

**LEGISLATIVE COUNCIL.***Tuesday, 14th December, 1937.*

The Council met at 11 a.m. pursuant to adjournment, His Excellency the Governor, SIR WILFRID JACKSON, K.C.M.G., President, in the Chair.

**PRESENT.**

The Hon. the Colonial Secretary, (Mr. E. J. Waddington, C.M.G., O.B.E.).

The Hon. the Attorney-General, (Mr. J. H. B. Nihill, K.C., M.C.).

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

Major the Hon. W. Bain Gray, C.B.E., Director of Education.

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

The Hon. E. A. Luckhoo, O.B.E. (Eastern Berbice).

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

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

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

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

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

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

The Hon. G. O. Case, Director of Public Works and Sea Defences.

The Hon. B. N. V. Wase-Bailey, Surgeon-General (Acting).

The Hon. H. P. Christiani, M.B.E., Commissioner of Lands and Mines.

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

The Hon. J. Eleazar (Berbice River).

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

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

The Hon. Peer Bacchus (Western Berbice).

The Hon. E. M. Walcott (Nominated Unofficial Member).

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

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

The Hon. S. H. Seymour (Western Essequibo).

The Hon. J. W. Jackson (Nominated Unofficial Member).

The Hon. T. Lee (Essequibo River).

The Hon. F. A. Mackey (Nominated Unofficial Member).

The Hon. H. G. Seaford, O.B.E. (Nominated Unofficial Member).

**OATH OF ALLEGIANCE.**

The President took and subscribed to the Oath of Allegiance.

**PRESIDENT'S SPEECH.**

The President addressed the Council as follows:—

Honourable Members of the Legislative Council,

I do not propose to make any formal address to you on this occasion. The position of affairs in this country has recently been reviewed in the address of the Officer Administering the Government, and I have nothing to add to that review. But I should like to take the opportunity of saying how happy I am to have this early opportunity of meeting the members of Council in Session and of hearing your views on the several important questions which will come before you.

I have sat in several other Legislatures and there are often some slight differences of procedure and custom which have developed in different places according to local requirements. I ask the indulgence of the Council if I show ignorance of these minor points, until I have had time to become familiar with them by practice

But the main principles of procedure are the same, and are based on the cherished Parliamentary tradition in which so much of the spirit of the British people is embodied. Your records show that this is the spirit which has informed your proceedings.

I look forward with every confidence to a continuance of that happy tradition and to your ready assistance and support in the ordering of the affairs of this country, in which the Council is the most potent instrument. I need scarcely assure you that it will be my constant endeavour to preserve and strengthen the tradition of which I have spoken, and to ensure that the relations between the Council and the Chair continue to be marked by that mutual consideration and courtesy which have distinguished them during the term of office of my predecessors in this Chair. For my part, I shall spare no effort to fulfil my share of these mutual obligations. (applause).

#### REPLY TO THE SPEECH.

Mr. DIAS, O.B.E. (Senior Unofficial Member): With your permission, and on behalf of the Unofficial Section of this Council I desire to extend to you a hearty welcome to this Colony, both in your capacity as Governor and as President of this Council. It has been said of you, that you are no stranger to this Colony because of your long residence in Trinidad. We ourselves claim that we are not strangers to Trinidad, in the strict sense of the word, on account of the close proximity of Trinidad to this country. But, sir, we recognise that in so far as the problems of this country are concerned, you are, and will be for some time, a perfect stranger until you have been able to master them.

There is one assurance that I can give from my place here, and that is in respect to the solutions which you will be asked to make in connection with those problems. You will find this Council ever willing to co-operate with you and to give you every possible assistance in that connection. When that has been done, I hope you will find that your work has not been so tedious as, perhaps, it looks to-day.

We highly appreciate the remarks you

have made in the address you have just delivered to us on the good feeling that has existed between the Council and the Chair.

As a Member of this Council for about thirty years, I can say with confidence that there has seldom been any misunderstanding of a really serious nature between the Chair and the Members of the Council. Speaking for myself, I have never received anything but the most courteous consideration from the Chair during my term on this Council. I hope, sir, that that will be my experience during your term of office.

I hope that you will be permitted to stay with us long enough to be able to master the difficulties we have found ourselves in for many years past and are unable to rid ourselves of because of the short stay allotted to Governors in this Colony.

We hope, sir, your stay will be a happy one, that you will enjoy the best of health, and that, with Lady Jackson, you will find British Guiana a place that possibly you will regret to leave when you do leave here for some other land.

Mr. LUCKHOO: May I be permitted, sir, on behalf of the Electives to join in the welcome which has been extended to you, and to assure Your Excellency of our desire to co-operate with Government in all measures that may be brought forward for the good of this country. Upon assuming the reins of Government of this Colony, Your Excellency has been pleased to convey to this Council the personal greetings of His Majesty the King and his personal interest in the welfare of the people of this Colony. We desire to say that we are fully aware of the difficulties Your Excellency has to encounter, but I trust that in course of time Your Excellency will have a sufficient grasp of local conditions to be able to surmount these difficulties and to guide the ship into smooth waters.

There can be no doubt, Your Excellency, that the position of Governor of this Colony is a very difficult and onerous one. True statesmanship demands that you should proceed cautiously, and I can assure Your Excellency that the harmonious relations that exist between the

Council and the Government will continue during such term as Your Excellency shall occupy your seat as President of this Council. We are all imbued with the desire to see this Colony progress, and with that one aim in view, we shall direct our energies for the good of the community and the welfare of the inhabitants. We wish to extend to you a very hearty welcome, as well as to Lady Jackson, and we trust that your stay in this Colony will be one of immense benefit to the people in these parts. We trust that with health and strength you will be enabled to carry out your very arduous duties. We believe that Your Excellency will make this Colony's welfare in all its varied aspects—moral, material and spiritual—the supreme object of your administration, marked by the best features of British Statesmanship.

Mr. ELEAZAR: Sir, I rise to add my quota to the addresses which have been made by the Hon. Mr. Dias and the Hon. Mr. Luckhoo in welcoming you as President of this Council. I am not going to attempt to warn Your Excellency against any difficulties which may arise in your administration of this country, because difficulties are made to be overcome. Without difficulties there can be no champion. I look forward to you as a champion, who has come to British Guiana to assist us to overcome those difficulties which have stood in our way all these years past.

I conceive the idea, wrongly or rightly, that the Secretary of State for the Colonies feels you are capable of doing that, and if you will permit me to use my own observation, it appears to me that you have all that is necessary to overcome our difficulties, at least to assist us to do so. Therefore, sir, I wait upon you.

In welcoming you, sir, as President of this Council, whatever I say concerning Your Excellency I wish you to associate Lady Jackson with it. I know how much depends upon the feeling and assistance the spouse is able or willing to give to the champion, whether it be in the case of a boxer, a General or even a Governor. And therefore, Your Excellency, I have no reason to doubt that you will receive all you desire.

As regards this Council, you will always find warm appreciation of every effort made for the betterment of the community. I think I can claim to be second to the oldest Elected Member here, and I can assure you that the cordiality which has existed between the Council and the Chair has always been very happy indeed. We emulate the motto of the Colony all the time: "*Damus Petimusque Vicissim.*" We give, sir, and not take in return. If I be allowed to say so, we always return a Roland for an Oliver.

Your Excellency, we welcome you. I suppose other Members will wish to extend a welcome to you also and therefore I will not take up more of your time this morning.

As I have said, I do not think I should warn Your Excellency against any difficulties but I certainly think I ought to give you this little bit of information:—In this Colony you will find that in the first year or so we eulogize, then we criticize, and after that we begin to scandalize. You are now, sir, in the eulogistic stage and I know you will live long enough to be in the next stage, but I hope the scandalising stage will never come in so far as you are concerned.

THE PRESIDENT: I thank you very warmly for your cordial welcome and good wishes which I most cordially appreciate, and I shall have great pleasure in conveying to my wife the good wishes which you have most kindly expressed on her behalf. I thank you. (Applause).

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#### MINUTES.

The minutes of the meeting of the Council held on the 18th November, 1937, as printed and circulated, were confirmed.

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#### ANNOUNCEMENTS.

THE COLONIAL SECRETARY (Mr. Waddington): I am the bearer of the following Messages from His Excellency the Governor:—

EX-GRATIA PAYMENT TO MR. W. CHUNG.

#### MESSAGE NO. 7.

Honourable Members of the Legislative Council,  
I have the honour to inform Members that Government has received a petition from

William Chung, owner of three motor buses which plied for hire for the carriage of passengers between Boerasirie and Vreed-en-Hoop on the West Coast of Demerara, praying for a refund of the sum of \$76.59 being a proportion of the licence duty of \$1,500 paid by him in respect of period 11th to the 29th of May, 1936, during which the public road on the West Coast, Demerara, was closed to traffic and the buses were not used elsewhere in the Colony.

2. Owing to the bad condition of the public road, consequent on the heavy rainfall, the Director of Public Works found it necessary to close the road to heavy vehicular traffic during the period stated to enable repairs to be made to the road.

3. In the circumstances I have the honour to invite the Council to approve of the payment of \$76.59 to Mr. Chung as an act of grace on the understanding that the refund is not to be taken as a recognition of any obligation of Government in the matter.

W. E. JACKSON,  
Governor.

25th November, 1937.

### 1938 SURTAX ON TONNAGE AND LIGHT DUES.

#### MESSAGE No. 9.

Honourable Members of the Legislative Council,

I have the honour to invite the Council to approve of a surtax of fifteen per centum being levied, during the year 1938, on the amount of Tonnage and Light Dues which shall be collected under section eighteen of the Transport and Harbours Ordinance, 1911. This surtax will not be levied in respect of any vessel which lands and takes away cargo not exceeding in the aggregate five hundred tons, or in respect of any sailing vessel of not more than three hundred tons net register.

2. Honourable Members will recall the passing of Resolution No. X. of the Legislative Council on the 18th of December, 1936, which provided for the collection of a temporary surtax of fifteen per centum on Tonnage and Light Dues during the current year.

3. The reason for the re-imposition of this surtax is that the Colony still requires the additional revenue to meet the estimated expenditure in 1938. The financial position has not sufficiently improved to allow of any taxation imposed during 1937 being reduced, and I accordingly invite the Council to approve of the collection of this surtax during 1938, after which the position can again be reviewed.

W. E. JACKSON,  
Governor.

4th December, 1937.

