

LEGISLATIVE COUNCIL.

Thursday, 4th July, 1935.

The Council met pursuant to adjournment, His Excellency the Governor, SIR GEOFFRY A. S. NORTHCOTE, K.C.M.G., President, in the Chair.

PRESENT.

The Hon. the Colonial Secretary, Major W. Bain Gray, C.B.E. (Acting).

The Hon. the Attorney-General, Mr. Hector Josephs, K.C.

The Hon. T. T. Smellie, O.B.F. (Nominated Unofficial Member).

The Hon. J. S. Dash, Director of Agriculture.

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

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

The Hon. E. F. McDavid, M.B.E., Colonial Treasurer.

The Hon. G. J. De Freitas, K.C. (Nominated Unofficial Member).

The Hon. J. Mullin, O.B.E. Commissioner of Lands and Mines.

The Hon. W. A. D'Andrade, Comptroller of Customs.

The Hon. G. I. Goring, General Manager, Transport and Harbours Department (Acting).

The Hon. M. B. Laing, District Commissioner, East Coast Demerara District.

The Hon. Q. B. De Freitas, Surgeon-General (Acting).

The Hon. J. Eleazar (Berbice River).

The Hon. J. Gonsalves (Georgetown South).

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

The Hon. Jung Bahadur Singh (Demerara-Essequibo).

The Hon. M. B. G. Austin (Nominated Unofficial Member).

The Hon. J. L. Wills (Demerara River).

The Hon. R. V. Evan Wong (Essequibo River).

The Hon. F. J. Seaford (Georgetown North).

The Hon. H. C. Humphrys (Eastern Demerara).

The Hon. W. S. Jones (Nominated Unofficial Member).

MINUTES.

The minutes of the meeting of the Council held on the 3rd July, as printed and circulated, were confirmed.

ANNOUNCEMENT.

BARTICA-ISSANO ROAD.

Major CRAIG (Director of Public Works): I am the bearer of the following Message to the Council:—

MESSAGE No. 23.

Honourable Members of the Legislative Council,

I have the honour to address the Council on the subject of the expenditure, additional to the amount already approved by the Council, which has occurred and is required for the completion of the road known hitherto as the Tiboko road.

2. Honourable Members are aware that the intention now is for this road to debouch on the Mazaruni river at Jesano which lies above the long series of dangerous rapids up-river of Bartica.

3. The financial position of this road is as follows:—

- (a) In the Estimates for 1933 under Head XLIX. Colonial Development Fund Schemes, the Council approved acceptance from the Colonial Development Advisory Committee of a loan of \$ 175,000
- (b) That sum proving insufficient, the Colonial Development Advisory Committee agreed to further advances, not exceeding \$12,000 monthly, and on this account there has been spent ... 24,000
- (c) The Secretary of State approved in principle of further borrowings from the Colonial Development Advisory Committee should that Committee agree so to provide, up to \$96,000, of which sum there has been spent on survey ... 1,500

Total spent ...\$ 200,500

(a) For the completion of the road the following is required :—

Construction	\$ 102,000	
Terminal buildings at Bartica	6,000	
Terminal buildings at Issano	4,500	\$112,500
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Making the total cost of road		\$ 313,000
Of this amount the Council has approved		175,000
Leaving to be approved		\$ 138,000

4. I have the honour accordingly to ask the Council

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| (1) to give covering approval of the expenditure already undertaken of | ...\$ 25,500 |
| (2) to approve, subject to a loan for that amount being forthcoming from the Colonial Development Advisory Committee, of the further expenditure of | 112,500 |
| Total | ...\$ 138,000 |

A motion to that effect will be submitted to the Council. It is pertinent to add that at a round sum estimate the cost of new vehicles required for the Bartica-Issano service is put at \$15,000. Council, however, is not being asked to vote that amount at present.

G. A. S. NORTHCOPE,
Governor.

1st July, 1935.

GOVERNMENT NOTICE.

BARTICA-ISSANO ROAD.

Major CRAIG gave notice of the following motion :—

THAT, with reference to Message No. 23 of the 1st July 1935, this Council approves of the expenditure of \$25,000 already incurred and subject to a loan for the amount being forthcoming from the Colonial Development Advisory Committee of the further expenditure of \$112,500 in connection with the construction of the Bartica-Issano Road.

UNOFFICIAL NOTICE.

AGRICULTURAL STUDENTS.

Mr. DE AGUIAR gave notice of the following questions :—

1. The total number and names of British Guiana students who have so far qualified at the Imperial College of Tropical Agriculture and the nature and year of qualification of each.

2. The names of those of the above who, as students, received Government assistance and the nature and extent of the assistance given in each case.

3. The number and names of those of the above who have been appointed or given employment in the Government Service and the nature of the appointment or employment in each case.

4. The appointments that have been made on the staff of the Department of Agriculture and in connection with work being carried on under the Department of Agriculture since the qualification of the first British Guiana student at the Imperial College of Tropical Agriculture, the year and nature of each appointment and the name of each appointee.

ORDER OF THE DAY.

THE SPIRITS BILL.

THE COLONIAL SECRETARY (Major Bain Gray): I beg to move that "A Bill to amend the Spirits Ordinance, Chapter 110, by making provision for a temporary cessation of distilling operations for a period not exceeding four weeks" be read a second time. The principle of this Bill, sir, is contained in clause 2. This Bill has been prepared at the request of the estates engaged in the manufacture of rum to meet the convenience of the business where the manufacture is on a greater scale than the preparation of the necessary packages. The manufacture of rum has increased on certain estates and the cooperages find it difficult in preparing the packages at the same speed. The period allowed under the law at present is seven days, and to meet temporary cases of this kind and possibly others, the Bill confers on the Chief Commissary a discretionary power to extend the period to not more than four weeks. That is the principle of the Bill and I move its second reading.

Mr. SMELLIE seconded.

Question put, and agreed to.

Bill read the second time.

The Council resolved itself into Committee and considered the Bill clause by clause without discussion.

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. (*The Colonial Secretary*).

GEORGETOWN TOWN COUNCIL BILL.

THE COLONIAL SECRETARY: I move that "A Bill to amend the Georgetown Town Council Ordinance, Chapter 86, with respect to the borrowing powers of the Council" be read a second time. The principle of this Bill, sir, is contained in the second clause, which increases the amount of the statutory overdraft which the Town Council can borrow from their bankers from \$50,000 to \$100,000. It is intended to meet the increased volume of financial transactions of the Town Council during recent years since the Principal Ordinance was passed.

Mr. SMELLIE seconded.

Question put, and agreed to.

Bill read the second time.

The Council resolved itself into Committee and considered the Bill clause by clause without discussion.

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. (*The Colonial Secretary*).

PENSIONS (RE-EMPLOYED PENSIONERS).
BILL.

THE ATTORNEY-GENERAL (Mr. Hector Josephs): I move that "A Bill to amend the law relating to pensions by repealing the provision for the abatement of pensions of re-employed pensioners" be read a second time. The subject matter came before this Council in 1933 on the report of a Select Committee of the Council, which recommended this particular Bill and another which is the new Pensions Ordinance No. 20 of 1933. The latter was proceeded with and enacted; this Bill is now before the Council. The provision which it makes relates to the repeal of section 23, which makes abatement of pensions of re-employed pensioners, and is to put pensioners in the same position as pensioners under the Ordinance of 1933. It will be remembered that there are officers who are still under the old Pensions Ordinance, Chapter 204, while there are officers appointed since the enactment of Ordinance No. 20 of

1933, who elected to come under it. This Bill is to put all these officers on exactly the same footing.

Professor DASH seconded.

Mr. ELEAZAR: I cannot say I appreciate the principle of this Bill, because I fail to see any reason why there should be the necessity for the re-employment of pensioners. In this country where the avenues for employment are so few and where every year we have people thrown on the community with very little prospect of finding employment, I doubt very much the wisdom of the policy of Government to re-employ officers who have been retrenched or who have arrived at the age of retirement. This Council has always been against the principle; it is no principle at all, and if it is a principle it is a bad one. There are individuals who can well afford to live on the pensions and other income they are receiving, but who are still being employed at salaries that would maintain two other persons in addition to their pensions. Instead of bringing forward a Bill not to re-employ pensioners, Government wants to pat itself on the back that it has done a good thing in re-employing them. I protest against that policy, and I do so at this early stage in the hope that Your Excellency will not countenance the practice. This House has always been against the re-employment of persons who have retired for one reason or another, and in making this appeal to you, sir, I hope I will have better luck than previously when it fell on deaf ears. I have read of a lawyer who always at a certain crucial moment would become impassioned and burst into tears. He did that every time. On one occasion the Judge asked him "Do you mean to say you are resorting to that old stunt again?" "Oh yes, sir," replied the lawyer, "you forget I have a new jury." With Your Excellency as a new jury I am hoping that this appeal will take effect (Laughter). This Bill might be postponed, sir, until you have a new Council and not a dying one. If you will let the Bill be read this day six months an opportunity will be given the new Councillors to say what they feel with respect to the re-employment of pensioners. Young men who are well equipped for employment are kept out of employment, while men who have served their day and generation and have been treated well by the State and should be

now enjoying their rest are brought back into the Service. I move that the Bill be read this day six months.

