETARY: I beg to move that "A Bill to amend the Mining (Consolidation) Ordinance, 1920, by vesting in the Governor-in-Council the power to make regulations by the said Ordinance conferred on the Governor and Court of Policy" be read the first time.

Mr. SMELLIE seconded.

Question put, and agreed to.

Bill read the first time.

The COLONIAL SECRETARY: I beg to move that "A Bill to amend the Customs Duties Ordinance, 1929, with respect to the rates of duty on certain oils" be read the first time.

Mr. SMELLIE seconded.

Question put, and agreed to.

Bill read the first time.

Notice given that at the next meeting of the Council it would be moved that the Bills be read the second time. (*Colonial Secretary.*)

INCOME TAX BILL.

The Council resolved itself into Committee and resumed consideration of the Bill to impose a tax on incomes and to regulate the collection thereof.

Clause 21.—Rates of Tax.

Mr. HUMPHRYS: I am going to ask whether Government will not reconsider the scale on which Income Tax is to be charged, and in doing so I wish it to be clearly understood that I have no desire whatever to put any difficulty in the way of the Ordinance. I am heartily in support of it but I want to get at something equitable and fair. I do not think these rates are unreasonably high having regard to our small population, but I find on comparison with the Jamaica rates that they are very much higher. I think the rates may remain so far as the small amounts are concerned, but those on the higher scale will be very hard on men who have a very large income and should be on the basis of the Jamaica rates. On a chargeable income of \$13,000, the tax in Jamaica would be \$573.50 while under the rates for this Colony it would be \$828; on \$18,000 it would be \$873 in Jamaica and \$1,404 here; on \$22,800 it would be \$1,173.50 in Jamaica and \$1,980 here; on \$34,800 it would be \$3,780 here and only \$2,075 in Jamaica; on \$46,800 in Jamaica it would be \$3,093.50 but \$5,580 in British Guiana. It would be seen that the rates here on the highest amounts are considerably more than in Jamaica, but that applies to all incomes small and large. If some reduction were made on incomes ranging from \$9,600 upwards I think it would be appreciated by the bigger financiers in the community and be more acceptable. However, I am putting forward that suggestion.

Mr. WONG: In my general remarks yesterday on this Bill, sir, I stated that I would have something to say on this subject in the Committee stage, and I therefore have the greatest pleasure in supporting the remarks of the last speaker. This, I think, is a suitable opportunity to reply to the remarks yesterday of the hon. Colonial Treasurer, when he pointed out that it was wrong to call Income Tax a "super tax." He stated that the elective side of this House had said that there was no remission on the Customs tariff and in reply pointed out that the Bill of En-

try Tax had been removed. The Bill of Entry Tax is not the Customs tariff. That might be called a mere quibble, but I will ask the hon. Colonial Treasurer to remember that the Bill of Entry Tax was in itself a super tax levied at a time of emergency and at a time when it was realised that the Customs duties were already as high as they could be. If that Bill of Entry Tax—a super tax in itself—is removed and an Income Tax is now put in its place, that Income Tax is also a super tax. The Bill of Entry Tax was proved to be too onerous on the community as a whole and therefore this super tax has been brought back in another form to be applied to what Government considers to be the section of the community that can best afford to pay. I do not think, sir, that there can be much questioning of the statement that the Customs tariff has been increased this year. I have here an article by the Editor of the "Commercial Review" in which he analyses the Customs tariff as imposed for this year. He has compiled a list in which he shows that there is a very large increase. I am not going to weary the Council by rehearsing this list in detail, but such articles as biscuits, butter, bran, cheese, tinned fish, smoked fish, pickled fish, salmon, soap, beans, peas, saccharine and refined sugar have all been increased. While a good many of these articles that have been increased might be termed luxury articles and therefore are justifiably increased, we have got to consider this increase in relation to the imposition of the Income Tax that is now proposed. In taxing luxuries higher under the Customs tariff you are already putting a tax on people who, according to Government, can best afford to pay. This Income Tax therefore might be looked upon as a super, super tax. After a careful analysis of the situation the Editor of the "Commercial Review" has this to say:

It is difficult to estimate what the results of the changes above will be to Government revenues or to the consumers who eventually pay the duties. It is also diffi-

cult to judge whether the benefits of the lower scales of duty (if any) which may accrue to the consumer will offset the increased specific duties and so maintain the cost of living around the present figure. We are rather inclined to think they will not