### ELDORADO CO-OPERATIVE CREDIT BANK.

Professor DASH (Director of Agriculture): I am the bearer of the following Message from His Excellency the Officer Administering the Government:—

#### MESSAGE No. 6.

Honourable Members of the Legislative Council,

I have the honour to invite Council to approve the writing off of a sum of \$2,216 in respect of a loan made by Government to the Eldorado Co-operative Credit Bank, and the waiving of the interest amounting to \$487.12 due thereon.

2. Since 1932 this bank has failed to discharge its loan obligations to Government in respect of capital instalments and of interest. Attempts made to collect the outstanding assets of the bank have all proved fruitless. In 1935 a Committee was formed under the chairmanship of the District Agricultural Officer, and every loan and property transaction was carefully scrutinised and investigated in regard to possibility of recovery. Legal action was also taken to enforce repayments against certain debtors or guarantors who were in a position to pay; judgments were obtained and writs of execution were taken out with but little result, the total loan recoveries amounting to only \$52.74. A loss of \$165.59 resulted on the working of last year, and there was an accumulated deficit of \$3,336.79 on the 31st December, 1936.

3. As the bank is now hopelessly insolvent and there are no further assets out of which liabilities can be met, I accordingly invite Council to approve of the write-off as mentioned above.

E. J. WADDINGTON,  
Officer Administering the Government.

14th November, 1937.

### EMOLUMENTS OF GOVERNOR AND OFFICER ADMINISTERING THE GOVERNMENT.

Mr. McDAVID (Colonial Treasurer): I am the bearer of the following Messages from His Excellency the Governor:—

#### MESSAGE No. 8.

Honourable Members of the Legislative Council,

I have the honour to lay before the Council the attached correspondence with the Secretary of State on the subject of—

- (a) the existing distribution of the items which comprise the emoluments attached to the office of Governor; and
- (b) the remuneration of an officer administering the Government in the absence of the Governor.

2. As regards (a) the suggestion is to increase the salary of the office of Governor from £3,500 (\$16,800) to £4,000 (\$19,200) per annum, and to make a corresponding reduction in the allowances attached to the office, i.e., to reduce them from £1,500 (\$7,200) to £1,000 (\$4,800) per annum. The intention with respect to (b) is to fix the emoluments of the Officer Administering the Government, when the Governor is on leave with full salary, at a figure approximately equal to what is now payable under Colonial Regulations only when the Governor is on leave with half salary. This proposal entails additional expenditure of

approximately \$1,525 over every period of five years.

3. Honourable Members will be asked to consider a motion for the adoption of these proposals with effect from the current year.

W. E. JACKSON,  
Governor.

25th November, 1937.

*Circular Despatch.*

DOWNING STREET,  
27th June, 1935.

SIR,

I have the honour to inform you that I have had under review the question of the remuneration of officers administering the government in the absence of Governors from their territories. You will have noted that this question was alluded to by the Committee on Leave and Passage Conditions for the Colonial Service in paragraph 67 of their report (Cmd. 4730).

2. The present practice varies considerably, but for this purpose the Colonies etc., can, I think, be divided into the following three main groups:—

(1) East African Dependencies and Hong Kong, where the officer administering the government draws his substantive salary, plus (a) half the difference between his own and the Governor's salary; and (b) the duty pay and/or entertainment allowance attached to the office of Governor. This arrangement holds good irrespective of whether the Governor is on full-pay leave.

(2) West Africa, where the officer administering the government draws his substantive salary and duty allowance, plus the difference between his own duty allowance and that attached to the office of Governor. Again the emoluments of the officer administering the government are independent of the Governor's leave salary.

(3) The majority of other Colonies, in which, if the Governor is on full-pay leave, the officer administering the government draws his own substantive salary plus any duty pay and/or entertainment allowance attached to the office of Governor. If the Governor is on half-pay leave, or half the Governor's salary is otherwise available, the officer administering the government draws, in accordance with Colonial Regulation 35 (a) half the initial salary of his substantive office; (b) any increments which he may have earned in that office; (c) half the salary of the office of Governor.

3. I am of the opinion that the time has come to attempt to secure some common practice in regard to the remuneration of officers administering the government. It is clearly desirable that any system which may be adopted should be so designed as to secure to the acting Governor both adequate remuneration for the additional responsibility and reasonable compensation for the additional expense, which fall to him by reason of his being called upon to administer the government. Moreover, it is hardly satisfactory that the emoluments of the acting Governor should vary according as half the Governor's salary may or may not happen to be "available."

4. In all the circumstances, I am disposed to consider that the most satisfactory arrangement is that described above as obtaining in East Africa and Hong Kong, and I propose that, so far as may be practicable, that arrangement should be applied generally. I would ask for an expression of your views on the possibility of extending it to the territory under your administration.

5. It would be appropriate at the same time to review the existing distribution of the various items which comprise the emoluments attached to the office of Governor. Here again, while it is usual for those emoluments to be divided into (i) salary and (ii) duty pay and/or entertainment allowance, it is difficult to discern in the present arrangements the general application of any recognised principle. Ideally, the amounts should be so adjusted as on the one hand to allow reasonable pay to the Governor himself while on leave, and on the other hand to provide adequate allowances for the acting Governor. There must clearly be room for variation according to local circumstances, but I suggest that a ratio of 3 to 1 as between salary and other emoluments would be suitable as a general basis. I should be grateful for your comments on the suggestion and for any observations which you may wish to offer as to the desirability of amending the existing distribution of the emoluments attached to the governorship of the territory under your administration, either now or at some future opportunity.

I have the honour to be,

Sir,

Your most obedient, humble servant,

MALCOLM MACDONALD.

The Officer Administering  
the Government of British Guiana.

*Governor's Reply.*

GOVERNMENT HOUSE,  
British Guiana,  
27th September, 1935.

SIR,

I have the honour to reply to your Circular despatch of 27th June, 1935, relative to the remuneration of officers administering the government in the absence of Governors from their territories.

2. I concur with the views expressed by you that ideally such remuneration should be based on a common principle in all Crown Colonies and that the emoluments of the acting Governor should not vary according as the Governor may be on full or half pay.

3. I agree also that the first of the arrangements described in paragraph 2 of the circular despatch is the most suitable; but its application in this Colony would result, on the basis of his existing allowances, in a somewhat higher expenditure, as is shown in the following illustration—

Governor's Salary £3,500: allowances £1,500.  
Colonial Secretary's salary £1,485 x £50—£1,635.

Colonial Secretary's mean salary £1,560  
 Period of absence of Governor: 6 months.  
 Governor's pay on leave calculated as follows:—

Full pay while on board ship, for 1 month.

Full pay for three, half pay for two months in the United Kingdom.

| Officer.                             | Total Existing arrangement | Emoluments. Proposed arrangement. |
|--------------------------------------|----------------------------|-----------------------------------|
| Governor                             | £1,458                     | £1,458                            |
| Officer Administering the Government | 1,698                      | 2,015                             |
| Total                                | £3,156                     | £3,473                            |
| Difference                           | ...                        | £ 317                             |

The spread annual cost of this difference would be £127 per annum, an expenditure which should not act as a bar to a useful reform: I consider, accordingly, that the arrangement should be extended to this Colony.

4. Turning to your suggestion that, allowing for variation according to local circumstances, the ratio of a Governor's pay to his allowances should be in the neighbourhood of 3:1. I venture to express the view that that ratio is generally too low in respect of salary. In so far as this Colony is concerned, the present ratio of 7 to 3 viz., £3,500 salary to £1,500 allowances (£500 duty plus £1,000 contingencies) is unquestionably inequitable. Presumably this ratio was fixed to provide adequate remuneration for the Officer Administering the Government, having regard to the fact that he would be in receipt of no additional salary while the Governor was on full pay leave, but the allowances (£1,500) are unduly high when compared with other Colonies falling into group (3) mentioned in your despatch and if brought into line with Colonies in the West Indies group would be reduced to £500. This would amount to the inclusion of the existing contingencies allowance (£1,000) in salary.

5. I do not wish, however, to imply that that adjustment should be made or that the resulting ratio of 9-1 is ideal. The intention of the previous paragraph is, rather, to show how the emoluments of the post in question compare with those in other Colonies under present arrangements. On the other hand, as I have stated above, I regard the ratio of 3:1 as being on the low side for salary and it would have the effect, if the principle of acting allowance on the East African basis is adopted, of providing rather too generous a remuneration for the Officer Administering the Government. I have already recommended, in paragraph 3 above, the adoption of the East African arrangement and concurrently with that alteration I would suggest that the Governor of British Guiana's emoluments should be fixed at £4,000 plus £1,000 allowances: incidentally this would give the Governor when on half pay a more adequate salary. The additional annual cost under such an arrangement would be £160 instead of £127 as stated in paragraph 3.

6. I see no reason why this change should not be made at once. In any case I can see no

object in retaining the separate allowances for duty and contingencies.

I have the honour to be,

Sir,

Your most obedient, humble servant,

G. A. S. NORTHCOTE,  
 Governor.

THE RT. HON. MALCOLM MACDONALD, M.P.,  
 Colonial Office,  
 Downing Street.

*Secretary of State's Reply.*

DOWNING STREET, S.W.1.

24th August, 1937.

SIR,

I have the honour to refer to Sir Geoffrey Northcote's despatch No. 364 of the 27th of September, 1935, and to inform you that I have now been able to arrive at a final conclusion regarding his proposals for the revision of the emoluments of the Governor and the arrangements for the remuneration of the Acting Governor in the Governor's absence.

2. I accept Sir Geoffrey Northcote's recommendations on both points, but in order that the officer who is appointed to act in the office temporarily vacated by the Acting Governor may be eligible for an acting allowance under Colonial Regulation 35 (so long as that Regulation remains in force: I shall shortly put before you proposals for modifying it), I suggest that the new arrangements as regards the remuneration of the Acting Governor should be applied only while the Governor is on leave with full salary, and that when the Governor is on leave with half salary the procedure set out in the Colonial Regulations should continue to be followed. The effect will be the same so far as the remuneration of the Acting Governor is concerned, while other officers will not be deprived of the allowances for which they are eligible under existing rules.

3. My approval of these proposals is subject to the concurrence of the Legislative Council. I consider that the matter should be brought before the Council at the first convenient opportunity, and that the new arrangements should be applied with retrospective effect to the date of Sir Geoffrey Northcote's departure on his present leave if the Council agree.