Mr. WONG: I agree in general terms with what the last speaker has said in regard to the re-employment of pensioned officers, but I do not go so far as to absolutely debar Government from the re-employment of pensioners, because I recognise that there are occasions when a particular pensioner is specially qualified to do certain work and I would not like to embarrass Government from being able to re-employ such a person. I agree, generally speaking, that pensioned officers should not be re-employed. What I do object to, and object to very strenuously, is the repeal of section 23 of Chapter 204. If I understand that section correctly, if a pensioned officer is re-employed the total of his emoluments—that is to say, his new salary and any pension he may be receiving—should not in the aggregate exceed the maximum emoluments he received during his original appointment. That is a provision, I maintain, that is eminently desirable. I go further and say it is necessary in these days when the Colony is suffering from a shortage of money and there is unemployment. I see no necessity whatever for repealing section 23, which is in the definite interest of the Colony.

Mr. DE AGUIAR: I would be lacking in my duty if I did not join in the remarks of the previous speakers. This Bill in effect will increase the commitments of the Colony in so far as pensions are concerned. It would probably go even one step further and also increase the lump sum bonus. I quite see the reasonableness of the argument put forward by the hon. Member for Essequibo River, but it seems to me that if an officer was in receipt of a pension of \$60 and Government desired to re-employ him at a salary of \$120, under the Principal Ordinance that officer would receive his pension of \$60 plus \$60 as salary. Under this Bill he would be paid a salary of \$120 in addition to his pension of \$60, in which case he would receive \$180. If that is so this Bill is undoubtedly against the interest of the Colony, and if the Bill is not passed it will not create any injustice whatever to any officer in receipt of pension. I share the view expressed that only in very exceptional cases should Government re-

employ a pensioner. While it is true that under special circumstances Government may deem it advisable to re-employ a pensioner for some particular work, if Government would only look around a little more than I happen to know they do at present they would find another person equally capable to fill the position.

Mr. WILLS: I share the views expressed by the hon. Member for Berbice River, but I find in Ordinance 20 of 1933 a provision for the re-employment of pensioners. It is clear from the Ordinance, however, that it was never intended that an officer who was re-employed should get the maximum salary plus his pension. If section 23 of Chapter 204 is repealed a pensioner would be in receipt of the maximum amount of his salary plus his pension.

THE PRESIDENT: Not necessarily.

Mr. WILLS: My view of the question is, sir, that if section 23 is repealed a pensioner would be in the position to receive a salary plus his pension, which may exceed his maximum salary when in permanent employment. We think that the Colony is not in a position to lavish funds away when a pensioner might well live on what he is getting. This Bill may very well be postponed until the Colony is in a better position and can afford to be generous.

THE PRESIDENT: There seems to be a certain amount of misunderstanding with regard to the intention of this Bill. The Bill merely removes an absolute disability upon a re-employed pensioner from drawing more, together with his pension, than he drew at one time. It does not in any way prescribe a new salary. As the law stands Government is prevented from appointing a pensioner at a higher rate of salary than that which would with his pension bring him to the amount which he drew previously. It is merely to free the hands of Government in cases where there is merit that this Bill is being introduced, and it is common throughout the Empire. I may add that there is no intention on the part of Government to institute a policy of re-employment of pensioners.

Mr. SEAFORD: I intended rising to ask for an explanation which Your Excellency has already given.

THE ATTORNEY-GENERAL: I am afraid there is a great deal of misapprehension in connection with this matter, and the hon. Member for Demerara River has got it all wrong. The position is that section 23 of Chapter 204 is a very old section. It was enacted in 1903 and it was then in most Pension Ordinances in the Colonies. That section has disappeared now, and the reason is that it is admitted that the pension given to an officer is by way of deferred pay in respect of work which he has done during his service in any part of the Empire. If it becomes necessary in special circumstances to re-employ a person who has been pensioned, by reason perhaps of his special technical knowledge owing to a shortage of people in the particular branch of the Service to which he belongs, should he be paid the value of his work or should the value of that work be diminished by reason of the fact that he has been receiving a pension for past services? That is the position. It has been recognised everywhere that the present section is an unfair provision, and it prevents Government paying to a man a fair salary according to the value of his work. The salary may or may not with his pension exceed the emoluments which he formerly drew, but in some special case it may exceed those emoluments. Is it fair to a man when he is required to do specially difficult work and that work is worth X. that he should be paid X. minus Y. by reason of his being in receipt of a pension for past services? That section has disappeared from the law of various Colonies.

When we come to Ordinance No. 20 of 1933 the hon. Member for Demerara River was not familiar with it and was not a member of the Legislature at the time it was dealt with. That Ordinance, as I have indicated already, deals with officers who have joined the Service since its enactment and all other officers under Chapter 204 who chose to come under it. Now the position is, as was pointed out in the Legislative Council when that Ordinance was enacted and as set out in the report of the Select Committee, there is no provision limiting the amount of salary which may be paid to a re-employed pensioner. The section to which the hon. and learned Member referred (section 13) casts upon an officer a liability or obligation

to be recalled to service in certain events. It simply imposes on the officer a liability to be recalled to service in certain events, and if a pensioner so called upon declines to accept the office his pension may be suspended for a limited period. That is all that section does.

Further, in Regulation 16, which is in the Schedule of that Ordinance, there is a special mode provided for the computation of the new pension of a re-employed officer. It says service may be taken to be continuous and that the officer may be granted a pension on the whole of his service. That was debated by this Council with the knowledge that provision was there being made for the manner of giving a pension to a person who was re-employed as a pensioner. No section corresponding to section 23 of Chapter 204 appears in Ordinance 20 of 1933. The Legislature at that time had before it the report of the Select Committee and the draft of the Bill which was appended to that report was before the Council when Ordinance 20 of 1933 was being enacted. The Bill gives Government no greater right than it had before, and, as has been pointed out by the President, there is no policy of re-employment of pensioners; but circumstances may arise in which it may be necessary to re-employ a pensioner, and this is only making, on the lines I have indicated, a fair provision in regard to it. If section 23 of Chapter 204 is repealed, persons pensioned under that Ordinance would be in the same position as persons pensioned under Ordinance 20 of 1933, and there will not be two classes of persons, one suffering from a disability because this Council takes, which I hope it will not, a different view from what it took in 1933 when it enacted Ordinance 20 of that year.

Mr. AUSTIN: I do not think the learned Attorney-General has answered the question whether the Colony's liabilities in respect of pensions or lump-sum bonuses are likely to be increased by this Bill. I ask permission to refer to the case of the late Sir Charles Major. He severed his connection with the Colony, took his pension and lump-sum bonus, and went Home to codify the laws. Sir Charles took about three years to do the codification and eventually the Secretary of State directed that those three years be added to Sir Charles's service in order that he may receive an increased lump sum and pension.

The matter was debated at length and carried by a small majority. One wonders whether it is advisable to re-employ pensioners except under very special conditions. Quite a number of people are either looking for employment or promotion, and that can never be obtained if an endeavour is not made when the occasion arises to give promotion in the Service and employment to others who perhaps have not as much as those who already have.

THE ATTORNEY-GENERAL: I rise to a point of explanation with reference to what the hon. Nominated Member said in relation to Sir Charles Major. Sir Charles Major was retained by contract to revise the laws of the Colony. He retired in 1926 and it was part of the contract that during the period he was revising the Ordinances he would be paid the same salary as he received when he was Chief Justice, and it was also part of the agreement that the period during which he was engaged on the revision should be taken as part of his service and be calculated for pension. That matter was submitted to the Combined Court in 1926 or 1927 and was approved by resolution that Sir Charles Major should perform the work on those lines, consequently no question arises of his having done the work and asking for pension afterwards or of the Secretary of State directing it. The addition to Sir Charles's service was in pursuance of the resolution of the Legislature, which had all the facts before it.

Mr. AUSTIN: I was not a Member of the Combined Court but of the Legislative Council. I think the Hon. Mr. Smellie can give the Council the particulars as he knows more about the matter than I do.

Mr. HUMPHRYS: Many of the Members on this side of the House fear that if this Bill is passed men who have retired from the Service might be re-employed by Government at a bigger salary than they got before. Although it is not the intention of Government to re-employ pensioners, the passing of the Bill might lead to that being done and to young men not given a chance. We do not know how far it might go. I am quite willing to take Government's assurance that that is not the intention.