I think that should effectively dispose of the contention by the Colonial Treasurer that the elective side of the House is wrong in calling the Income Tax a super tax imposed at a time when indirect taxation was just about as high as it can be put. Now, sir, if the Council is willing to accept the statement which I claim the elective side of the House has proved, namely, that we are already paying very high taxation through the Customs and other tariffs, then I submit that this Income Tax scale is too high. As I claimed yesterday, the increase is too sharp. The last speaker has already quoted the figures obtaining in Jamaica. I believe the same can be said in regard to Trinidad and Barbados. The scale now being imposed in this Colony is very much higher than in the three countries mentioned, and it must be remembered that the Customs tariff in those countries is a mere bagatelle compared with the rates that we are called upon to pay in this Colony. I have prepared a scale for submission to Government, but I do not know whether it is worth while at this stage to submit it before we know whether Government is inclined at all to reconsider the matter. The scale only deals with the higher incomes where the rate of increase is so very sharp. So far as I am aware in the lower grades the scale proposed is lower than in Trinidad and Jamaica. There is no justification why in the highest grades we should so sharply increase our rates as to exceed the rates in Trinidad, Jamaica and Barbados, where, as I pointed out, the Customs tariff is a mere bagatelle compared with ours. Shall I trouble the Council, sir?

The CHAIRMAN: If you can persuade the Council, I am afraid it

would be a very difficult job to persuade Government.

Mr. WONG: I am willing to have a try, sir, to persuade elective members.

The CHAIRMAN: From what income you consider the rise too steep?

Mr. WONG: From the second \$1,200, sir. In this list which I have prepared I propose that the third rate (4 per cent.) should apply not to the third \$1,200 as proposed in the scale of the Bill but on the first \$2,400 and 5 per cent. on the next \$2,400; then that the rates should be 7 per cent. on \$4,800, 9 per cent on \$9,600, 12 per cent. on \$12,000, 16 per cent. on \$24,000, and 20 per cent. on all amounts over and above that sum. It cannot be argued by the hon. Colonial Treasurer that any revision now of the proposed rates will mean any disturbance of his financial calculations, because the amount that he has calculated to get from Income Tax he has more than once already admitted, and we all know it to be so, is a mere guess. There are no means by which he can estimate that on this scale or on some other scale he will get this or some other amount. While we expect to get a certain amount of revenue—a considerable amount I may say—Income Tax for this year is really intended to be a “try out,” and it is inflicting too heavy a burden on the community to try it out on these high rates as regards the highest incomes. I think, sir, I have said enough, and I leave it to the other Electives to carry on and help me to persuade Government that some revision might be made.

Mr. ELEAZAR: We don't hope to persuade you, sir, but we ask you to have mercy on these rich men. We all have our band of paupers, of whom the world knows nothing at all about, and if we have to pay a heavy Income Tax these paupers are bound to suffer, or we ourselves. As a matter of fact every man who has anything like an income has a band of paupers of whom nobody knows anything about, and if we can

help the rich men like the one who has just sat down I ask you to help them in this way. That is all I want to say.

The CHAIRMAN: I do not think we are really going to get much further in continuing the debate on this scale. As the hon. Member for South-East Essequebo says, we are making a shot in the dark. We do not know how much we are going to get. We have estimated as near as we possibly can, which is possibly a long way off the mark, that we are going to get \$250,000 from this Income Tax, and if we start off on too low a scale and lower this scale we may not realise that sum. And are we going to be allowed to charge a second Income Tax for the year to make it up? I don't think so. We shall be again turning up short of our revenue. I think the only thing to do is to leave it as it stands and see how it works out. If it succeeds in producing \$1,000,000 instead of \$250,000 then we might very well consider reducing the scale next year. I am not impressed at all by the hon. member's claim that it is a super, super tax. He quoted some journal. May I ask what is the journal?

Mr. WONG: The Chamber of Commerce journal.

The CHAIRMAN: Quite an unbiased journal that. (Laughter.) The question is "That clause 21 stand part of the Bill."

Agreed to.

Clause 35 (2).—Government and Municipal officers to supply particulars. Employers to make returns relating to employees.

Mr. MILLARD: I move that in sub-clause (2) the words "of assessment" be inserted between the words "year" and "prepare" in the second line, the words "during the year immediately preceding" inserted after the word "him" in the second line, and the word "does" altered to "did" in the fourth line of paragraph (1) (a) of the sub-clause.