I have the honour to be,

Sir,

Your most obedient humble servant,

W. ORMSBY GORE,

The Officer Administering  
 the Government of British Guiana.

PLN. COVE AND JOHN DRAINAGE RATES.

MESSAGE No. 10.

Honourable Members of Legislative Council,

I have the honour to invite the Council to approve of an amount of \$3,902.78 being included in the next schedule of additional

provision for the year 1937, to meet a part of the drainage rates remaining unpaid by Cove and John Estates, Limited.

2. This amount represents the balance relating to outstanding cash advances made by the Treasury to defray maintenance and running expenses of the drainage area in which Plin. Cove and John, *cum annexis* East Coast, Demerara, is included, after deduction of the proceeds of the sale of the property.

3. In respect of these lands, the company became indebted over a number of years, for annual rates levied by the Director of Public Works under section 16 of the Drainage and Irrigation Ordinance, Cap. 165. In later years the company also became indebted for sea defence rates levied by the Sea Defence Board under the Sea Defence Ordinance, No. 11 of 1933.

4. Proceedings were instituted for recovery of the amounts due by the estate for drainage rates, but from time to time they were suspended in view of promises to pay by the proprietors and the possibility of their liquidating the debt by instalments, as it was thought that the amount that could be realised by a sale at execution would be negligible in view of the fact that the property was mortgaged for a sum in excess of \$10,000 and had Government proceeded to execution the property would have been sold subject to the mortgage.

5. In order to solve the difficulty, it was suggested in 1935, that the company might be put into liquidation. The necessary preliminary steps were taken and the petition for winding up the company was prepared. In the meantime, however, the Deeds Registry (Sales in Execution) Ordinance, 1936, had been passed, and it was therefore decided to follow the usual course of recovery by parate execution, the difficulty in regard to the mortgage having been removed by the new legislation.

6. At 31st December, 1936, the estate owed a total of \$28,792.62 made up as follows;—

*Drainage rates*—

|   |                     |
|---|---------------------|
| Annual charges to defray cash advances for maintenance and running expenses ... | \$ 17,162 62        |
| Interest and sinking fund charges on proportionate cost of works.               | 9,428 21            |
| <i>Sea Defence rates</i> ...  | 2,191 79            |
| <b>Total</b> ...  | <b>\$ 28,792 62</b> |

7. The property was sold at execution in March last and the proceeds of the sale, less expenses, amount to \$8,259.84.

This amount has been allocated against the portion of the drainage rates appertaining to the outstanding cash advances of \$17,162.62 made by the Treasury to defray maintenance and running expenses, leaving a balance of \$8,902.78 to be provided in a supplementary estimate to close this account.

8. The other portion of the drainage rates, amounting to \$9,438.21, representing proportionate loan charges on the capital cost of the drainage works due to general revenue, and the outstanding sea defence rates will also have to be regarded as a total loss.

9. I regret that the attempts made to avoid a loss were not successful and that it is necessary for me to invite the Council to approve of an

amount of \$8,902.78 being provided in the next schedule of additional provision for 1937.

W. E. JACKSON,  
Governor.

10th December, 1937.

PAPERS LAID.

The following documents were laid on the table:—

Report of the Director of Public Works for the year 1936

Third schedule of additional provision required to meet expenditure in excess of the estimates for the year 1937.

Draft Code of Regulations for aided primary schools.

Interim report on the work carried out by the Geological Survey during the period 1st July, 1936—30th June, 1937.

Report of the Directors of the Public Officers' Guarantee Fund for the year 1936.

Report on the Meteorology for the year 1936

—(*The Colonial Secretary*).

GOVERNMENT NOTICES.

THE COLONIAL SECRETARY gave notice of the following motions:—

EX-GRATIA PAYMENT TO MR. CHUNG.

THAT, with reference to Governor's Message No. 7 of the 25th of November, 1937, this Council approves of the payment to Mr. Chung of \$76.59 as an act of grace.

1938 SURTAX ON TONNAGE AND LIGHT DUES.

THAT, with reference to Governor's Message No. 9 of the 4th of December, 1937, this Council approves of a surtax of fifteen per centum being levied on the amount of Tonnage and Light Dues which shall be collected during the year 1938, under section eighteen of the Transport and Harbours Ordinance, 1931.

Professor DASH (Director of Agriculture) gave notice of the following motion:—

ELDORADO CO-OPERATIVE CREDIT BANK.

THAT, with reference to Message No. 6 of 14th November, 1937, this Council approves the writing off of the sum of \$2,216 in respect of a loan made by Government to the Eldorado Block Co-operative Credit Bank and the waiving of the interest amounting to \$487.12 due thereon.

Mr. McDAVID (Colonial Treasurer) gave notice of the following motion:—

EMOLUMENTS OF GOVERNOR AND OFFICER ADMINISTERING THE GOVERNMENT.

THAT, with reference to the Governor's Message No. 8 dated 25th November, 1937,

this Council approves of the adoption, with effect as from 1937, of the proposals that—

- (a) the emoluments of the office of Governor should be
- |               |                        |
|---------------|------------------------|
| salary ...    | ...\$ 19,200 per annum |
| allowances... | ... 4,800 per annum,   |
- and that legislation be enacted to amend the Civil List Ordinance, Chapter 52, accordingly;
- (b) the emoluments of the Officer Administering the Government, while the Governor is absent on full pay leave, should be the officer's substantive salary, the allowances attached to the office of Governor, and an allowance equal to half the difference between his substantive salary and the Governor's salary; and that provision for such an allowance be made whenever the Governor is absent on leave with full salary.

#### PLN. COVE AND JOHN DRAINAGE RATES.

THAT, with reference to Governor's Message No. 10 dated 10th December, 1937, this Council approves of an amount of \$8,902.78 being provided in a schedule of additional provision for the year 1937, to meet a balance due by Cove and John Estates, Limited, in respect of drainage rates appertaining to outstanding cash advances made by the Treasury to defray maintenance and running expenses of the drainage area in which Pln. Cove and John *cum annexis*, East Coast, Demerara, is included.

#### INTRODUCTION OF BILLS.

Notice was given that at a subsequent meeting of the Council leave would be asked to introduce and have read a first time the following bills:—

A Bill intitled An Ordinance to amend the Colonization Fund Ordinance, 1937, in regard to certain particulars. (*The Colonial Secretary*).

A Bill intitled An Ordinance to make provision in the case of dispute for the sale of undivided interests in immovable property.

A Bill intitled An Ordinance to prescribe the method to be adopted in computing the taxes and rates to be levied by the Mayor and Town Council of Georgetown in respect of the year 1938 on all properties in the City. (*The Attorney-General*).

A Bill intitled An Ordinance to continue the establishment of the Post Office Savings Bank and to provide for the better control and management thereof.

A Bill intitled An Ordinance further to amend the Tax Ordinance, Chapter 37, in certain particulars.

A Bill intitled An Ordinance to make provision as to the pension rights of Benjamin Disraeli McDougall. (*Mr. McDavid*).

A Bill intitled An Ordinance to abolish the offices of Chief Commissary and District Commissaries of taxation and to apportion the duties of those Officers among District Commissioners and other Officers. (*Mr. Laing*).

#### ORDER OF THE DAY.

##### COMMERCIAL TRAVELLERS.

Mr. JACOB, on behalf of Mr. LEE asked the following question:—

Is Government aware that commercial travellers are creating a hardship on our local agents by being permitted to trade without licence. Would Government remedy this wrong by imposing a tax on all commercial travellers making contracts for the sale of goods in this Colony?

THE COLONIAL SECRETARY replied as follows:—

The question of imposition of a tax on commercial travellers has recently been considered by Government and it was decided after consulting with the Chamber of Commerce not to impose a tax.

##### REGISTRATION OF CONTRACTED LABOURERS.

Mr. JACOB, on behalf of Mr. LEE, asked the following question:—

Is Government aware that there was discontent among the registered labourers who were contracted by certain local and foreign companies which eventually went into liquidation and that the labourers did not get their wages? Will Government make it incumbent on companies to register contracted labourers in their chairman's or manager's name and not in the name of the Company in order that they may be liable for such wages?

THE COLONIAL SECRETARY replied as follows:—

In all cases, except one, in which limited liability companies are now in course of liquidation, the debts due to labourers as wages have been paid, and in that instance the assets of the company have not yet been finally disposed of. Government does not see its way to adopt the suggestion that companies should register their contracted labourers in the name of the chairman or manager instead of in that of the company. A limited liability company is a separate entity and Government is advised that the change proposed, apart from other considerations would not improve the prospects of labourers recovering their wages in a liquidation.

##### GOVERNMENT MEDICAL OFFICERS' SALARIES.

Mr. JACOB, on behalf of Mr. LEE, asked the following question:—

Was any Government Medical Officer in receipt of salary whilst in England before taking up his appointment in British Guiana? If the answer is in the affirmative, please state the name, how much did he receive per month and the period during which he received the amount?

THE COLONIAL SECRETARY replied as follows:—

No salary was paid to any officer under the

conditions suggested, but under the rules which require a selected candidate for appointment to take a course in Tropical Medicine, if not already qualified in this respect, allowances are payable at the rate of £3 weekly for board and lodging and a daily allowance of 5/-. During the last 10 years only 1 officer has taken the course prior to appointment and been paid allowances as above.

The Officer was Dr. Dias who was paid in respect of the period 24th January, 1935, to 12th April, 1935—\$257.31.

#### IMPORT DUTY ON CONFECTIONERY.

Mr. JACOB, on behalf of Mr. LEE, asked the following questions:—

1. What amount of revenue was collected on confectionery for the year 1936, and up to the 30th September, 1937, by the new taxation; show each separately?

2. Is Government aware that the new taxation is creating a hardship, and would Government amend the Tax Ordinance by admitting sugar used for the purpose of manufacturing confectionery free of duty and return the tax to its old scale for imported confectionery?