Mr. GONSALVES: What I am concerned about is what the financial effect

may be. The Colonial Treasurer might tell us what the financial position will be in so far as the taxpayers are concerned. It seems to me that this Bill is going to have the effect of increasing the Pension List. The hon. Member for Essequibo River said he agreed with pensioners being re-employed under very special circumstances. An amendment might be made permitting officers to continue in the Service for a longer period than is stipulated for retirement, because if a man is capable of working he should be allowed to continue. Government should be in a position to have in all important and essential offices understudies who would fill vacancies when they occur. That would overcome the difficulty of having to re-employ pensioners in particular branches of the Service. We are turning out young men from Queen's College who are waiting for junior posts when the senior men retire, and if we are to re-employ officers in receipt of pensions it must interfere with young men who are waiting for jobs.

THE ATTORNEY-GENERAL: I ought to mention that there will be no provision under this Ordinance of re-pensioning an officer who is re-employed because his service will not be continuous. Under this Ordinance the change would simply refer to the amount of money which can be paid a pensioner, but he would not be pensionable for any further service.

Mr. SEAFORD: Would it be possible for any pensioner who is re-employed to draw salary as well as his pension?

THE PRESIDENT: Yes.

Mr. SEAFORD: Full pension as well as any salary?

THE PRESIDENT: Whatever salary may be offered to him for the post, probably with the sanction of this Council.

THE ATTORNEY-GENERAL: I pointed out that the pension of an officer was in consideration for his past service, and if he is re-employed what he would be paid would be in consideration of the value of the work which he would be doing. That plus his pension may or may not amount to more than he received before. The position now is that whatever the value a man's work may be you could not pay him a sum which, together with his

pension, might amount to more than he got before. That has been abolished on the principle that a man is entitled to be paid the value of his work without any reference to what he is receiving for the consideration of past service.

THE COLONIAL SECRETARY: Several hon. Members having spoken on the general question of policy, to make that point clear I wish to say that for some years it has been the decided policy of Government not to re-employ pensioned officers except in most exceptional circumstances. There have been for many years now very few such officers and only in the most exceptional circumstances would Government adopt that procedure. No Member of the Council is more alive than Official Members are to the need for providing reasonable promotion for their own officers and for absorbing young men of the Colony, and in some cases young women, into the Public Service where their qualifications and capacity fit them to hold these posts. As the President has already mentioned, it is more than likely that any such case would come before this Council for approval, unless it was, of course, some very temporary employment which arises from time to time. The other matter of principle involved has been stressed by the mover of the Bill: that the intention is to provide for the re-employed officer a fair salary in relation to the work he has to do. That is all that is involved, and the automatic limitation which exists in the old Pension Ordinance does not always operate fairly.

Mr. ELEAZAR: I ask that my amendment that the Bill be read this day six months be put to the vote.

THE PRESIDENT: The amendment has not been seconded.

Mr. WILLS: I beg to second it.

Mr. ELEAZAR: I wish to reply to some of the points of the Attorney-General. The question is: Are we giving Government power to re-employ pensioners and pay them salaries which are perhaps the maximum of the office together with their pension? The Attorney-General's reply is that it would be a grievous wrong not to do so because you are only paying a man for what he is doing. But if the man

had not been pensioned he would not be receiving the pension in addition. I say the principle itself is wrong. The Attorney-General says pension is deferred pay. I have heard that view expressed before, but those who pursue it are simply chasing a fallacy. If that is a fact what becomes of the man who worked 19½ years and was retired and got no pension at all? Pension, as I understand it, is a privilege and not a right, and it is earned after a certain period. When a pensioner is re-employed Government re-employs him as a concession. It is a matter of contract that the salary and pension combined should not exceed an officer's maximum salary. We have the experience of men retiring from the Service, getting large sums by way of lump sum bonuses and pensions, and returning to work again after a few years.

We are told that these men are re-employed because they are indispensable. Indispensable forsooth! Who is indispensable? The good Queen died, but the world is still going on. If pensioners are not re-employed their income would be less; Government by re-employing them is increasing their income. Are they the people complaining? I do not think so. There is great complaint, and it should be known to Government, against the re-employment of pensioners. The excuse has been that by re-employing a pensioner he did not get the maximum salary and a saving was effected by not paying the maximum salary to another. The mention of Sir Charles Major provoked a smile from me. I stressed then that we were doing a wrong thing, and I believe I was in the miserable minority of one. I view the re-employment of a pensioner as a matter of special consideration, and it seems to me that Government is not fair to the community because outside the Government Service it is not done anywhere. Government dare not say when pensioners are re-employed that others cannot be found to perform the duties. It is putting a pensioner in a better position than if he had not been retired.

Mr. WOOLFORD: I think there are occasions when the assurance of Government may be respected, and this certainly is one of them. I am as familiar as anyone with cases where pensioners have had to be re-engaged either temporarily or permanently, and I cannot recall a case in which such an officer has been re-engaged

at emoluments totalling or exceeding his emoluments when he was in the Service. I think this is a case where we should accept the assurance of Government that if the necessity arises for the appointment of an officer where the pay is likely with his pension to exceed his total emoluments when he was in the Service that appointment and the salary attached to it would be submitted for the consideration of this Council. I believe that at the bottom of this discussion is the belief that officers are being appointed—and I certainly know of one case today—to posts that could very well have been filled by someone already in the Service. There is a case in my mind of a pensioner who has been re-engaged at a salary which could have been drawn by someone at present in that particular Department.

In the interest of the problem of unemployment it is highly undesirable that Government should draw on pensioned officers. It is not quite accurate to say that it has always been the policy of Government to avoid the re-engagement of pensioners and only do so where vacancies cannot be filled. There was a case not many years ago where the re-employment of an officer appeared to be very much like a scandal. That officer was in receipt of a good pension and he was re-engaged in a position which could have been filled by many clerical officers in the Service, yet he was paid a salary of \$100 a month for practically writing receipts at the counter. Members fear that a repetition of these cases is possible. This legislation enables Government to appoint an officer, may be temporarily, to a post which could not be filled in the ordinary way by promotion in the Service. It would be entirely open to Government to appoint anybody, and there are occasions when it would not be in the interest of the Service to fetter Government in any way with the appointment of an officer where some special training is required. I cannot conceive of any harm in such a case, coupled with the assurance of Government that each case would be considered on its merits.

Mr. WILLS: It is true that a Select Committee went into the Pensions Ordinance and their investigation led to the enactment of Ordinance 20 of 1933. Why did the Committee not then recommend that section 23 of Chapter 204 should be repealed? We are asking that

the Bill be deferred to satisfy ourselves that there is nothing ulterior on the part of Government in having it passed.

THE ATTORNEY-GENERAL: I pointed out that this very Bill was appended to the report of the Select Committee with a recommendation that clause 23 of Chapter 204 should be repealed. It was not taken up at the time because it was important to proceed with the other measure. The hon. Member probably has never seen the report of the Committee.

Mr. HUMPHRYS: We are quite prepared to accept Government's undertaking that no one would be employed at a salary greater than the amount he received before with his pension. The fear is that Government might employ a man at a salary in excess of what he received before with his pension, and following the usual procedure that man would be placed on the Estimate and when it comes before the Council we would be told by Government "We are sorry; we have already employed him." If Government would first consult the Council there would be no difficulty, but once a man is employed and his salary goes on the Estimate it is very difficult to get rid of it.

THE PRESIDENT: Before I put the amendment I wish to make one or two remarks arising out of the discussion. The last hon. Member who spoke has been very near the point. In effect by refusing to vote the second reading of the Bill the Council would be tying its own hands. I gave an undertaking yesterday, which I have every intention of carrying out, that whenever it is possible I shall put before the Council every proposal to expend money before that expenditure is incurred. In any case a vote has to be taken sooner or later in this Council, and if the Council or a majority of the Council feel that improperly a large amount is being paid to an officer, they are at liberty, and will be at liberty, to reject that item, so that control ultimately lies with this Council. I cannot understand why this Council wishes to tie its own hands. Power to re-employ a pensioner already exists, but that power is limited by this Bill to pay no more than a certain amount dependent on circumstances of the re-employed officer. The Attorney-General has pointed out that two years ago this Council took a

different view in respect of those who were in future to form the pensionable members of the Government, but it is now apparently objected to to take the same view with regard to a disappearing section of the officials of this Colony.