Professor DASH seconded.

Question "That this clause as amended stand part of the Bill" put, and agreed to.

Clause 43 (3).—Appeals against assessments.

Mr. ELEAZAR: Sub-clause (3) prescribes that "every person appealing shall attend before the Judge in person." I think it should be "or by counsel or solicitor," if not both, because he has to prepare papers which will be submitted eventually to the Full Court. It is hardly to be expected that a layman can do that for himself and I suggest the insertion of the words "or by counsel or solicitor" so that a person who wants to appeal might get assistance before he goes before the Judge.

Mr. WEBBER: My colleague has been a little precipitate in coming to (3). I desire to call attention to the provision in (1).

The CHAIRMAN: We will go back to that when sub-clause (3) is disposed of.

The ATTORNEY GENERAL: This clause relates entirely to attendance, not to appearance. As the appeal has to be heard by a Judge in Chambers there is no necessity for a solicitor or counsel. The attendance of the person is regarded as being very necessary. The presence of the person greatly facilitates the matter and in dealing with appeals myself I found it a distinct advantage to the individual himself to be present to have the matter disposed of.

Mr. ELEAZAR: I appreciate the remarks of the hon. Attorney General, but there is no reason why a person who desires to appear by counsel should not be allowed to do so.

Mr. WEBBER: With respect to sub-clause (1) one of my constituents has written me to say:

I suggest Government should appoint a Board of three to consider appeals without expense to applicants. To be forced to take one's case to the Supreme Court will be costly and a hardship; employment of solicitor and counsel would have to be paid for. Proposals of Government under this tax should be as elastic as possible for first few years until people become acquainted with its working.

There is no doubt that for the first three years there will be a good deal of groping in the dark until people get accustomed to the Ordinance, including the Commissioners themselves. When a person assessed has a difference of opinion with the Commissioner, to force him directly upon a Judge in Chambers he has to fulfil certain legal formalities, and even if he could handle these formalities himself there are still fees to be paid for filing. I do not feel myself competent to move an amendment and I earnestly commend the representations that have been made to me.

Mr. DIAS: I may point out that in sub-clause (9) the draftsman evidently had in mind the question of costs of appeal as it is there provided that "the costs of the appeal shall be in the discretion of the Judge hearing the appeal and shall be a sum fixed by the Judge."

The ATTORNEY GENERAL: There is one important point. The Commissioner and his office will necessarily become more familiar with the Ordinance than persons who have not the working of it, and the difficulty would be that a person would be appealing from a Commissioner who was familiar with the Ordinance to individuals who have no familiarity with it. On the other hand appearance in Chambers is by no means an expensive procedure and the Judge would have the decisions of other Judges to guide him. I have known of many cases where an individual has argued his case himself and he can do that just as well before a Judge. In any case he will have to state his reasons in writing and he will be appealing to a better tribunal.

Mr. WEBBER: All those things said by the hon. Attorney General appeal to a lawyer and probably to officials but they do not appeal to the lay business man. The lay business man feels that his case can possibly be more sympathetically handled by another or a couple business men. It is not every man who can face a Judge. I hope Government will see what best can be done.

The CHAIRMAN: I am afraid Government is not prepared to install a Board of that sort, at present at any rate, though it may prove desirable in the future. I congratulate the hon. member though on the good case he has made out. He has missed his vocation; he ought to have been a lawyer. (Laughter)

Clause 43 (11).—Rules governing appeals, etc.

Mr. ELEAZAR: I wish to ask whether the Rules Committee might not be given power to make these rules. I do not know if there is any reason for leaving them to the Chief Justice.

The CHAIRMAN: I think rules are mere legal technicalities. Unless the hon. member wants to push the point very strongly it does not seem to be of very great importance.

Mr. ELEAZAR: It is not of very great importance, sir, except that the Rule Committee is there.

Clause 49—Collection and repayment of tax.

Mr. WEBBER: No provision is made in clause 49 to enable a man to pay his tax in half-yearly or quarterly instalments as I think is done in England. The tax is immediately payable. Although there is a clause which provides that if the tax is not paid within the prescribed period a percentage may be charged on the amount there might be some difficulty between the Commissioner and the payer.

The ATTORNEY GENERAL: I call the hon. member's attention to clause 62 (1) (c).

Mr. WEBBER: I hope Government will give us an undertaking that provision will be made.