THE COLONIAL SECRETARY replied as follows:—

1. It is assumed that the "new taxation" referred to is the following import duties which were imposed by section 3 of the Customs Duties (Amendment) Ordinance, 1936, with effect from 19th December, 1936, viz, 20% *ad valorem* or 5 cents per lb. (whichever is greater) under the British Preferential Tariff and 60% or 15 cents per lb. (whichever is greater) under the General Tariff. The rates previously payable were, respectively 20% and 60%—with no minimum limitations. The revenue collected from import duty on confectionery in 1936 and to 30th September, 1937, was as follows:—

| 1936                         |       |        |                  |
|------------------------------|-------|--------|------------------|
| Preferential Tariff—         |       |        |                  |
| @ 20% <i>ad valorem</i>      | ...\$ | 12,648 |                  |
| @ 5 cents per lb.            | ...   | 41     | \$ 12,689        |
| General Tariff—              |       |        |                  |
| @ 60% <i>ad valorem</i>      | ...\$ | 534    |                  |
| @ 15 cents per lb.           | ...   | —      | 534              |
| <b>Total</b>                 | ...   | ...    | <b>\$ 13,223</b> |
| 1937 (January to September). |       |        |                  |
| Preferential Tariff—         |       |        |                  |
| @ 20% <i>ad valorem</i>      | ...\$ | 1,238  |                  |
| @ 5 cents per lb.            | ...   | 7,690  | \$ 8,928         |
| General Tariff—              |       |        |                  |
| @ 60% <i>ad valorem</i>      | ...\$ | 87     |                  |
| @ 15 cents per lb.           | ...   | 201    | \$ 288           |
| <b>Total</b>                 | ...   | ...    | <b>\$ 9,216</b>  |

2. Government is not aware that the revision in the rates of import duty on confectionery has created, or is creating, any hardship. The object of fixing minimum specific rates was to afford assistance to local manufacturers of con-

fectionery with whose products the cheaper imported grades enter into competition. It is not proposed to amend the Customs tariff on the lines suggested.

#### REVENUE FROM BAUXITE INDUSTRY.

Mr. JACOB, on behalf of Mr. LEE, asked the following questions:—

1. How much was collected as (1) royalty on bauxite (a) the year ending 1936 and (b) up to the 30th June, 1937, and (2) for lease of concession for bauxite?

2. Will Government levy a further tax of 5 cents per ton on bauxite and 2 cents per acre of leased lands for concessions; and for exclusive permission an increase of 1 cent for the first 5,000 acres, the next 5,000 acres, 2 cents, the next 5,000 acres, 3 cents, and every other acre 4 cents?

3. Will Government allocate the further levy on bauxite in extending the road on the East Bank, Demerara river?

4. Is Government aware that several of the aforementioned concessions are larger than those applied for and will Government cause them to be immediately surveyed and the boundaries definitely marked and kept in such condition at all times?

5. Is Government aware that on account of the lines being badly kept many prospectors have wasted their time and money in locating claims within concessions already applied for?

THE COLONIAL SECRETARY replied as follows:—

1. (1) *Royalty on Bauxite*—

(a) \$13,586.93.

(b) \$12,223.33.

(2) \$4,862.07 for 1936.

\$3,101.82 to 30th June, 1937.

The amounts mentioned at (2) include rent on concessions, leases and exclusive permission for bauxite on Crown and Colony land.

2. The rent and royalty payable in respect of bauxite extracted are fixed by the Bauxite Mining Regulations, 1930, and are embodied in the titles already issued. No change can therefore be made in respect of such rent and royalty where titles are in existence.

3. Please see the reply to question 2.

4. The question is not understood. All areas already held under leases for the purpose of bauxite mining have been surveyed.

5. The answer is in the negative.

#### GRATUITY TO RELATIVES OF DECEASED TEACHERS.

Major BAIN GRAY (Director of Education): I beg to move:—

THAT, with reference to the Officer Administering the Government's Message No. 5 of the 20th of October, 1937, this Council approves the payment of a gratuity equivalent to one month's salary to the legal personal representative of any uncertificated teacher who dies whilst in the service after not less than one year's ser-

vice; the award to be in the discretion of the Governor in Council.

This motion arises from the fact that although it has been the practice of the Education Department for many years to issue to the Governing Body the pay of a deceased teacher until the end of the month in which death occurred, it has been discovered that no valid authority exists for payment of salary beyond the date of the teacher's death. In order to regularise the practice the approval of the Council is asked for such payments in a rather improved form—one month's pay irrespective of the day on which the death occurred. The matter has been explained in the Message and I would ask that the motion be approved.

Mr. McDAVID (Colonial Treasurer) seconded.

Motion put and agreed to.

#### GEOLOGY OF SUPERFICIAL COASTAL DEPOSITS.

Mr. CHRISTIANI (Commissioner of Lands and Mines): I beg to move:—

THAT, with reference to the Officer Administering the Government's Message No. 4 of the 16th October, 1937, this Council approves of a sum of \$840 being provided under Head XIII.—Lands and Mines Department, in the next schedule of additional provision for the current year to meet expenditure in connection with the cost of printing a joint report by Dr. D. R. Grantham and Mr. K. F. Noel-Paton on the geology of the superficial coastal deposits of British Guiana.

Professor DASH (Director of Agriculture) seconded.

Motion put, and agreed to.

#### EXPIRING LAWS CONTINUANCE BILL.

THE COLONIAL SECRETARY: I move that "A Bill intituled An Ordinance to continue certain expiring laws" be read the second time. This Bill proposes to continue for a further year the duties and taxes imposed under two Ordinances—The Sugar (Temporary) Excise Duty Ordinance, 1932 (No. 2), and the Bill of Entry Tax Ordinance, 1932 (No. 8). The position is this. This Colony cannot at the present time forego the revenue which is obtained from these two sources and they have

always been accepted as temporary duties and taxes. These two Ordinances have been renewed from year to year since 1932, and all members are well aware of the provision. I therefore do not think that any further explanation is necessary from me at this stage.

Professor DASH (Director of Agriculture) seconded.

Mr. JACOB: I propose to say one or two things in respect to the Sugar (Temporary) Excise Duty Ordinance, No. 2 of 1932. This Bill was passed in the year 1932, and it was then stated that it would be of a temporary nature. This is 1937, and it is proposed to continue this Bill to the end of 1938. First of all, I do not think that it will be out of place for me to say, that provided it does not go beyond 1938 I have no serious objection to offer. But I would like to detail some of the objections that I shall offer should the Bill continue further than next year. The Bill was passed, after a certain amount of opposition in this Council, with the object of providing additional revenue to balance the Budget. It was thought expedient then that it would be the best thing to collect the sum required—I think it was nearly \$200,000—rather than upset the whole taxing proposal, so as to balance the Budget. Since then the Budget has been balanced in 1936, and I think it will be balanced this year also. As a matter of fact we had that forecast.

I think there is a surplus of nearly \$600,000 from the 1936 Budget, and if even there had not been such a huge surplus I do not think this Ordinance should be continued after next year. The amount expected to be collected from this Ordinance is \$200,000, and that is to be collected from the labouring class of this Colony particularly in respect of sugar, a commodity which is really the poor man's food. We have no objection to the poor man contributing towards taxation when it is right and proper, and when no other form of taxation can be levied, but when there are surplus funds and also anticipated surpluses, the position does not seem quite clear to me. Let us examine the proposal in some detail.

The price of sugar, as fixed by the

Ordinance, No. 2 of 1932, is the maximum. Section 6 of that Ordinance states : —

“A producer shall not sell sugar which is liable to duty under this Ordinance at prices exceeding the following :—Dark Crystals, \$3.30 per 100 lbs ; Yellow Crystals, \$4 per 100 lbs ; White Sugar, \$4.75 per 100 lbs.”

That is the wholesale price in this Colony for Sugar. Actually the purchaser pays 3½c. per lb. for unrefined sugar, 5½c. for White or refined sugar, and 4½c. for Yellow Crystals. We consider, sir, and I think nine-tenths of the population of this Colony do so too, that this tax should not be carried on any longer and also that the price of sugar is far too high in a Colony like this which produces sugar, roughly 10,000 tons of which is consumed locally. Let us examine how it affects the consumer.

In the *Daily Argosy* it is published that the price of sugar in the London market is £9 9s. per ton preferential, which includes £1 9s. Preference. Compared with foreign sugar, it is found to be £3 9s. per ton higher than foreign sugar which is quoted at £6 per ton. That is the C.I.F. price in London. If the freight is deducted (which I think is 25s. per ton) from the actual price of sugar to-day, we get a price of \$39.36 per ton, F.O.B. Demerara. It may sound strange, but it is not possible to get the actual freight charges on sugar from British Guiana to London. At least we have been told so during the last session by an hon. member of this Council, who is connected with one of the sugar firms here. I have just mentioned that to show how it is that a party exporting sugar does not know what is the freight rate. That is a matter for Government to consider, and also for one to consider whether Government gets the best advice from those who are advising Government. I am not connected directly with the sugar industry, and as it is known that we cannot know what is the actual freight rate on sugar from here to London, then we have to take an approximate figure of 25s. per ton.

The producers ship sugar to London at \$1.75 per 100 lbs. including a preference. According to this Ordinance they are allowed to charge the purchaser \$3.30 per 100 lbs. I do not think it is right, and that this law should be continued. It would be difficult not to continue it this

year, and I would like a specific assurance from Government that it will not be continued in the future. Looking at the figures more closely you find that the price of sugar is \$1.75 per 100 lbs ; the duty to be collected under this Ordinance for the purpose of revenue is 90c. per 100 lbs., and added to \$1.75 gives \$2.65 per 100 lbs. as the figure to be deducted from \$3.30 per 100 lbs., thus showing a benefit to the manufacturers of 65c. per 100 lbs. on sugar sold for local consumption as against the export price of sugar. Calculated to the ton that amount will be \$14.56 per ton. That figure is not going to be disputed, and if it is calculated in respect to 10,000 tons the amount is \$145,600. This amount the producers get in addition to the export value of sugar. In other words, if sugar were to be exported and none sold here, at the export price the producers would receive \$145,600 less. That sum is being contributed to by the local consumers. In addition to the duty of 90c. per 100 lbs. the Excise Duty is roughly \$200,000. The point I wish to make is that the local consumers are asked to pay in respect of 10,000 tons of sugar the sum roughly of \$350,000 locally, so that Government may balance its Budget and the producers get something extra for the sugar that is consumed locally. That is not a very satisfactory state of affairs. The population here is 335,000, and every man, woman and child contributes about \$1 per annum towards the carrying on of this Government and the maintenance of the sugar industry of this Colony. It is not quite right to say that the producers should not get something more for sugar that is sold locally. I am going to concede that they should get something more for sugar sold locally, because the sugar is sold in small quantities, but I do not consider 65 cents per 100 lbs. a fair margin of profit to the producer at all. A margin of 25 cents may be considered an equitable profit to the producer for sugar going into local consumption. If this Ordinance is not passed, it would mean that the producer can charge any price for sugar. Monopoly is good at times, but does not work well when the monopolist can do exactly what he likes.