I cannot understand why this inconsistency of views should appear, and I am bound to say I have heard no good reason for it. There is, I repeat, no intention on the part of Government to go in for a policy of re-appointing pensioned officers. There are occasions when it may be in the interest of the Colony to re-appoint such an officer—he would not be pensionable, as the Attorney-General has pointed out, and it may be to the interest of the Colony to appoint an officer for a longer or shorter period for some special reason. Acceptance of the amendment would mean that for six months at any rate would hold its hands and be unable to say what it considers a fair salary to an officer re-engaged. In reply to the hon. Nominated Member, Mr. Austin, I endorse what the Colonial Secretary said, that it would only be in very special cases that such re-engagements would be made. I am not fully informed on the subject as far as this Colony is concerned, but in the last Colony in which I served a considerable number of officers who were pensioned off in their prime of life owing to retrenchment have been taken back. I will now put the question, under Standing Order No. 17, that the original motion stand. If that motion is carried the amendment, that the Bill be postponed for six months, will of course be lost.

The Council divided on the question and voted:—

Ayes—Messrs. Jones, Seaford, Austin, Dr. De Freitas, Laing, Goring, D'Andrade, Mullin, De Freitas, McDavid, Major Craig, Woolford, Professor Dash, Smellie, the Attorney-General and the Colonial Secretary—16.

Noes—Messrs. Humphrys, Wong, Wills, Dr. Singh, De Aguiar, Gonsalves and Eleazar—7.

Bill read the second time.

The Council resolved itself into Committee and considered the Bill clause by clause without discussion.

The Council resumed.

Notice was given that at the next meeting of the Council it would be moved that the Bill be read a third time. (*The Attorney-General*).

CIVIL LIST (AMENDMENT) BILL.

THE ATTORNEY-GENERAL: I move that "A Bill to amend the Civil List Ordinance, Chapter 52, with respect to the salaries which may be paid to officers" be read a second time. It is possible that the Principal Ordinance may be construed that officers must be paid in respect of the offices set out in the Schedule the salaries which are mentioned therein, but it is considered desirable, as has been done elsewhere, to make provision to authorise salary being paid at a lesser amount than that which is provided in the Civil List. In most Ordinances the provision is that salary be paid not exceeding the amount set out in the Schedule, and the effect of this amendment will be for the same purpose.

Mr. GONSALVES: I take it that this Bill is intended to affect officers in the future and not those who are already in the Service.

THE ATTORNEY-GENERAL: The language of the Bill is retrospective. It deals with any case where an officer is already or may in the future be appointed.

Mr. GONSALVES: I take it that so far as the Civil Service Association is concerned they have no objection to retrospective legislation.

Mr. ELEAZAR: Government is asking us to give it power to reduce salaries which previous Governments put on the Civil List. More than that, Government has been carrying out that idea without question but wants to have the law amended now. It is a matter of contract. Government has appointed Mr. A to fill a post equally as good or perhaps better than Mr. B., but because he is Mr. A. it says he is only entitled to so much and seeks power to reduce the salary. I know of cases where Government has appointed officers at a salary below the fixed salary and told them they can take it or leave it. I know also of cases where application has been made to this Council for a salary of so much and because a local man was

appointed to the post the salary was forthwith reduced. Why Government is seeking to make this Bill retrospective? We look to Government for the highest standard of morality, but this is jugglery. This is an attempt to interfere with the emoluments of a local man, no matter how qualified he may be. That is our experience and it is no use blinking the fact; we feel very chary about it. For certain offices emoluments are fixed to get persons qualified and of a certain standing to fill those offices. When a person of the requisite standard is found the salary should be paid, and Government should not have power to reduce the salary because it thinks the person appointed should not have been selected for the post. The Bill appears to be very harmless but it has a sting in its tail, and because we know of instances we feel very dubious of the morality underlying a Bill of this nature. If Government finds a person who has the necessary qualifications he should be paid the salary, and Government should not seek to cover itself behind a law which enables it to say "I give you the position but not the pay." That is what this Bill enables Government to do. I move that the Bill be read this day six months. To present this Bill to a dying Council, I submit, cannot be the correct thing. I say it is unpolitical.

Mr. DE AGUIAR: I second the amendment. I have always endeavoured to support Government in regard to the Civil Service, even to the point of delegating to Government powers which would tend to the smooth working of any Department. To my mind this piece of legislation tends to overload the Statute Books of the Colony. The Civil List Ordinance was only passed in 1928 and it affects only 16 officers in the Service. A Bill of this kind opens the door to suspicion, and when it is made retrospective it leads one to ask a very straight question. Has Government at present any immediate problem, or is it Government's intention to reduce the salary of any of the officers already in the Service? It seems to me that Government is endeavouring to go back on a bargain with these men. If that is so I cannot conceive that this Council would assist in the infliction of such a hardship on any officer concerned. If the necessity arises at any time to reduce the salary of an officer in

any particular branch of the Service legislation can then be introduced to deal with that particular case. Unless there is some ulterior motive I see no reason why this Bill should be introduced. I suggest that a further amendment be moved that the Bill be withdrawn.

THE PRESIDENT: I understand the hon. Member to second the amendment of the hon. Member for Berbice River.

Mr. DE AGUIAR: I do, sir.

Mr. WONG: Seeing that the Bill seeks to give retrospective authority for the employment of officers on the Civil Establishment at figures below those in the Schedule, I should like to ask a specific question. Is there any officer on the Civil List now who has been engaged at a salary below the figure appearing on the Civil List?

THE PRESIDENT: Yes, there are two.

Mr. WONG: Would it be possible to ask their names?

THE PRESIDENT: I do not think it bears on the principle of the Bill. I must correct my previous statement. I am informed there are three officers.

Mr. SEAFORD: The hon. Member for Berbice River is blowing hot and cold. Every time the Civil List has come before the Council I have heard Elected Members and the Member for Berbice River say we cannot reduce it because it is in the hands of Government and Government can do what they like. Government are now telling us "People can be employed at smaller salaries, but we have not the power to do it." I thought this Bill was brought in at the instigation of the hon. Member for Berbice River.

Mr. ELEAZAR: You always thought wrongly, sir.

Mr. SEAFORD: I deprecate the language in which the Bill was opposed. I do not think it is a right thing to accuse Government of immoral conduct. We have plenty of time to do so should the necessity arise, and I shall not be the most backward in doing so as I have done before. But I believe in having a certain amount of faith and in trusting anyone

until I find to the contrary, and I am prepared to do that now. I cannot see why there should be this opposition to the Bill. There seems to be a feeling that Government have some particular officer or officers in view whom they wish to employ at a lower salary. I have often heard that the cost of Administration—60 per cent. of the revenue—is far too high. If Government propose to try and reduce expenditure I am in favour of it. We have always been told that people at the head are always looking to get big salaries while those of the poor people at the bottom are always cut down. That is blowing hot and cold and I am not in agreement with that type of legislation.

Mr. HUMPHRYS: I think what the hon. Member for Berbice River is really getting at is the appointment of local men to any of the posts mentioned in the Schedule. He is suspicious that it is on their account it is sought to introduce this Ordinance. I do not know who are the officers holding offices at a lower amount, but the Principal Ordinance appears to be very emphatic. It says . . . "there shall be paid the several amounts set forth in the schedule hereto to the persons holding the offices therein specified." It does seem to me that Government had no power to go outside the Ordinance. That is the reason why they are now seeking to put themselves right, and they ought to be commended. But it might be well if Government take the Council into their confidence as regards the real object of this Bill. I think the late Colonial Treasurer was appointed at a salary in excess of the salary of his predecessor, and I also think that was done because Mr. Millard possessed special experience or was responsible for the collection of Income Tax. I do not know whether it is Government's intention that the present holder of the office should not receive the salary at which Mr. Millard was appointed. I agree that the Bill is in the interest of the Colony if the intention is to lessen expenditure. We naturally do not want to pay higher salaries than we need, but we would not like to know that the aim is the reduction of the salary if the appointee is a local man and not a man from abroad. That is what is worrying Members at this end of the table, and that is why I suggest that Government might take us more into their confidence.

Mr. GONSALVES: What I think is the objectionable feature of the Bill is that it is sought to make it retrospective. It is contemplated that certain appointments should carry reduced salaries, and, apparently, through somebody's oversight the necessary legislation was not introduced. It would appear that certain appointments were offered to officers already in the Service in contemplation of payment of reduced salaries, and that this is the only way in which the matter could be got round to cover up what has been done in connection with those appointments. Abatements have been restored to officers who had been appointed at specific salaries. The object of this Bill now is to reduce the salaries of officers who come under the Civil List Ordinance. If that is not so what is the reason for making this Bill retrospective?

THE PRESIDENT: Perhaps it would help the hon. Member if I said there is no intention whatever to reduce the salary of any officer below the salary he accepted when he entered the post. There are three posts in the Schedule of the Civil List Ordinance the holders of which accepted appointments at a lower salary than is stated in the Schedule. Government in offering that salary put itself outside the law and Government is now putting itself inside the law. The three posts are those of the Assistant Colonial Secretary, the Colonial Treasurer and the Registrar of Deeds.