The CHAIRMAN: I want to do whatever is convenient or most practicable. That is why we leave it under the rules.

Clause 55.—False statements and returns.

Mr. MILLARD: I move that for clause 55 the following be substituted:

55. Any person who

(1) (a) for the purpose of obtaining any deduction, rebate, reduction or repayment in respect of tax for himself or for any other person, or

(b) in any return account or particulars made or furnished with reference to tax.

knowingly makes any false statement or false representation, or

(2) aids, abets, assists, counsels, incites or induces another person

(a) to make or deliver any false return or statement under this Ordinance or

(b) to keep or prepare any false accounts or particulars concerning any income on which tax is payable under this Ordinance.

shall be liable on summary conviction to a fine not exceeding five hundred dollars or to imprisonment with hard labour for a term not exceeding six months.

Professor DASH seconded.

Question put, and agreed to.

Clause 59.—Transfer of property to evade taxation.

Mr. MILLARD: I move that the following new clause be substituted:

59.—(1) Any person who since the first day of January, nineteen hundred and twenty-eight, has reduced his income by the transfer or assignment of any movable or immovable property to or in trust for any member of his family shall nevertheless be liable at the discretion of the Commissioner to be taxed as if such transfer or assignment had not been made.

(2) Any person who after the commencement of this Ordinance shall reduce his income by the transfer or assignment

of any movable or immovable property to or in trust for any member of his family shall nevertheless be liable to be taxed as if such transfer had not been made, unless the Commissioner is satisfied that such transfer or assignment was not made, for the purpose of evading any tax or part thereof imposed by this Ordinance.

Professor DASH seconded.

Question put, and agreed to.

Mr. HUMPHRYS: I do not know whether it is the intention of Government to have any officer who will assist persons who are anxious to prepare their returns as early as possible. I should like to know whether assistance will be given by the hon. Colonial Treasurer or his officers or Government propose to appoint someone for that purpose. I notice that even in Jamaica they have it there. (Laughter).

Mr. WEBBER: I have a communication on the same subject and it is refreshing to hear a lawyer making the suggestion. The suggestion I have is:

On the Income Tax staff there should be a clerk set aside to advise on the drawing up of returns, to give advice on perplexing points. This clerk should be of a sympathetic nature and not bound up with red tape. In addition to paying the tax to have to pay accountants and lawyers' fees for advice would indeed be a hardship.

The CHAIRMAN: I am not sure whether we ought to interfere with private enterprise in this matter. (Hear, hear). I am sure that the hon. member will find that advisers on Income Tax will be fairly plentiful in Main Street and other places. (Laughter).

Deferred clauses were reverted to.

Clause 16.—Deduction for children.

The ATTORNEY GENERAL: With regard to clause 16, sir, two amendments are necessary in the printed matter. The word "section" in paragraph 2 of sub-clause (1) is to be changed to "sub-section", which makes it clear that the reference is only to sub-clause

(1) of clause 16 and nothing else. Then there is to be inserted a new sub-clause (2) which reads:

(2) If an individual proves that for the year immediately preceding the year of assessment he had the custody of and maintained at his own expense any child who was under the age of sixteen years at the commencement of that year, or who, if over the age of sixteen at the commencement of that year, was receiving such full-time instruction as aforesaid, and that neither he nor any other individual is entitled to a deduction in respect of the same child under the foregoing provisions of this section or under any of the other provisions of this Ordinance, or, if any other individual is entitled to such a deduction, that that other individual has relinquished his claim thereto, he shall be entitled in respect of the child to the same deduction as if the child were a child of his.

Question "That this clause as amended stand part of the Bill" put, and agreed to.

The ATTORNEY GENERAL: With regard to the other clause for a deduction for dependents, that will have to be an independent clause because it does not touch any of the other matters in clauses 14, 15, 16 and 17. It probably will be best numbered 17 and the other clauses renumbered. The clause will read:

17.—(1) If an individual proves that in the year immediately preceding the year of assessment he maintained at his own expense any person, being a relative of his or of his wife who was incapacitated by old age or infirmity in maintaining himself, or his or his wife's widowed mother, whether incapacitated or not, and, being a person whose total income from all sources did not exceed two hundred and forty dollars a year, he shall be entitled to a deduction of one hundred and twenty dollars in respect of each person (not exceeding four in number) whom he so maintained, and a like deduction shall be made in the case of an individual who, by reason of old age or infirmity, was compelled to depend upon the services of a daughter resident with and maintained by him or her in the year immediately preceding the year of assessment.