I have in my possession figures which I have been able to extract from Government records yesterday, and which figures, I may say, could not have been supplied

to me by either the Department of Agriculture or the Colonial Secretary's Office after two weeks' notice. The figures have been taken from the Blue Books and Government records obtained at the Government Library. In 1900 there were 56 sugar mills in operation, to-day there are only 18 mills. These eighteen mills are controlled by four firms in this Colony, namely,—Messrs. Booker Bros. McConnell & Co. Ltd., Messrs. Curtis Campbell & Co. Ltd., Messrs. S. Dawson & Co. Ltd. and Messrs. Sandbach Parker & Co. I believe there are one or two privately owned estates also, but these are controlled by one or other of those four firms. If there is no law governing the sale price of sugar in this Colony, those four firms, whom I term Monopolists or Capitalists, can raise the price of sugar to any figure because there is a tariff barrier against sugar being imported into the Colony. I am going to urge that as soon as practicable a similar Bill be introduced so that the price of sugar sold locally can be fixed at 25 cents per 100 lbs. above the export price. The price has been around \$1.75 to \$2 per 100 lbs. for several years, and I think that \$2.25 per 100 lbs. fixed as the maximum sale price under an Ordinance to be introduced would be a fair price for the producers to receive for their sugar. The point I wish to make is this :

In 1900 when we had 56 mills there were 69,000 acres under sugar cane and the export figures were 94,745 tons. I propose to give the figures for periods of five years, so that Government will be able to see how the sugar industry has improved and how it went back in certain periods. In 1905 the acreage was 76,610, and exports 116,550 tons. In 1910 the acreage was 74,678, and the exports 100,954 tons. In 1915 the acreage was 75,744, the production 119,091 tons, and the exports 116,224 tons. In 1920 the acreage was 69,532, the production 87,186 tons, and the exports 83,765 tons. In 1925 the acreage was 57,500, the production 107,580 tons, and the exports 97,714 tons. In 1930 the acreage was 54,264, the production 127,764 tons, and the exports 114,542 tons. In 1935 the acreage was 59,932, the production 178,041 tons, and the exports 174,156 tons. Last year (1936) the acreage was 63,385, the production 195,944 tons, and the exports 176,505 tons. I have quoted these figures

with the object of showing what the production of sugar was thirty-six years ago and what it is to-day, and how the sugar industry is controlled.

Thirty-six years ago we had 56 mills and roughly 76,600 acres under cane, and to-day there are only 18 mills with 63,000 acres under cane. Then there was nothing like mechanical means both in field and factory, but to-day you have improved mechanical means in the factory and in the field to a very large extent, while the number of people employed in 1900 on the estates is almost double the number employed to-day. That estimate is subject to revision or correction, but it cannot be disputed that in 1900 the number of people employed in the sugar factories and cane-fields is far more than the number employed to-day. There are reasons why the acreage rose from 54,264 acres in 1930 to 63,385 in 1936, but I am not prepared to give those reasons to-day. It may be more appropriate to give them another time, probably before the end of this year, but I wish to emphasize this fact that in 1930 we had 56,000 acres under cane as against 76,000 acres in 1905, and 63,000 acres in 1936. These facts bring me to this point, that there are large numbers of people unemployed in this Colony and serious attempts must be made by this Government to find employment for those people.

Here we are taxing the population of the Colony to the extent of nearly 1½ cents per lb. in respect to the purchase price of sugar, which is produced in this Colony and which can be safely sold to the consumers at that figure less. Sir, when it comes to field activities it cannot be denied, that owing to recent improvements in the cultivation of the sugar cane—mechanical ploughs and methods of irrigation—the labour supply on the estates is far more than they can reasonably employ at the present time. In addition to that there are great factory improvements, such as mechanical feeders for the cane mills and other improvements in the factory, whereby a large number of people are not employed at the present time. Of course, this is done to show that the sugar industry has made improvements along the right direction. But it is the duty of Government supported by the sugar interests—and I must say at this early stage

that they do influence this Government as well as the Government in London—while doing everything for the sugar industry to employ some method or means of improving the other industries. Whilst everything is done to improve the sugar industry, and it receives 100 per cent. co-operation from all classes, I am sorry to say that the other industries have not had that improvement and co-operation and help which they ought to receive so as to bring them into line with the sugar industry. That is a very big question, and I have only raised it to show that the improvement made in respect to the sugar industry has caused it to more than double itself during the last 20 years. If you look at the statistics of the Agricultural Department, you will see that every other agricultural commodity has gone down considerably, and there are reasons for that.

I desire to state another reason why this Sugar Excise Bill should not be continued. At one time the sugar industry gave employment to people throughout this Colony—in Demerara, Berbice and Essequibo—but during the last few years it does not give employment to anyone in the whole County of Essequibo. As I have the honour to represent a part of that County in this Council, it is my duty to bring as forcibly as I can to Government the fact, that while the population of the County of Essequibo is contributing, and very largely, to the maintenance of the sugar industry that County gets practically nothing—I should say absolutely nothing—from the sugar industry. I mean the labouring population in the whole County of Essequibo. It may be argued by some that sugar is the backbone of the Colony and finds employment for a large number of people. I admit that; but does it find employment for anyone in the whole County of Essequibo? Fifteen years ago this Government very wisely assisted the sugar industry in the County of Essequibo at Plantation Anna Regina, but through various means, and I may say not very robust means but more so unhealthy means, that estate went out of existence. That was due to the machinations of several people. Quite recently there was another estate in the County of Essequibo which was forced to go out of existence owing to various difficulties—drainage, irrigation and finance—but

nothing was done to help that estate. In fact it is within my personal knowledge that everything was done to close that estate down, both here and in London.

A Voice: Question!

Mr. JACOB: My hon. friend, one of Government's advisers says question. I would have an opportunity to speak to Your Excellency more about that. I had an opportunity to speak to the Officer Administering the Government some little time ago, and I had an opportunity to speak also to Sir Geoffry Northcote. I am prepared to tell Your Excellency where that can be found. I want to assure this Council that whenever I make a statement here it is authentic and can be verified. (A voice: Question!) A conference was held in London and although a commission recommended that help be given to that estate, the Secretary of State for the Colonies wrote after that conference to say: "I am sorry I cannot recommend any help." I am going to say nothing more. I have only stated that now, so that Your Excellency may seize an early opportunity of investigating it.

From a report in the West India Committee Circular reproduced in the *Daily Chronicle* on Sunday, I observe that the Constitution and other matters are going to be raised, and it is time that this Government take due notice of these facts. The point, I want to make, is that the only sugar estate in the County of Essequibo was allowed to go out of existence for want of a loan of \$300,000. There is no provision in this Colony for loans to be made to industrial organizations. A motion was passed here as long ago as fifteen years recommending some such organization, and when the matter was taken up with the Secretary of State for the Colonies he stated to a representative that no recent request had been made for the establishment of a bank by the British Guiana Government, and if that request is made the matter will be considered. My point is, if there was some lending organization, if this Government had come to the rescue of the County of Essequibo and lent that estate \$300,000 or had taken it over, the sugar industry would have been maintained in Essequibo and the population would never have been in such distressed circumstances as at present. Apart from that, they are asked to contribute to an

industry which does not contribute anything towards their welfare. I do not think it is fair.

It will take quite a long time to explain these things in detail and I do not wish to burden Your Excellency, but I ask you seriously to consider that aspect of the situation. I invite Your Excellency to pay an early visit to Essequibo and see the distressed circumstances and parlous conditions under which the people live and earn their livelihood. There is nothing there to afford them a means of earning a livelihood, except by aid which I maintain will be repaid if they are assisted to maintain some other industry. My opinion is based on a close study of the agricultural condition of the Essequibo Coast. In fact the sugar industry should have been maintained there. It is the only organised industry of the world, and it is only fair that it should be extended, and that in the County of Essequibo. I take this early opportunity of advising Your Excellency that I am not against the sugar industry. I have been connected with it for over 25 years and had made a close study of sugar estates' working and their statistics for over 25 years. I therefore speak as one who is well acquainted with the facts of the subject I am speaking about to-day. Perhaps some hon. members may try to belittle what I say and to say that my statement is not correct and is without foundation, but merely saying that is not sufficient to convince Your Excellency that what I have stated here is not absolutely correct.

I leave it to Your Excellency to investigate this matter and to give us the assurance that you will. Perhaps I am tying you down to something you are not prepared to do, but when it is considered that the population here is contributing \$200,000 to revenue for it to balance expenditure for next year and even if it does not there is a surplus of roughly \$600,000 which can be utilised to off-set any deficit in next year's budget, Your Excellency will agree with us that it is not necessary to continue to collect this additional amount. I have the greatest hope that the 1937 figures will show a surplus, and those are all reasons why this Bill should not be continued further than 1938.

**Mr. F. J. SEAFORD:** The hon. mem-

ber has spoken for a very long time, about an hour, but I cannot find more than two minutes of his speech had anything to do with the Bill before the Council. It was apparently a general harangue of the sugar industry. I am sorry that once again I have to point out in this Council that certain statements made by the hon. member, to my mind, have had absolutely no influence whatsoever on the situation. His great point was that the public have to contribute \$200,000 to revenue through this Excise Tax. Where this Government proposes to get revenue, if it is not to be from the public; if it is not in this sugar tax then Government will have to get it from somewhere else. I am very glad the hon. member gave figures on the acreage of sugar for various years, because I think hon. members of this Council will remember that I said not very long ago that the acreage under canes had gone down and the hon. member contradicted me. He said then that it was not the case, but I happened to be sure of my figures.

**Mr. JACOB:** Do I understand the hon. member is referring to me?

**Mr. F. J. SEAFORD:** I refer to the hon. member for North Western District (Mr. Jacob). I would like to point out one fallacious idea, and that is, the hon. member seems to complain that whereas there were 56 factories some years ago there are only 18 to-day and as a result people have been put out of employment. But I claim that had the sugar industry not become efficient, had it not centralised and made use of improved machinery—whether it was for irrigation or any other purposes—it would have practically put the whole Colony out of employment and there would have been no sugar industry in this Colony to-day (applause). We are, sir, in the unfortunate position of having to compete with other countries of the world. We cannot afford to sit down and do nothing, and allow them to get ahead of us. We will never sell our goods under those conditions. We had to try even to sell at a loss. The hon. member has pointed out that whereas we had a larger acreage with smaller returns in the past we have to-day a smaller acreage and larger returns, thereby suggesting that we can sell our sugar cheaper than we used to do. That is interesting. I am sorry when the hon. member was giving his

figures he did not give the prices of sugar in the world markets during that period.