Mr. GONSALVES: It is unfortunate that the Council was not informed of that earlier as a good many of the remarks would not have been made. If the officers have accepted lower salaries it is their own funeral.

Mr. WILLS: The Civil List Ordinance says "there shall be paid the several amounts set forth in the schedule," therefore a legal right was conferred on the person when he was appointed. Why should there now be brought before the Council a Bill which says the Governor shall be deemed to have and always to have had power to fix and cause to be paid a salary at a less amount than the amount set forth in the Schedule? It is evident that something was wrong and an attempt is now being made to invest Government with power it never possessed.

Mr. WONG: I am prepared to support the Bill for the sake of economy, but I would like to remark that it is most unfortunate that all three of these appointees should be local men.

Mr. G. J. DEFRETTAS: I intervene in this discussion with some diffidence being only a temporary Member, but it occurred to me during the course of the debate that hon. Members are labouring under a misapprehension as to the object of the Bill. The hon. Member for Berbice River stated that Government must abide by its contract. I can see no difficulty in this matter. Government is endeavouring only to place itself in order to justify what has been done by the Secretary of State, who I presume make these appointments. I would like to see any officer who has accepted a smaller amount attempt to recover the statutory amount in a Court of Law. It seems so childish to oppose a Bill of this kind that should have gone through in five minutes without any opposition. The Secretary of State, having in view no doubt the financial position of the Colony, finding a person who is competent to fill an office and is willing to accept a lesser remuneration, offers him the post and he accepts it. There is no doubt that is a good legal form of offer, and this Bill is introduced to put the matter beyond any dispute. Anyone reading the Bill would see that it has no reference to reducing any salary but says that when appointing an officer to any office mentioned in the Schedule, the Governor shall be deemed to have and always to have had power to fix and cause to be paid a salary at a less amount than the amount set forth in the Schedule. That does not mean that when Government is going to appoint local men to a position it is necessarily going to reduce the salary. It may be that a local man might not be entitled to the same salary as a person coming from abroad, but it is a matter entirely for the officer to say "I am not prepared to accept the post at the salary offered," and I am at a loss to understand any opposition to the Bill.

Dr. SINGH: I think if Government had placed all the cards on the table from the outset there would have been less opposition.

Mr. ELEAZAR: What the hon. Mem-

ber says is correct: if Government had put all the cards on the table there would not have been opposition. If a man accepts an appointment at a lesser salary he has no ground for complaint, but if Government appointed him and later reduced his salary that is another matter. With the consent of my seconder I withdraw the amendment.

Question put, and agreed to.

Bill read the second time.

The Council adjourned for the luncheon recess.

On resuming, the Council resolved itself into Committee and considered the Bill clause by clause without discussion.

The Council resumed.

Notice was given that at the next meeting of the Council it would be moved that the Bill be read a third time. (*The Attorney-General*).

SHOPS REGULATION BILL.

THE ATTORNEY-GENERAL: I move that "A Bill to amend the Shops Regulation Ordinance, Chapter 77, to authorise the restriction of the sale of malt liquor and wine and the time of opening of hotels, retail spirit shops and taverns on any day appointed for the holding of the election of a Member of the Legislative Council" be read a second time. This Bill, sir, is a complement to the enactment of Ordinance No. 8 of 1930, section 2, which provides "that on the day appointed for the election of a member of the Legislative Council in any electoral district no hotel or spirit shop within such district or where any portion of such district is within the municipal boundaries of the City of Georgetown no hotel or spirit shop within such boundaries may be opened before the close of the poll." A re-arrangement of the language of that section is in clause 3 of the present Bill. What is new in this Bill is the addition of clause 17 of the Shops Regulation Ordinance, Chapter 77. The object of that clause is to enable the Governor in Council to order that in any area other than in the City of Georgetown and the Town of New Amsterdam malt liquor or wine shall not be sold dur-

ing such hours as may be fixed before the closing of the poll on any day appointed for an election of a Member of the Legislative Council. The order shall be made not less than four days before the day appointed for the election and may be amended or revoked by a subsequent order.

The difference between this clause and the section in the Ordinance is that while the section provides absolutely for the closing of spirit shops and hotels during the hours of election in any electoral district, this clause merely gives to the Governor in Council a discretionary power to order that malt liquor and wine be not sold in any area to which the order relates. The power is discretionary and would, I take it, only be exercised if it appeared necessary in particular areas. It is not proposed to close shops in which malt liquor and wine are sold in conjunction with other articles, such as provisions, but a restriction is placed on these shops in respect of the sale of malt liquor and wine. Knowing the predilection of my hon. friend, the Member for Berbice River, I naturally expect his strong and ardent support. Whether it would be well for other people to follow his example and avoid the evils he eschews is another matter. I think he will also agree that it is a fitting measure to bring before an expiring Council, in which, of course, the hon. Member is not singing his swan song, and for that reason I am sure he will give it his very strong support. Sub-clause (3) is simply a re-arrangement of the language of the other making it clearer. Sub-clause (5) relates to the punishment for any contravention of an order and is the same as is provided in the other case. The effect of sub-clause (6) is to make the holder of a licence liable for a breach done by his servant or any member of his family.

Professor DASH seconded.

Mr. ELEAZAR: The Attorney-General for once has been able to guage my views on matters of this kind. I certainly do not want to put temptation in the way of people to indulge in liquor of any kind, but I am wondering whether the Bill will have the effect it is intended to have. I wonder whether it is not making it more difficult for candidates for election to carry on their campaign. My experience

has been that the honest—I say honest for want of a better word—candidate who insists upon observing the law and refuses to countenance the giving of anything to drink is at the mercy of his opponent who supplies drink on the sly. The honest man is really considered to be a miser or only pretending to uphold the law, and I wonder whether this innovation is giving us the advantage Government intends and we would all like to see. I know for certain that this law is very much observed in the breach. For what it is worth it may be tried, but I think it is a sort of temptation. While we cannot advocate the closing of small shops, because it would be creating a hardship to people who require other goods, it is hard for the salesmen to resist the temptation to sell, and there is the possibility of their rivals effecting sales as they do now. What is to prevent a candidate from getting his own stock of drinks and sending it to a neighbour's house for distribution? I do not think Government should hold my hand but I obey the law while others do not. I know of an instance where a candidate refused the remains of his dinner to a labourer who happened to have a vote, but his opponent was doing more than that. While you cannot legislate to prevent these things from occurring, one wonders why not leave well alone. This Bill is being enacted with the best intention, but there are ways of getting behind it and one wonders whether it is not a waste of energy.

Mr. WOOLFORD: The hon. Member for Berbice River is the least qualified to express an opinion on this question. He is a confirmed teetotaller and I have no doubt in certain circumstances he will remain so. But, sir, one must recognise that within recent times in cases of bye-elections it did appear that several voters had in the course of the campaign visited places where malt liquor was being sold. It is a fact that in the old days, when it was permissible under the old Constitution, voters did express a desire to be given drink at retail spirit shops, and they would not vote until they had got it. That was an undoubted evil, and the evil still exists to-day. The taste of the consuming public, where rum is unobtainable, has now been changed to wine and malt. That is within my personal knowledge and observation, and the

evil which this Bill is designed to correct exists mainly in the country districts. We all know that unlike Georgetown the rural districts are not divided into polling areas. In Georgetown a voter has to vote within the vicinity of his residence. In the country districts it is a noticeable feature at elections that a voter who lives within a yard or two of the polling station will not vote there. The country voter insists on the candidate or his agent taking him to the other end of the constituency, and we know that the Court has found that in the course of these journeys they do stop to be served with drink. It is not for this Council to review the Court's decision; it is a decision by which we are bound. Why should a candidate who has given no approval to these practices and does not sanction them be drawn before the Court on account of the machinations of unscrupulous agents or an opposing candidate? No great injury will be done by this Bill but very great protection afforded against the temptation to contravene the law in a direction which it need not be. To tell me that it is absolutely necessary for the conduct of a man's business to open it on election day is to tell me something that does not appeal to reason. Whatever our private opinion may be let us get rid of that complex in betterment of the conduct of elections.

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—Penalty for selling or delivering malt liquor or wine contrary to Order in Council.

Mr. ELEAZAR: I think something might be done to place liability on the person who sells and not on the occupier. In a good many provision shops in the country the salesman is not the holder of the licence. There is no penalty attached to the shopkeeper and the holder of the licence will be mulcted. If necessary, both should be liable to the penalty. The salesman should be primarily liable, at any rate, even more so than the holder of the licence, who may be elsewhere.

THE ATTORNEY-GENERAL: The

penalty in sub-clause (5) is on any person who contravenes an order. That fixes liability on the individual who personally contravenes the order, but the object of sub-clause (6) is to make the occupier also liable. Section 12 (1) of Chapter 77 provides that "the occupier shall be penally liable and responsible for every breach . . . by any member of his family, or by anyone employed, whether temporarily or permanently . . . in the same manner and as fully as if he himself had committed the breach." This extends the liability to both the occupier and the person who contravenes an order and is exactly what we have in the Shops Regulation Ordinance.