(2) Where two or more persons jointly maintained any such person as aforesaid the deduction to be made under this section shall be apportioned between them

in proportion to the amount or value of their respective contributions towards the maintenance of that person.

(3) This section shall apply to an individual being a female person as it applies to an individual being a male person with the substitution of 'husband' for 'wife.'

(4) The expression 'relative' includes any person of whom the person claiming a deduction had the custody and whom he maintained at his expense while that person was under the age of sixteen years.

There is one point which I should like to make clear. A certain hon. member asked me whether this clause included the case of a man who was unfortunate enough to be a bachelor and whether such a person would get the allowances which are granted under this clause. He does not. These allowances are only given in the case of married people. The only deduction to which a happy bachelor is entitled is that granted to every individual under clause 14 and the deduction under clause 16 (2) in respect of any child maintained by him and is in his custody and under clause 17 (1) in the case of a relative incapacitated by old age or infirmity. If he wishes to get the benefit of any other deductions his best course is to get married. (Laughter).

Mr. GONSALVES: I happen to be the member who approached the Attorney General on this subject. I think that more charity would be done in allowing the deduction to every man who is looking after his parents rather than somebody's children. It is on that ground I laid the claim. An unmarried man who has parents or sisters ought to be allowed some deduction.

Question "That this clause stand part of the Bill" put, and agreed to.

The CHAIRMAN: The adoption of clause 17 will necessitate the renumbering of all the clauses from 17 onwards.

Mr. WEBBER: Am I to understand that if a man has a mother whose second husband has deserted her and she

is not fortunate enough to be a widow she might not be supported by her son?

The **CHAIRMAN**: I am afraid I must ask the hon. Attorney General to answer that question.

The **ATTORNEY GENERAL**: Apparently that is what it means. We are following the English clause which is worded in exactly the same way. If the husband is alive and has property he is legally bound to support her and that is why it is limited to a widowed mother.

The **CHAIRMAN**:— I do not think we can legislate for that extremely rare case that the hon. Member for Berbice has mentioned. We shall find a lot of weak points in this Bill and I am sure that the Treasurer will have a lot of amendments to propose next year.

The Council resumed.

Notice was given that at the next meeting of the Council it would be moved that the Bill be read the third time.—(*Mr. Millard*).

PROOF OF SERVICE OF PROCESS.

The **ATTORNEY GENERAL**: I move the suspension of the Standing Rules and Orders to enable "A Bill to facilitate the proof of service of process in proceedings in the Magistrates' Courts under the Petty Debts Recovery Ordinance, 1893, the Summary Conviction Offences (Procedure) Ordinance, 1893, and the Indictable Offences (Procedure) Ordinance, 1893," to be taken through all its stages.

Mr. **AUSTIN** seconded.

Question put, and agreed to.

The **ATTORNEY GENERAL**: I move that the Bill be read the first time.

Mr. **AUSTIN** seconded.

Question put, and agreed to.

Bill read the first time.

The **ATTORNEY GENERAL**: I move the second reading of the Bill. As the law now stands all process in Magistrates' Courts is served by the Police and there is a requirement that an affidavit has to be sworn to of the service of the process. In some parts of the Colony it is extremely difficult for the Police to find a Justice of the Peace and a great deal of time is lost and expense incurred. It is proposed in this Bill that it is sufficient for a bailiff or constable to make a return of service and that is *prima facie* evidence of the service having been made.

Mr. **AUSTIN** seconded.

Question put, and agreed to.

Bill read the second time.

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

Clauses agreed to.

The Council resumed.

The **ATTORNEY GENERAL**: I move that the Bill be read the third time.

Mr. **AUSTIN** seconded.

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

Bill read the third time and passed.

CATTLE TRAIL BILL.

The **COLONIAL SECRETARY**: I move the suspension of the Standing Rules and Orders to enable "A Bill to provide for the charging of tolls in respect of the passage of cattle over the Rupununi Cattle Trail" to be taken through its remaining stages.

Mr. SMELLIE seconded.

Question put, and agreed to.