I would like to point out also, that had the sugar proprietors not put themselves in order and brought in this increased proficiency they would not have been able to keep the cane-farming industry going during the last few years in giving the cane-farmers a fixed price for their canes—a price which has encouraged them. Their acreage has doubled itself in a very short time, due entirely to that security of market for the cane which they have grown and given to the sugar industry. If this Bill is thrown out, or Government decides to remove it from the Statute Book, the result will be that this Colony would be like the neighbouring Colonies of Trinidad and Jamaica. The sugar industry of this Colony will be able to get \$3.30 per 100 lbs. instead of \$2.40 as at present. To-day in Jamaica and Trinidad the sugar producers get \$3.30 for their sugar and a corresponding price for Yellows and White, and their Governments do not take \$200,000 from them as is done in this Colony.

The hon. member has also given figures to show that the industry here, because it is allowed to sell sugar at certain prices,—about \$54 per ton in this Colony—is being maintained at the sacrifice of the community. I wonder if the hon. member knows what has happened in other parts of the world. Does he realise that in Australia, where they export 50 per cent. of the crop as compared with only 5 per cent. in this Colony, they get as much as about \$130 per ton for their crop? For whose benefit is the sugar industry kept up in this Colony? The hon. member apparently does not see very far. If the industry went out of existence, does he realise what the position of the labourer would be? Does he realise what is happening to-day all over the world where there are preferences? It is a recognised fact that unless you can stabilise prices in the home market no industry can survive. That will continue until tariff barriers are broken down. This Colony can only follow in the footsteps of her bigger brothers in the Empire generally.

The hon. member referred to Essequibo and its condition to-day. He apparently blames the sugar industry for

that. It seems to me a great pity that the sugar industry is to be blamed, because the conditions existing in Essequibo are perhaps conditions which do not exist in other places. Perhaps had they gone in for irrigation, had they invested money in irrigation and drainage as had been done in other parts of the Colony, the sugar industry on that Coast may have been in existence to-day. He referred also to the last estate (Plin. Hampton Court) that went out of existence and blamed Government for not going to its assistance. In another case he blames Government because they gave assistance. One does not know which he recommends and which he does not recommend. The hon. member has put forward a rather peculiar suggestion. He says that as Essequibo gets nothing from sugar at all, the taxes for Essequibo should be different to other parts of the Colony. I do not know how Government is going to vary taxation for each district of the Colony. Perhaps Berbice River will also have to be so treated, and Government will have to make various alterations and relieve them of taxation too.

Mr. ELEAZAR: (*sotto voce*): That is so.

Mr. F. J. SEAFORD: I am glad to hear the hon. member for Berbice River (Mr. Eleazar) backing up that suggestion. I can assure Government that the sugar producers will be delighted to see this Government remove the tax but they feel that Government is not in a position to do so, as if it is done Government would have to put it back in another shape or form. The matter was carefully gone into at the time and one was satisfied that it is a tax which hits the small man less than any other form of taxation. It was found that it is better to pay the labourer a little more money and allow him to buy what he wants than to reduce his wages and put him in a position that he can buy nothing. I do believe that there is no other member of this Council who would suggest to Government the abolition of this Bill before us.

Mr. SEYMOUR: I regret the debate has followed along the lines it has taken. It is the old story again about "King Sugar." There is no doubt that when sugar goes, the whole Colony goes, Government and everybody. Let us go back a

few years. In 1930 we had Lord Olivier's Commission here. Lord Olivier was sent on a mission to the West Indies and other parts to investigate the sugar industry. The industry was at a very low ebb and many estates were threatened with extinction. The Home Government thought it necessary to see what could be done to improve its condition. We all know what Lord Olivier's Commission reported. They told the Home Government that unless some help was given the industry the whole of the West Indies must go under. The English taxpayers had to try to help the Colonies which they owned. We all know what help that has been and what value it has also been, with the result that to-day we are told that we should not ourselves put a tax on the people and that those of Essequibo should not bear the burden with the taxpayers generally. The English taxpayers are bearing the heat and burden of taxation in trying to help the Colony to assist the industry, and if it can be proved that the taxation which is levied here is going towards the creation of huge profits for the industry, the Home Government would investigate if it is true and, I am quite sure, that they themselves would want to reduce the tariff in very quick time. I am supporting the Bill and possibly will support it for many years to come.

Let us examine the situation. We have a surplus of \$600,000. Is not that an achievement? Let us look around and see what we can do. We are always told in this Colony that there is no money to balance the Budget. We have done so. Let us look around and see how we can use some of that surplus. I would like to see every cent of that money spent in an effort to develop this country. If that is done, in the next few years we would have achieved something, not only in respect to sugar but other avenues profitable to this agricultural country. Rather than saying that the Bill should be repealed in 1938, it should be continued for the next few years. Let the people here make an effort to help themselves.

The hon. member for North Western District (Mr. Jacob) by his speech stands out as the representative of Essequibo. I have mentioned it before because some persons may want to know where I represent. However there is plenty of room in

Essequibo for representation. I can assure you that \$200,000 cannot save Essequibo. We in Essequibo are not squealers. If it comes to the stage that we have to pay a few cents more for our sugar we would not object as we hope for something better in the days to come. Mention has been made of the closing down of sugar estates in Essequibo. The story will run into volumes. Pln. Anna Regina was a political stunt; I tried to help and was abused. Pln. Hampton Court failed because the proprietors did not help themselves and do as had been done on other sugar estates during the decline. One estate on the West Bank, Demerara, had a future policy spread over a number of years to strive towards the restoration of efficiency in their factory, and succeeded in achieving that.

I do not like to go over old ground, and if I had to attack the Bill I would do so from statistics of the past and along the lines of progress with respect to a similar industry in another country. I think it is a model form of taxation and I hope it will continue until such time as we can joyously sing the chorus of progress and prosperity.

Mr. H. G. SEAFORD: Unless mistakes are contradicted there is always the risk of their acceptance as facts. The hon. member for North Western District (Mr. Jacob) stated that labourers in Essequibo are not finding employment elsewhere. That is a misstatement. A good many of those labourers find employment on the West Coast. Messrs. Booker Bros. have sent a steamer to Essequibo and taken labourers from there to Pln. Springlands, but had to send some of them back because they would not work. Possibly the hon. member for North Western District meant that there is no employment for one man who had been engaged in the sugar industry. One has to recall that individual was formerly employed by the sugar industry and is no longer so employed. That possibly has added a little venom to his discussion in this Council on sugar.

THE PRESIDENT: I do not know what the hon. member is referring to, but if it is to a member of this Council he would not be in order to make any personal reference of that kind,

Mr. JACOB: I think the hon. member referred to me. I am very glad Your Excellency has called him to order. It has been the practice to refer to me in a veiled way.

Mr. H. G. SEAFORD: I apologise if I have done anything wrong. What I meant to do, sir, was to draw this Council's attention to the fact that I think this argument about sugar, comparing it with other industries, should be deprecated. We all appreciate the good sugar has done. Sugar throughout its existence in this Colony has given employment to as many of the labouring people as possible. That policy is being pursued up to to-day. The hon. member for North Western District also referred to the high price paid locally for sugar and—although the sugar industry is controlled by four firms—to what they must do to make a good thing out of it. I would like to tell this Council, sir that in respect to the local sales, those firms took five per cent. of the local market but a company, with which the hon. member for North Western District is concerned and whose estate has since gone out of existence, had 22 per cent. of the local market. Those firms gave that in order to keep that estate going. I think it is manifestly unfair for any one to say that the sugar industry did its utmost to put that estate out of existence. The only other point I have to make is with reference to Yellow Crystal sugar. It is not refined sugar.

Mr. JACOB: To a point of personal explanation. I have never had any material interest in the concern referred to by the hon. member (Mr. Seaford). It is true that I was employed at some time by one or two sugar companies, but I am not employed by any of them at the present, and I would like to assure my hon. friend that any employment he may offer me I will reject.

Mr. DE AGUIAR: If the hon. member for North Western District (Mr. Jacob) had advanced argument to this Council to-day which could convince the members of this Council that the Sugar Excise Tax should no longer be continued, I feel sure, he would have received the support of every member of this Council. As a matter of fact, I would like to say further that perhaps if the hon. member had pro-

duced argument to abolish every form of taxation in this Colony he would have had the support of every member of this Council. I am not aware of any individual who is prepared voluntarily at any time to pay taxes to Government. We all pay taxes because we are compelled to do so, as in every instance it has to be done by law.

The Excise Bill was introduced in 1932, and, as has been rightly pointed out, was a temporary measure. I do not profess to be a wizard in balancing Budgets, nor am I prepared to do that, but so far as the Budget is concerned that we are able to balance it in a way I do appreciate. It is true that there is a forecast of a surplus of \$600,000 at the end of the year, but I am not quite sure that what is referred to as a surplus will be a surplus at all. Even if at the end of the year the Colony is in a position to present a surplus, would it be reasonable to assume at this juncture that we should attempt to consider the reduction of any form of taxation? There is no person in this Council, even including the hon. member himself, who would not like to see taxation on the people reduced. As a matter of fact that is my duty as a member of this Council, to do all I can for the inhabitants of this Colony either by a reduction of taxation or the improvement of their lot, but I would not be bold enough at this juncture to make such a suggestion. We are now facing a turn in the tide. We are now, to use a familiar expression, "turning the corner." I hope the "corner" will not be too wide, so that the \$600,000 surplus we hear so much about will be doubled next year. When the time comes that we can present a reasonable surplus, then we can make this recommendation. I think I am right in saying that there is a committee sitting at the present time to consider a fixed form of taxation in this Colony, and it seems to me that a discussion of this kind will bear some fruit, especially in view of that committee, but to suggest now that this Bill should not be passed this year or next year (I am not quite sure to which period the hon. member refers) will be arriving at too early a decision.

There is one thing I would like to point out, and I do not think it was brought out forcibly by those hon. members who spoke on it. I am not going to speak on sugar

as I am not competent to do so. I know nothing about it except to use it in my tea, but this I do know that when one is going to consider any industry there are several factors to be taken into consideration, such as the cost of production, maintenance, etc. The question of the local price of sugar was mentioned, and I think it is my duty to mention this to the Council. There is a maximum price of sugar fixed by law. It is stated that the price shall not exceed so much, therefore I would not like it to go abroad that the local price of sugar can be advanced to such a figure as to create undue burden on the local consumer of sugar. I thought I should refer to it, as it was not mentioned by any of the other speakers.