THE CHAIRMAN: I think sub-clause (5) meets the hon. Member's point that anyone who sells liquor will be liable for punishment.

Mr. ELEAZAR: Yes, sir.

The Council resumed.

Notice was given that at the next meeting of the Council it would be moved that the Bill be read a third time (*The Attorney-General*).

STAMP DUTIES (MANAGEMENT) BILL.

Mr. McDAVID (Colonial Treasurer): I beg to move that "A Bill to amend the Stamp Duties (Management) Ordinance, Chapter 43, by making provision with respect to the discontinuance of the use of dies and stamps" be read a second time. The object of this Bill, sir, is to provide statutory authority for the demonitisation of obsolete and obsolescent postage and revenue stamps. It is a curious thing that while a number of obsolete and obsolescent stamps have been withdrawn from sale and from circulation under notices published by the Postmaster-General, there does not appear to be any statutory authority which would render such notices authoritative in respect of the invalidity of the stamps for use for postal or revenue purposes. It follows therefore that any stamp, however old or however obsolete, may still be used on an instrument to denote stamp or revenue duty. This matter was raised quite recently by the present Postmaster-General when the most recent issue was put on the market in 1934, and this Bill is

the result. It is, of course, desirable that at some date every stamp issue should be rendered invalid and incapable of being used for postage or stamp duty.

Clause 2 provides that whenever the Commissioners are of opinion that the use of any die should be discontinued they shall so report in writing to the Governor in Council, who, if he approves, may authorise the Commissioners to discontinue that die. The Commissioners shall thereafter issue a notice in which is fixed the date after which that particular die is not lawful for use for stamp duty. There are two provisos which allow certain concessions. The first concession is with respect to a document stamped out of the Colony after the date. Under certain conditions those documents can be brought to the Stamp Commissioners and the stamps which have been rendered obsolete can be cancelled and new stamps affixed. The other concession is that any stamped material which has been rendered valueless by reason of the notice of the Commissioners may within six months of the notice be taken to the Commissioners and restamped if the Commissioners are satisfied. The Bill is to repair an omission which has existed for a long time, and it is very desirable that that omission should be put right.

Mr. MULLIN seconded.

Mr. ELEAZAR: I think this Bill is rather finnickish, and I don't like finnickish at all. It will be conceded that nobody in this community has old stamps without paying for them, and as long as these stamps have never been used why should they lose their value and not be put in use. Unless some wrong will be done there is no good reason for bringing in this legislation. Supposing I buy some Jubilee stamps, or I have in my possession stamps issued in 1840 and inherited from my grandfather, and I find myself "stony broke" why should I not use them? I cannot conceive that any good purpose will be served more than to deprive people of the use of stamps because the Postmaster-General thinks they should not be allowed to use them.

Mr. McDAVID: If anyone finds 1840 stamps they would find them much more useful for other purposes than sticking them on envelopes. It is a general prin-

ciple that stamps must become invalid at some time. This Bill is a replica of the English Act on the subject, and I submit that issues of stamps should be demonitised at some time.

Question put, and agreed to.

Bill read the second time.

The Council resolved itself into Committee and considered the Bill clause by clause without discussion.

The Council resumed.

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

SUPPLEMENTARY APPROPRIATION BILL.

Mr. McDAVID: I beg to move that "A Bill to allow and confirm certain additional expenditure incurred in the year ended thirty-first day of December, 1934" be read a second time. The passing of this Bill is the final act of the Legislature in approving expenditure of the year 1934. The excesses which are set out in the Schedule are the excesses on the main heads of the Estimate. They are comprised of excesses on sub-heads all of which have already come before this Council on Supplementary Estimate and have been approved by resolution. The passing of this Bill is to give statutory effect to the expenditure of the year.

Mr. MULLIN seconded.

Question put, and agreed to.

Bill read the second time.

The Council resolved itself into Committee and considered the Bill clause by clause without discussion.

The Council resumed.

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

APPROPRIATION BILL.

Mr. McDAVID: I beg to move that "A Bill to appropriate supplies granted in the last session of the Legislative Council" be read a second time. This Bill will give statutory authority to acts of the Legislature in approving of the Estimates for 1935. It will be observed that the Schedule contains the heads of estimates of expenditure on Departments as actually passed by the Council. The Council has already been informed that by administrative act Government will take steps to restrict certain items of expenditure. I shall repeat these items: Public Works—Extraordinary, Best Groyne, \$6,000; Crib Groyne, \$6,800; Roads—Extraordinary—Concrete Strip Roads, \$36,000—Total, \$48,800. These items, although included in the Schedule, will not be expended, because the Governor's warrant will be restricted to the total amount less these deductions. With this explanation I move the second reading of the Bill.

Mr. MULLIN seconded.

Question put, and agreed to.

Bill read the second time.

The Council resolved itself into Committee and considered the Bill clause by clause without discussion.

The Council resumed.

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

TRANSPORT AND HARBOURS BILL.

Mr. McDAVID: I beg to move that "A Bill further to amend the Transport and Harbours Ordinance, 1931, with respect to the appropriation by the Board of the revenues of the Department" be read a second time. The object of this Bill, sir, is to set out precisely what are the powers of the Commissioners of the Transport and Harbours Department with respect to the appropriation of revenues collected by the Department. Some doubt appears to have arisen as to the powers of the Board in this respect. It has always been assumed that the Transport

Ordinance, 1931, established the Transport and Harbours Department as a separate administration and gave the Board absolute control over its revenue. I do not think the Commissioners have any doubt in their own mind on that point. There is some support of that view because certain sections of the Ordinance give the Board the right to collect certain dues as part of its revenues, while another section authorises the Board to place that money to a Bank account and to draw cheques upon it for the purposes of the Board. However, in order to remove any doubt it is now proposed to repeal section 7 of the Principal Ordinance dealing with the revenue and expenditure estimates of the Department and introduce a section which precisely lays down what are the duties of the Board in regard to revenue and expenditure.

Clause 2 states that the Board shall on a special date—the 15th of June in each year—submit to the Governor in Council the estimates of revenue and expenditure, and after the Governor in Council has examined those estimates they become the authorised estimates of the year. By an amending Ordinance passed in 1932 the Department is bound to include in its expenditure estimates the annual charges of the loan capital of the Department. I mention that because the Department has to come to this Council to vote the net deficiency, and in the past, by reason of its coming to the Council to vote the net deficiency, the Council has had an opportunity to go through the individual items of the estimates. The clause in this Bill now states definitely that "the authorised estimates shall be subject to the final approval of the Legislative Council," therefore this Council will have every opportunity to examine in detail the estimates of expenditure of the Department.

To go back to the question of appropriating revenue, the Board is given power in this clause to appropriate its revenue for the purposes set out in the authorised estimates of the Department, and because of the doubt I expressed before clause 3 validates all previous acts of the Board in this respect. I move the second reading of the Bill.

Mr. MULLIN seconded.

Mr. DE AGUIAR: I would like very much to give my wholehearted support to this Bill, but it seems to me the intention is to encroach upon certain rights and privileges of Members of this Council. I refer particularly to the proviso "that where there is an estimated net deficiency to be met from a sum to be voted by the Legislative Council the authorised estimates shall be subject to the final approval of the Legislative Council." Your Excellency has no doubt within the last three days observed that Members of this House consider it the privilege of the Council to criticise Government either in administration or in matters regarding expenditure, and if the estimates of the Transport and Harbours Department are only to be placed before the Legislative Council when there is a net deficiency the Council will not always have an opportunity of criticising the expenditure of the Department. It might be said that for years to come the Department will show a net deficiency, but I am an optimist and I hope that the Department will be so well run as to increase its revenue. If for several years the Department can show a balance on the right side, for all those years Members of this Council would be deprived of the opportunity of criticising the expenditure and the operations of the Department. I feel sure that is not the intention of Government, and when we reach the Committee stage I shall move that the words "where there is an estimated net deficiency to be met from a sum to be voted by the Legislative Council" be deleted. This Council should always be in a position to criticise the expenditure of this Department as it does in respect of other Departments.

Mr. SEAFORD: I think the hon. Member is unduly worrying himself. There are many Members of the Council who are also Members of the Board, and therefore any expenditure recommended by the Board with Government's help is bound to go through this Council. In fact, by recommending to Government the appointment of a Board to deal with every Department, it would hasten the work of this Council in getting through the Estimates much more expeditiously than at present.

Mr. ELEAZAR: I do not think the hon. Member is quite serious. The esti-

mates of every Department are discussed here before they are given to the Departments to disburse, and I do not see why in this particular instance the estimates of the Board should not be put before the Council except we are to give the Department more money.