The COLONIAL SECRETARY: In moving the second reading of this Bill it is only necessary for me briefly to explain the reasons for it. Hon. members will remember that last year the upkeep of the trail was put out to contract and the sum voted on the Estimate paid to the contractor. Tenders have been called for to keep the trail clear and one has been accepted on a five years' basis but the amount voted each year is to be decreased from \$10,000 by \$2,000 until the sum of \$2,000 is reached and at that amount it will remain. This Bill is simply to authorise the contractor to charge tolls for cattle passing over the trail.

Mr. SMELLIE seconded.

Mr. ELEAZAR: I want to oppose this Bill. This trail has been kept up all these years and people never paid a toll for cattle passing over it. Why should Government now allow a private individual to charge tolls while it is still paying for the trail? If the trail is worth keeping up Government should keep it up and whatever tolls are charged and collected should go into the general revenue. If an individual wants tolls let him pay for its upkeep.

The PRESIDENT: I do not think the hon. member quite understands the position from what he is saying. I had determined that we should abandon the trail altogether next year. We are spending \$10,000 a year and getting very little out of it, but a contract to keep it open for five years was accepted by a firm. I explained to that firm that we were not going to go on paying \$10,000 and next year it is only going to be given \$8,000, the year after \$6,000, the year after \$4,000 and after that only \$2,000. The firm is quite willing to accept the contract on those terms, provided it is allowed to levy a toll. Personally, I think it is a remarkably good stroke of business. Government gets

the trail kept open probably far more efficiently than it was done in the past and has to pay less for it. I think it is a good bargain for the Government.

Mr. ELEAZAR: I leave that to the Government to determine.

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

Bill read the second time.

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

Clause 3.—Tolls to be paid for the passage of cattle over the trail.

Mr. CRANE: This clause does not make clear the terms of the agreement. It seems to me that there should be inserted after the word "tolls" the words "to any private body or company" to indicate that the tolls are not to be levied by Government.

The COLONIAL SECRETARY: Government can collect the tolls if they wish to, but in clause 4 it is provided that the Governor-in-Council may make regulations as to the collection of tolls. Government may depute the collection of those tolls to the contractor or retain the collection themselves. In terms of the contract the intention is that the contractor should collect the tolls as part of his remuneration, and the Governor-in-Council can decide how and in what manner those tolls are to be collected.

The CHAIRMAN: The trail has been so disgracefully kept up that the minimum to put it in order this year is between \$12,500 and \$13,000. Government therefore thought it was only fair to allow the contractor to charge a toll; in fact, that was the agreement under which the trail was taken over. I think, personally, that Government has been very lucky to get out of it so cheaply.

Question "That this clause stand part of the Bill" put, and agreed to.

The Council resumed.

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

Mr. SMELLIE seconded.

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

Bill read the third time and passed.

MINING REGULATIONS BILL.

The COLONIAL SECRETARY: I move that the Standing Rules and Orders be suspended to enable "A Bill to amend the Mining (Consolidation) Ordinance, 1920, by vesting in the Governor-in-Council the power to make regulations by the said Ordinance conferred on the Governor and Court of Policy" to be taken through its remaining stages.

Mr. SMELLIE seconded.

Question put, and agreed to.

The COLONIAL SECRETARY: Government is now considering the issue of new regulations governing prospecting and mining for bauxite. Under the Ordinance of 1920 the Governor and Court of Policy is empowered to make regulations. It is desired that that power should now be transferred to the Governor-in-Council and this Bill gives the necessary authority. I move that the Bill be read the second time.

Mr. SMELLIE seconded.

Question put, and agreed to.

Bill read the second time.

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

Clause 2.—Regulations to be made by the Governor-in-Council.

Mr. WEBBER: I am accepting the general principle of this Bill and it may not be the last of its kind that will come before the Council. What I want to know is whether the secrecy of the Executive Council in these matters will be maintained. It is true that the Electives have two of their members in the Executive Council but they are pledged to secrecy. I want to know if Government is going to consider any policy whereby the publicity that was given to the consideration of regulations in the Court of Policy will not be lost by the transference of the power to make regulations to an assembly which has to be secret because of the nature of the duties it performs. Regulations might be passed by the Governor-in-Council before we can make any representations with regard to them.

The CHAIRMAN: Government is not prepared to make any statement on the subject at present.

The Council resumed.

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

Mr. SMELLIE seconded.

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

Bill read the third time and passed.

The PRESIDENT: We propose to take the second reading of the Town Council and Sewerage Bills to-morrow. The Council is now adjourned until 11 o'clock.