Mr. ELEAZAR: Sir, I always endeavour to follow the hon. member for North Western District (Mr. Jacob) so as to assist him when I can and also to try and correct him at intervals, but, sir, he is a little pig-headed though he means well. I am not always happy the way he expresses himself in these matters. I have a recollection that we were at our wits' end to balance the Budget at the time this Bill was introduced. A member out of the kindness of his heart said we must put the required amount of \$600,000 on sugar. That was done, but there was a hue and cry the next day that that member had betrayed the sugar industry. Representation was made to Government and the amount was reduced. Some other industry was made to bear a part of the amount. Government, in order to prevent the sugar industry from selling at their own price, introduced this Bill limiting the price at so much. If that was not done, this would have been the result. We would have removed it from sugar and placed it on other commodities. We would have had to tax clothing and foodstuff imported into this Colony. It was thought expedient that the tax should fall on sugar, which is a well organised industry and can bear the tax, so as to relieve the poor man, the ordinary humble taxpayer, of the burden of having the price of his clothing and other amenities of civilization increased. We all hope that the day is not far distant when possibly we will have free trade, and in that way have our taxation reduced. We are paying a commission to keep our sugar industry going and to prevent us from falling into the hands of people who

will tax us as they like, and also at the same time to keep other taxation down so that the poor man by paying a little more for his sugar is able to get relief in other direction. That is how the tax was instituted and how it is intended to operate. I have a recollection that in Australia the cost of sugar is one shilling per pound. The people there said they would pay to maintain their sugar. That is the policy we are pursuing here. This additional tax on the commodity is to ensure the continuance of the sugar industry.

There is no doubt that at the time this Bill was introduced the sugar industry was fighting against fearful odds. We had to spend money to keep our sugar industry. Considering the quantity of sugar that is being consumed—10,000 tons is within the margin—if we had twice the population we could have reduced the tax lower. We thought that this tax would be the means of keeping the sugar industry alive without the people being overtaxed in other directions, as it supports so many of the population. I do not think the hon. member intends to blame us for that. I am sure that if he knew the history of the case, he would hardly have made the statements he did. He has forgotten that it is done in order to bolster up the sugar industry. If the tax on sugar is reduced it must fall on other things, and the country will be worse off than at present.

I am supporting this Bill and will continue to support it on the principle on which it was brought to this Council until those conditions are overcome. At present there is a ray of hope, but do not be in such a great hurry to take advantage of that. When the clouds have removed completely and there is no fear of their returning, the hon. member will not be singular then in asking Government to remove the Bill altogether.

Dr. SINGH: I was one who opposed this Bill at its introduction in 1932, because my chief aim was to see taxation reduced in this Colony. We were told when the Income Tax was introduced that it would relieve taxation. The then Governor informed this Council that it was only a temporary tax and it was put on only to balance the Budget. It is years since that tax has been imposed, and I do

hope that Government will try and remove it in the near future. I hope that Government will be able to balance the Budget next year.

The Council adjourned until 2 p.m. for the luncheon interval.

2 p.m.—

Mr. WALCOTT: Your Excellency, I have listened with much interest and a good deal of amusement to the speech made by the hon. member for North Western District (Mr. Jacob). He gave figures, but unfortunately those figures are not right, they are very wrong. The hon. member said that the sugar industry obtained 65 cents per 100 lbs. benefit. We know that the charge is 90 cents of which 50 cents goes back directly into Government revenue and the other 40 cents goes to make up the amount per acre that we agreed on in 1932 to relieve the sugar industry. In other words, we relieved them of something and taxed them with something to make up the difference.

As far as I can make out this morning, the hon. member was not talking straightforwardly, he was deliberately trying to belittle the sugar industry and to make out to the labourers of the sugar industry that they were not being fairly and honestly paid. I have nothing to do with sugar directly, but I have great interest in the Colony and do not think it is fair for any member of this Council to get up here and say something which he knows or should know, is wrong. I cannot say it is dishonest, but it is almost impossible for me to express to you what I feel over a member of this Council making a speech as he has done this morning. It is neither nice nor is it fair. In this Council we have always been accustomed when we have a new Governor to at least give him a chance of having pleasantness on his first morning. The hon. member on my right did not do that, and therefore I have no intention to be nice to him now. I am going to accuse him in very plain words of not playing the game to the Colony, and when I say that I mean to his own people in the Colony, the people he said this morning he was so deeply interested in—the labourers. The labourers of this Colony are very nice people, but when they get people who are not nice trying to make them not nice it is time for us to think.

Mr. JACOB: Sir, I crave your indulgence—

THE PRESIDENT: On what point do you rise?

Mr. JACOB: I am going to point out that my friend is labouring under a misapprehension. I have the debates of 1922. He has made a specific charge and the statement that in respect to the 90 cents, 50 cents goes towards sugar, and 40 cents towards something else. If Your Excellency consult the debates you would see it is not so. I would like to read a few lines of the Colonial Secretary's speech.

THE PRESIDENT: Is it that you are correcting a misapprehension? The hon. member has risen to correct a misapprehension!

Mr. JACOB: The hon. member (Mr. Walcott) is incorrect in his statement and I rise to correct that statement. At page 19, Volume 4 of the Debates of this Council, Your Excellency will see that a Land Tax was suggested but in order to expedite matters this tax was then levied. But for the hon. member to say that the 90 cents collected now was the amount then levied is wrong. Let him correct me. It was 75 cents and it was only increased to 90 cents last year. Therefore if his contention is right, his figures are all wrong. It is an intricate matter, but I invite Your Excellency to consider the statements I have made and arrive at your own conclusion.

THE COLONIAL SECRETARY: There is very little for me to say in reply. The hon. member for North Western District, although not opposing the Bill which is a temporary one, has asked for an assurance from Government that in 1939 this tax will be removed. He bases that plea on the fact that the finances of the Colony have so far recovered that it is possible to remove the tax. It is true that in 1937 the outcome for the year has been far better than we anticipated at the beginning of the year, but hon. members will remember that when they passed the Estimates for 1938 a few days ago in this Council they agreed to budget for a deficit of about \$130,000. I hope very much that the position may soon be such that it will be possible to give favourable con-

sideration to the reduction of taxation generally. At the moment I do not see any clear indication in that direction, but I hope it will be so. But even if it is so, I can give no assurance that any reduction which may take place will be in regard to the Sugar Excise tax.

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 and passed. (*The Colonial Secretary*).

#### MITCHELL TRUST BILL.

THE ATTORNEY-GENERAL: I move that "A Bill intituled An Ordinance to make provision for the future disposition of the charitable bequest contained in the will of Walter Mitchell, deceased, and for the administration of the assets now pertaining thereto" be read a second time. I do not propose to go over again in detail what I may term the historical associations which surround this matter. It is within the recollection of hon. members that during the last session of this Council in May of last year, a Bill very similar in principle, though not in every detail, was laid before this Council. On that occasion although there was, I think, a general acceptance of the framework of the Trust which it was proposed to set up to deal with this matter, there was criticism of certain of the clauses which made up that Bill. The reason why it was necessary to put a Bill before the Council at all was because under the terms of the will of the late Mr. Mitchell, who died in this Colony in 1862, this Council was made residuary heir of the estate of that deceased gentleman. Under the terms of that will—they were peculiar terms, rather exceptional terms—the responsibility devolves upon this Council to see that effect is given to the charitable intentions of the testator. After a number of years that Trust, or

the proceeds or income from that Trust after investment, was devoted to the provision of educational scholarships.

A few years ago doubts were raised in this Council and outside as to the provision entirely obscuring the original intentions of the testator, which were to devote a certain sum of money either to the foundation of a Church College or to the general relief of poor and needy children. In order to dissolve this doubt it was decided by this Council to refer certain points to the Supreme Court for direction. After some delay the matter was heard by the Supreme Court and judgment was given by the then acting Chief Justice. The general effect of that judgment was to make it quite evident, that the system of using the proceeds of this Trust for the purpose of educational scholarships based upon examination could not be continued, and the learned Judge also suggested in his judgment that as the Legislative Council was a residuary heir it was their duty to prepare and pass into law a scheme which should, so far as it was possible, give effect to a clearer intention of the testator. That was the reason for the introduction of a Bill by Government at the early part of the last session. I refer to the fact that during the debate on the second reading exception was taken to certain clauses in the Bill. I think, sir, that the main clause which incited a certain amount of controversy was a clause which dealt with the selection or ground for selection of the infant-beneficiaries. It was felt, sir, and general expression was given in this Council to that feeling, that in selecting the infant-beneficiaries care should be taken to do away with the necessity for having to make any examination in such matters as racial origin or strain. Your predecessor in the Chair realising the strength of that feeling appointed a Select Committee to consider the Bill in detail, and upon that committee being appointed this Council gave the measure a second reading.

The Committee was set up under my chairmanship. We considered the Bill in detail, and in due course the Committee presented its report, but unfortunately it was not possible for that report to be laid on the table of this Council before the end of the last session. It was, however, laid at the beginning of the present

session, and therefore hon. members have had an opportunity of studying those terms; but as the result of time not having been found for proceeding with the measure at the last session it died a natural death at the expiration of the last session. That is the reason why it has been necessary to introduce this Bill a second time and to start afresh with it.

The Bill which is now before the Council is to all intents and purposes, with the exception to which I will refer in a moment, the same Bill which was before the Council in May last. That is to say, there has been no alteration of the general framework of the Trust or of the nature and character of the machinery, which it would be necessary to set up in order that the Trust should be administered. What the Bill does is to embody *in toto* the recommendations of the Select Committee. First of all the Committee recommended the deletion of those contentious words in clause 11 of the Bill which I referred to. Those words have been removed in the present Bill and no longer appear, and I feel sure that there is no member of this Council who will not be glad to see them out. I need not go into the reason for their original inclusion in the Bill. Those reasons were fully stated by me during the debate when this matter was last before the Council. The point did present some legal difficulty owing to the rather exceptional phraseology used by the testator, and owing also to the fact that by a reference in the testament to another early testament by a gentleman who died as far back as 1782 there was some degree of difficulty as to the precise way in which the selection of the beneficiaries had to be carried out. But the Select Committee gave the matter their very earnest attention and came to the conclusion, and I think rightly too, that it would be doing no violence to the spirit of the testator if those words were omitted and no reference at all made in the Bill to any preference based upon blood distinction.