THE PRESIDENT: We might discuss the point on the amendment which the hon. Member for Central Demerara proposes to move in Committee.

Mr. ELEAZAR: We would then have passed the second reading and I am asking whether, in view of what the hon. Member has said, Government would not see its way to withdraw the Bill at this stage.

THE PRESIDENT: I cannot withdraw the Bill.

Mr. ELEAZAR: In that case I had better wait until the hon. Member moves his amendment.

Mr. McDAVID: It seems that I have not made it quite clear that the main point of the Bill is to authorise the Board to spend the revenues collected by the Department. It is authority which the Board feel they have now, and which most people think they have. At present the legal sanction to spend that money is being questioned. The other point about the estimates and the sanctioning of them is quite incidental. The position at the moment is that those estimates are authorised estimates when they are passed by the Governor in Council and no change has really been made. What this Bill seeks to do is to provide that the authorised estimates shall be subject to the final approval of the Legislative Council when a net deficiency has to be voted. The position will then be no different to what is actually the practice now.

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—Estimates of Board to be approved by Governor in Council, etc.

Mr. DE AGUIAR: I beg to move that the words "where there is an estimated

net deficiency to be met from a sum to be voted by the Legislative Council" be deleted. I have no desire to prolong the debate. The reply of the Colonial Treasurer led nowhere in respect of the point I have raised. I am not concerned with any errors in the past nor with whether the estimates came before the Council, but I desire that the estimates of the Department shall be submitted to the Legislative Council for approval whether there is a net deficiency or not. Irrespective of any undertaking, which if given I am prepared to accept, under this clause it seems to me that the estimates can only be placed before the Council when the Department is "run at a loss," which I prefer to "an estimated net deficiency." Members of this Council have the right and privilege, which they are exceedingly jealous of, and it is the only opportunity afforded them, to criticise to the fullest extent possible the administration of a Department, or to exercise control or to make suggestions regarding expenditure of a Department. To take away these rights and privileges would in effect be telling Members of the Council "When in time Boards are appointed for every Department there will be no further use for Members of the Legislative Council." I appeal to you, sir, that the words I have indicated be deleted.

THE CHAIRMAN: Before any other Member speaks I desire to ask the Attorney-General whether under the existing law the estimates of the Transport and Harbours Department do not come before the Legislative Council unless it is necessary for the Legislative Council to vote some of the Colony's revenue to meet an estimated net deficiency. I wish to clear the point up.

Mr. DE AGUIAR: Permit me, sir, to say that in the past the estimates have only been placed before the Council as a matter of grace. Whether that was wrong or right I am saying to-day that this Council has the right and privilege to criticise the expenditure of any Department. When the estimates of this Department came before the House they were criticised severely, and if we allow this opportunity to pass now that we are amending the Ordinance we shall lose once for all our rights and privileges to criticise the expenditure of the Department.

All other estimates come before the Council for approval and those of the Transport Department should be no exception.

THE CHAIRMAN: I am trying to get the facts.

THE ATTORNEY-GENERAL: The matter, sir, is governed by section 7 of Ordinance 30 of 1931. That section provides that the Board shall on or before the 1st of October in each year submit to the Governor in Council the estimates of the Department for the ensuing financial year, and those finally sanctioned by the Governor in Council shall be the authorised estimates for the financial year, and the Board may subject to the provisions of the Ordinance levy, collect and receive the revenue so stated. It seems from the language of that section that when the estimates have been sanctioned by the Governor in Council the Board is authorised to make the expenditure set forth in those estimates. The Board may also collect the revenue which the Ordinance provides may be collected under various heads. When the estimates are sanctioned they are the authorised estimates, and this Bill is giving the Board power to carry out expenditure according to those estimates.

THE CHAIRMAN: With the permission of the Council I should like to leave the Bill in Committee to consider the point raised by the hon. Member for Central Demerara. The hon. Member has raised a point of principle and I am not prepared to give a decision on it without discussing it with my Executive Council. The Bill will therefore remain in Committee.

The Council resumed.

APPROPRIATION ORDINANCES VALIDATION BILL.

Mr. McDAVID: I beg to move that "A Bill to allow and confirm the expenditure incurred in the years 1929, 1930, 1931 and 1932" be read the second time. I invite attention to the explanatory memorandum at the beginning of the Bill. It sets out quite clearly the reason for this somewhat extraordinary position. It appears that we had a difficulty with the Transport Department again. The

procedure of passing Appropriation Ordinances commenced in 1929 on the passing of the new Constitution and it appears that in preparing the schedules of those appropriations certain omissions and blunders were made. One omission was the vote of the Transport and Harbours Department for the net deficiency. That was recognised as incorrect in 1933 and it was corrected subsequently. Later the Director of Colonial Audit referred to the omission and stated that the expenditure for the years 1929-1932 should be validated. I am not sure what will happen if the Council does not pass this Bill. Perhaps the Colonial Treasurer will be impeached, therefore I trust the Council will adopt it.

Mr. MULLIN seconded.

Question put, and agreed to.

Bill read the second time.

The Council resolved itself into Committee and considered the Bill clause by clause without discussion.

The Council resumed.

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

INCOME TAX BILL.

Mr. McDAVID: I beg to move that "A Bill to amend the law relating to Income Tax with respect to shipping profits and the admission of claims for relief in cases of double taxation" be read a second time. The amendments contained in this Bill are two, the more important of which is the adoption of a reciprocal exemption of shipping profits. The policy of exempting shipping profits from taxation is one which is being followed in most countries of the world, and it is adopted as a solution of the difficulty of double taxation. In regard to ships double taxation really means multiple taxation, because a ship pays income tax in every port it touches and on its return home pays a further tax. This Colony, and perhaps other Colonies, will accept that policy with a good deal of reluctance because it would inevitably mean a loss of

revenue. It is quite clear that if we adopt reciprocal exemption, unless we have domiciled here shipping interests of our own which will be exempted from taxation in other countries, we might be giving something and getting nothing in return. But we must look at the matter from a much wider angle and accept the policy adopted by other countries with the object of assisting international shipping generally, and, moreover, British shipping in particular. When first considered it was estimated that the loss would be \$1,800, but that was in a year when there was considerable depression in shipping profits and it is possible it will be more in a good year.

The second part of the Bill merely specifies a period during which claims for relief from double taxation may be made. The clause says that a claim for relief shall be made within two years from the end of the year of assessment to which it relates. In the Principal Ordinance no period is fixed, and, apparently, a claim may be made within any time. There is a proviso to the clause which enables a claim to be made within six years where there may be some reason for holding up the tax on the other side. In such cases when the assessment is settled the taxpayer has six months from the date of settlement in the United Kingdom or Empire Colonies to bring his claim for relief from double taxation.

Mr. MULLIN seconded.

Mr. ELEAZAR: It seems to me that what we are going to give is very much more than we are going to get, and it strikes me that we are giving away what we have not got. I have no interest in shipping coming to this Colony because they have been very hard on us. We are out of the West Indian market with our rice on account of the easy convenience of bringing rice from Burma, and if by any means we are getting back some of our own from these shipping interests I cannot understand why we should be asked to relinquish it. We cannot find a market for our rice because the shipping interests would not give us quarter, and we have no alternative. Now we are told by our own Government to lose so much because others are doing it. This country suffers too much from "follow pattern" and in every case to our detriment. I do not think Government is acting fairly to the

taxpayers when money is needed in giving this concession because others are giving it. I have always regarded the shipping interests as inimical to this country in giving us no concessions. It is not fair to ask us to make this concession to them, and for that reason I am opposed to the proposal.

Mr. McDAVID: I trust the Council will not look at the matter from so narrow a point of view as the hon. Member for Berbice River. We in this Colony are not on the main shipping routes like our neighbours in Trinidad and Barbados, and we cannot afford to stand out of what is practically an international arrangement for shipping generally. Barbados and Trinidad are in a much better position to claim the best shipping interests can give. We are in no position to bargain and can not afford to stand out from this arrangement. The benefit is not direct but will be indirect.

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—Amendment exempting certain ship owners from tax.

Mr. WALCOTT: Does the term "ships" include air-ships?

Mr. McDAVID: I am afraid it does not.

Clause 3—Repayment of claims for relief from double taxation.

Mr. ELEAZAR: The draftsman of this Bill is a very generous individual. He likes to give away what does not belong to him and tells a person who says "No" he is narrow-minded. I am just before I am generous. Is there any reason why these persons should have two years to ask for money they have a claim to? If you give them a gift they should take it within six months or not get it at all. I move that six months be substituted for two years.

Mr. McDAVID: Clause 3 does not relate to clause 2 at all. It is quite a separate subject. If the hon. Member is

familiar with the intricacies of the Income Tax he will realise that two years is not a long time for claims to be made. Even in this Colony it takes over two years to have a claim settled. I appeal to the commercial Members to say if that is not correct.

Mr. ELEAZAR: I say you must not give them at all, and I am trying to get them to claim promptly or not get it at all.

THE CHAIRMAN: I think the hon. Member does not quite see the point. Clause 3 relates to sections 48 or 49 of the Principal Ordinance, and it does not have any relation to the subject matter.

Mr. McDAVID: The hon. Member has not paid as much attention to this Bill as he usually does with other Bills. In the Principal Ordinance no limit of time is fixed for making a claim and in another Colony a claim has been brought within seven or eight years. For this reason Government has thought fit to amend the Ordinance fixing the limit of time at two years, but there is a proviso which allows a claim to be made within six years under certain circumstances.

The Council resumed.

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

CUSTOMS DUTIES BILL.

Mr. D'ANDRADE (Comptroller of Customs): I beg to move that "A Bill to amend the Customs Duties Ordinance, Chapter 34, with respect to the rates of duty on forest products" be read a second time. The purpose of this Bill, sir, is to exempt all forest products from payment of export duty to which they are now subject. The export duty is 1½ per cent ad valorem based on the f.o.b. values of exports (not being re-exports) other than diamonds and precious stones which are subject to a special rate. The export duty was first imposed in 1925 and in 1930 sugar and its by-products and other agricultural products were exempted from payment of the tax. The object of this Bill is also to exempt

forest products. In Clause 2 of the Bill the term "forest products" is defined as in the Forestry Ordinance, Chapter 179. It is a very embracing definition, including timber and lumber, firewood, charcoal, and balata. Owing to the world depression the demand for timber and also for sawn lumber has fallen considerably, and the export trade to all countries has fallen off correspondingly. It is therefore very difficult for us to develop this industry at the present time. Balata was used very largely in the manufacture of submarine cables and with the advent of wireless and the consequent falling off in manufacture of cables the demand for this product has been considerably lessened. In 1930 the export of balata was 995,000 lbs. whereas in 1934 it fell to 70,209 lbs. Firewood and charcoal are shipped to a few West Indian islands, principally Barbados, which look mainly to this Colony for their supplies. We have competitors in some of the other West Indian Colonies, and it is hoped that this relief will result in the recovery and development of these industries. The revenue collected from all forest products has fallen from \$9,587 in 1930 to \$4,000 in 1934, principally from balata which in 1930 paid \$5,800 and in 1934 only \$1,000. I venture to think this relief will meet with the support of every Member of the Council.

Mr. LAING seconded.

Mr. DE AGUIAR: I have risen on this occasion not to enter into any opposition to this Bill but rather to give it whatever support I can, because it is known that the state of these industries makes it absolutely necessary to afford them any assistance Government can give. I also take the opportunity to bring to the attention of Government, with a view to the inclusion of relief measures in this Bill, the hardship that is being caused by the heavy duties imposed on textile goods imported from foreign sources. Government introduced that measure in order to protect the interests of British manufacturers, and I feel sure that was the only object which Government had in mind at the time. Experience has shown that the operation of that Bill is creating an undue hardship on a section of the community who I will describe as exceedingly poor. It is well known that quite a

large number of poor families, who are dependent on their relatives abroad, principally in the United States of America, receive from them from time to time parcels of used clothing and other articles. I do not wish to paint any picture of the usefulness of this form of assistance by those people to their relatives here, but by the operation of the Textile Ordinance it has now become absolutely impossible for such relief to be afforded these very poor people, for the reason that the import duty works out at a figure several hundred per cent. and in some cases higher than the actual value of the articles.

I bring the matter to Government's notice in the hope that Government would see its way to make the necessary addition to this Bill in order to afford relief. Not many days ago I was interviewed by a person who does quite a lot of charitable work by the distribution of parcels which arrive from the United States for poor people. The duty on a parcel that arrived to that person was something like \$5 and the parcel had to be returned because the person was unable to pay the duty. That is only one instance of many. Government, I am sure, had no intention of imposing this hardship, and when the Bill is in Committee, sir, I will ask your permission to move an amendment of Item 1 of the Second Schedule to the Customs Duties Ordinance, as enacted by section 3 of the Customs Duties Ordinance (No. 2), 1934, by the addition of the following proviso: "provided that wearing apparel imported by parcel post not for sale or for exchange to the satisfaction of the Comptroller of Customs the duties shall be British Preferential Tariff 15 per cent. General Tariff 30 per cent." By the addition of that proviso the hardship I have mentioned would be met and relief afforded to the people whom I have described as very poor indeed. It is also within my knowledge that in the United States of America are a number of British Guianese who have formed themselves into what is known as the British Guiana Benevolent Association, and either through that Association or its members they contribute sums of money from time to time in order to make these gifts.

Mr. SEAFORD: I rise to ask for an explanation. I thought the hon. Member was talking about second-hand clothing,

but he finished his speech by asking that all parcels coming to private individuals be brought in at a cheaper rate of duty.

THE PRESIDENT : May I suggest that the hon. Member discuss the point when the amendment is before the Council in Committee, if and when moved.

Mr. ELEAZAR : I am very much in sympathy with this Bill and I am supporting it, especially as it includes balata which is one of the minor industries. Most of the men who bleed balata are idling and the Bill will confer a benefit in that direction. I do not think Government does enough to help these small industries. With respect to the suggestion of my hon. friend, the Member for Central Demerara, I see no difficulty in the Comptroller of Customs being permitted to open parcels to see whether they really contain worn clothing.

THE PRESIDENT : I make the same suggestion to the hon. Member as I made to the hon. Member for Georgetown North on that point.

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—Interpretation.

Mr. MULLIN (Commissioner of Lands and Mines) : I am wondering whether the definition of forest products includes wood pulp for paper making. We have no export at present but negotiations are going on with a view to the establishment of a wood pulp trade here, and I think it would be a great inducement to the people concerned if they know there is no export duty. It does not appear to me that wood pulp is covered by the definition.

Mr. D'ANDRADE : I am afraid that wood pulp did not occur to us when the Bill was being drafted, but I think it should be included.

THE CHAIRMAN : Would the Commissioner move that it be inserted.

Mr. MULLIN : I move that the words

“ wood pulp ” be inserted after the word “ lumber ” in the first line.

THE CHAIRMAN : I will remind hon. Members who wish to see the words “ wood pulp ” included in the Bill that in terms of Rule 17 of the Standing Orders the question is “ That the words of the question stand as in the original motion,” therefore those who are in favour of the words being included will vote against the question.

Question put, and negatived.

Amendment put, and agreed to.

Mr. DEAGUIAR : I beg to move the insertion of a new clause 4 to read :

4. Item 1 of the Second Schedule to the Customs Duties Ordinance, as enacted by Section 3 of the Customs Duties Ordinance (No. 2) 1934, is hereby amended by the addition thereto of the following proviso :—

“ provided that wearing apparel imported by parcel post not for sale or for exchange to the satisfaction of the Comptroller of Customs the duties shall be

British Tariff	General Tariff
15%	30%

The intention of the amendment is that the articles which I previously referred to should be allowed admission on payment of the ordinary general rate of duty and not the special rate which was primarily intended to oust Japanese and other foreign goods from competition with similar articles of British manufacture.

Mr. ELEAZAR : I should like to second the amendment but I suggest that it be deferred until tomorrow to put it into shape. We all understand the principle. It was the intention of the Legislature to prevent the importation of cheap textile goods from foreign countries, but it was not the intention that the particular provision should operate as is the case, and I think the Comptroller of Customs should be authorised to open parcels and pass them at the rates suggested.

Mr. SEAFORD : I understood the hon. Member for Central Demerara to refer to wearing apparel imported not for sale or for exchange to the satisfaction of the Comptroller of Customs. Does the hon. Member realise what that means? Has he gone into the figures and can tell us what it is going to mean to the revenue? The

hon. Member not long ago in this Council told us how business men in this Colony should be protected against the Crown Agents. I wonder if he tried to ascertain to what extent this proposal is going to hit trade in this Colony, also to what extent it is going to hit Government revenue. How is the Comptroller of Customs going to determine whether an article coming into the Colony is for personal wear or not? I think it is a question that wants more than a Solomon to solve. Furthermore, at the last session we passed an Ordinance to protect British industries. This amendment is going to annul that protection, and it is also going to have repercussions throughout

the Colony. We get from the Mother Country help and protection in various ways. I understood the mover of the amendment at the outset to be referring only to second-hand clothing, but he gradually enlarged on it until we now get a proposal of all wearing apparel coming into the Colony practically free. I don't think he quite realises what his amendment involves, and I hope he will go a little more carefully into it tonight and tell us tomorrow he did not quite realise what it implies.

The Council resumed and adjourned until the following day at 11 o'clock.