The other change made by the Committee and incorporated in this Bill is as regards the number of beneficiaries. In the original Bill these were fixed at ten, each of whom was to receive a benefit of \$6 per month. It was laid down in the earlier Bill upon the advice of the Treasurer that a safe amount to expend every year from the income of the Trust

upon benefits would be the sum of \$720 per annum, and the Committee omitted any change in that respect. But the change that they did recommend was that the number of beneficiaries should be reduced to six and that the amount of benefit to be received by each beneficiary should be increased from \$6 per month to \$10 per month. That recommendation has been incorporated in the Bill which is now before the Council.

It is a matter, however, entirely for this Council to determine, because each member is in a sense a residuary heir of the late Mr. Walter Mitchell, but so far as Government is concerned Government is prepared to accept the recommendation of the Select Committee in this particular and to recommend it to this Council. I know myself that what chiefly influenced the Committee in advocating this change was the feeling, that although a benefit of \$6 per month might be regarded as sufficient to meet the bodily needs of an infant beneficiary at the same time it was not sufficient to give such beneficiary an adequate start in life; they felt that it would be better in future years if beneficiaries could be in a position to look back with gratitude upon the assistance offered them in life's battle by the founder of this bequest. That covers all the new matter in this Bill.

There only remains for me to emphasise that the position of those students, who at present hold what is known as Mitchell Scholarships, will be fully safeguarded. Government has recognised its obligation in that respect, and hon. members will remember that provision has been made in the Estimates for the ensuing year, and that will safeguard the position of those scholarships, which are still to be continued until by the course of time they end. Hon. members may have noticed that in clause 18 of the Bill, it is provided that the Ordinance shall come into operation on such date as the Governor shall fix by proclamation published in the *Official Gazette*. I am in a position to say, that if this Council enacts this Bill during the present week it is Government's intention to bring it into operation on the first day of the new year; that is an appropriate day in many ways and particularly so because provision for paying the existing scholarships from public funds will operate

from that day. I hope that I have said enough to secure a fair passage for this Bill to-day. Its enactment will settle a long controversy and will in the future place this rather difficult Trust upon a secure basis which will be entirely free from any doubt and difficulty in the future, and its enactment this week will ensure that without further delay the proceeds of this Trust can be devoted to the assistance and benefit of needy orphans and half orphans in this Colony. I beg, sir, to move that the Bill be now read a second time.

Major BAIN GRAY (Director of Education) seconded.

Mr. ELEAZAR: Your Excellency, I am one of those who took very strong exception to the Bill when it was first brought before the Council. The Committee was formed and I was one appointed as a member of that Committee. We made certain alterations to which the hon. Attorney-General made reference. I do not know if another Bill has been prepared, but I think the words are identically the same as those of the Bill which was withdrawn on the last occasion. I would be very much obliged if there is another Bill—

THE PRESIDENT: Is it a point on the principle of the Bill?

Mr. ELEAZAR: This Bill is dated the fifteenth of May; it is identically the same as that which we discussed.

THE PRESIDENT: It seems to me, if the hon. member agrees, that is a point more fittingly dealt with in Committee, unless he has any objection in principle to the Second Reading.

THE COLONIAL SECRETARY: I think the hon. member's copy of the Bill is dated 15th May, whereas it should be 15th October. He has the wrong copy of the Bill in his hand.

THE PRESIDENT: The Bill I have before me is dated 15th October.

Mr. ELEAZAR: I have been trying to get one but have not succeeded.

Question put, and agreed to.

Bill read the second time.

THE ATTORNEY-GENERAL: I move that the Council resolve itself into Committee to consider the Bill clause by clause. I regret very much that the wrong Bill appears to have been circulated among hon. members. I cannot imagine how the mistake arose, but the new Bill had been published some time ago.

THE PRESIDENT: Is it the wish that we proceed? The specific points where a difference appears between the two copies can be pointed out in Committee.

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

Clause 11—Selection of beneficiaries.

THE ATTORNEY-GENERAL: Those hon. members who have the old Bill before them must disregard all the words after the word "needy" in the fourth line, and also substitute "six" for "ten" in the third line.

Mr. BACCHUS: I am moving an amendment that "ten" be substituted for the word "six." I can quite understand, if we anticipate having just a limited number of children deserving this benefit that six may be considered sufficient. I anticipate that we may have three or four dozens of such children. A half loaf is better than nothing at all, and I am asking that the number of beneficiaries be increased to ten in the clause.

Mr. JACKSON: This question was very thoroughly threshed out by the Select Committee, and after very careful consideration it was decided that it would be very much to be preferred that the number be reduced to six instead of being at ten. I support the number in the clause.

Mr. BAGCHUS: I may mention that I also was a member of the Committee. We differed in that Committee and a division was taken. Of course I was on the side that lost.

Amendment put, and negatived.

Question "That the clause stand as in the original motion" put, and agreed to.  
Clause 12—Tenure and benefits.

THE ATTORNEY-GENERAL: In the

old Bill the word "seventy-two" must be changed to "one hundred and twenty," as stated in the new Bill before the Council.

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 and passed. (*The Attorney-General*).

#### SUGAR EXPERIMENT STATIONS BILL.

Professor DASH (Director of Agriculture): I shall only detain the Council for a few minutes in moving the second reading of this Bill—"A Bill intituled An Ordinance to provide for the control of Sugar Experiment Stations for a period of five years from the first day of January, 1938."—the nature of which, I think is well known. It follows very much the lines of previous legislation, and it is more or less domestic in character as it affects the sugar industry only.

The Bill provides for the control of sugar experiment stations for another period of five years, commencing from the first of January 1938, and is calculated to replace the existing Ordinances which expire at the end of the current year. The provisions of the Bill are clearly set out. It enables the British Guiana Sugar Producers' Association to form with the Director of Agriculture a committee for the purpose of management and control of a Sugar Experiment Stations Fund, created by the industry itself by means of an annual assessment on each acre of land under sugar canes. This Bill does not affect in any sense the small cultivator, who benefits by the expenditure without being asked or called upon to contribute. That is the substance of the Bill. The clauses naturally contain matters relating to the method of control and the steps to be taken to raise the levy. I do not think I need take up the time of the Council in going through the Bill in detail. I now beg to move that the Bill be read a second time.

THE COLONIAL SECRETARY  
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. (*Professor Dash*).

#### IMPORTATION OF TEXTILES (QUOTAS) BILL.

Mr. D'ANDRADE (Comptroller of Customs): I beg to move that "A Bill intituled An Ordinance to amend the Importation of Textiles (Quotas) Ordinance, 1934" be read a second time. The object of this Bill is to remove all doubts regarding the meaning of the expression "Regulated textiles," as used in the Importation of Textiles (Quotas) Ordinance, 1934." "Regulated textiles" is defined in that Ordinance as meaning any textile goods manufactured in a foreign country, in respect of which a quota is fixed by the Governor under section three of that Ordinance, and Clause 2 of the Bill provides for the addition to that section of the following proviso:—

"Provided that for the purposes of this Ordinance any textile goods of a class in respect of which a quota has been fixed shall be deemed to be manufactured in a foreign country unless accompanied by a certificate of British origin in the manner and form prescribed."

In the Regulations made under the "Importation of Textiles (Quotas) Ordinance forms of certificates are prescribed for textiles of this class when manufactured in the United Kingdom or Hong Kong, and in these certificates the manufacturer or supplier is required to certify that the textiles were wholly spun, woven and finished within the British Empire. The Regulations further provide that the Comptroller may require the production of a certificate in the form prescribed by the British Preferential Tariff Regulations for use in connection with the admission of goods under the British Preferential Tariff for similar textiles when imported from Empire countries other than the United Kingdom and Hong Kong. The effect of this provision is that cotton and artificial textiles of foreign manufacture, if imported from any country in the Empire other than the United Kingdom

or Hong Kong, would not be subject to quota if they have a finishing process within the British Empire to the extent of 25 per cent. of their value, while textiles of a similar class, when imported from the United Kingdom or Hong Kong, would be subject to quota unless they are of 100 per cent. British Empire manufacture. The reason for this discrimination against the manufacturers of the United Kingdom and Hong Kong is that at present these are the only two Empire countries where goods originally manufactured in Japan are subjected to a finishing process. I move that the Bill be read a second time.

Mr. LAING (District Commissioner, East Demerara) 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 and passed. (*Mr. D'Andrade*).

#### SPIRITS ORDINANCE AMENDMENT BILL.

Mr. D'ANDRADE: I beg to move that the following Bill be now read the second time:—"A Bill intituled An Ordinance to further amend the Spirits Ordinance, Chapter 110, with respect to the allowance to be made on taking stock of spirits in spirit stores."

The object of this Bill is to remedy a defect in section 40 of the Spirits Ordinance, Chapter 110. This section provides for the taking of stock in a distiller's spirit store, and also for the granting of an allowance in respect of any spirits which may be found to be lost. The basis of computation of such allowance is the quantity of spirits remaining on hand at the end of the last distillation period together with that which is distilled during the period. There is frequently included in this quantity a large quantity of spirits which is handed over to the

distiller for methylation. This spirit is handed over immediately after distillation, and the whole quantity is written off in the stock account as a delivery. It is therefore obviously inadvisable that this quantity should be taken into account when computing the allowance, but under the law as it now stands this has to be done.

The Bill seeks to remedy this defect. The allowances now granted are one and a half per cent. in ordinary circumstances and up to two per centum in special cases. In the section as amended by the Bill, it is provided that the allowance of one and a half per centum shall be allowed in all cases, but the additional allowance up to two per centum will be granted only in the case of spirits which are distilled at a strength over 60 degrees overproof. A further one and a half per centum will also be allowable in the case of rum which is coloured by the addition of colouring matter. An additional proviso has been added empowering the Governor in Council to grant, in special circumstances and where he is satisfied that the spirits lost has not gone into consumption, a further one-half per centum allowance. These allowances are more commensurate with the actual losses occurring than those granted at the present time, and I am sure they will be favourable to all those concerned.

Mr. LAING 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 and passed. (*Mr. D'Andrade*).

THE PRESIDENT: That concludes the business on the agenda for to-day. The Council stands adjourned until to-morrow at 10.30 o'clock.

The Council adjourned accordingly.