

THE DEBATES
OF THE
LEGISLATIVE COUNCIL OF BRITISH GUIANA.
OFFICIAL REPORT
OF
*PROCEEDINGS AT THE THIRD SESSION OF THE SECOND
LEGISLATIVE COUNCIL.*

LEGISLATIVE COUNCIL

TUESDAY, 15TH NOVEMBER, 1932.

The Third Session of the Second Legislative Council of British Guiana was opened in the Council Chamber, Guiana Public Buildings, on Tuesday, 15th November, 1932, with the customary formalities and ceremonials.

PRESENT :

- The President, His Excellency the Governor, SIR EDWARD DENHAM, K.C.M.G., K.B.E.
The Honourable The Colonial Secretary, Mr. C. DOUGLAS-JONES, C.M.G.
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| „ | The Attorney-General, Mr. HECTOR JOSEPHS, K.C., B.A., LL.M. (Cantab.), LL.B. (Lond.). |
| „ | T. T. SMELLIE (Nominated Unofficial Member). |
| „ | F. DIAS, O.B.E. (Nominated Unofficial Member). |
| „ | T. MILLARD, C.M.G., Colonial Treasurer. |
| Major „ | W. BAIN GRAY, M.A., Ph.D. (Edin.), B. Litt. (Oxon), Director of Education. |
| „ | J. S. DASH, B.S.A., Director of Agriculture. |
| „ | E. A. LUCKHOO (Eastern Berbice). |
| „ | E. F. FREDERICKS, LL.B. (Essequibo River). |
| Major „ | J. C. CRAIG, D.S.O., M.E.I.C., Director of Public Works. |
| „ | B. R. WOOD, M.A., Dip. For. (Cantab.), Conservator of Forests. |
| „ | W. A. D'ANDRADE, Comptroller of Customs. |
| „ | Q. B. DEFREITAS, M.R.C.S. (Eng.), L.R.C.P. (Lond.), Surgeon-General (Acting). |
| „ | E. G. WOOLFORD, K.C. (New Amsterdam). |
| „ | N. CANNON (Georgetown North). |
| „ | A. V. CRANE, LL.B. (Lond.) (Demerara River). |

The Honourable PERCY C. WIGHT, O.B.E. (Georgetown Central).

„ J. ELEAZAR (Berbice River).

„ J. GONSALVES (Georgetown South).

„ A. E. SEERAM (Eastern Demerara).

„ V. A. PIRES (North Western District).

„ J. I. DEAGUIAR (Central Demerara).

„ G. E. ANDERSON (Nominated Unofficial Member).

„ M. B. G. AUSTIN (Nominated Unofficial Member).

„ F. J. SEAFORD (Nominated Unofficial Member).

„ PEER BACCHUS (Western Berbice).

His Lordship The Bishop of Guiana (Rt. Rev. OSWALD H. PARRY, M.A.) read prayers.

THE PRESIDENT'S SPEECH.

HONOURABLE MEMBERS OF COUNCIL,

To-day we are opening a new session of Legislative Council which we all earnestly trust may prove to be of lasting benefit and value to the people of this Colony.

I returned from leave last month after a tour in America and after spending considerable time in discussions and meetings in England which I earnestly trust may prove of lasting benefit to this Colony. My wife and I are glad to be back here once more and thank you for the welcome that you accorded us on our arrival.

I am also glad to take this opportunity of expressing the thanks of the Colony to Mr. Douglas-Jones, the Colonial Secretary, and all who have assisted him for all the good work done by them during the past five months.

The world is still in the throes of economic and financial depression. While there is light in several directions, it is clear that the situation is still a grave one and that there is no country in the world at present which has not to exercise the closest supervision and economies in its affairs.

I am glad to find that British Guiana is showing at least signs of recovery; we have many reasons for thankfulness that we have been able to hold our ground for the last three years without serious damage to and impairment of our efficiency and resources.

The *Estimates* approved by the Legislative Council for the service of the current year provided for a total expenditure of \$5,108,409, exclusive of expenditure on

Colonial Development Fund Schemes and on Unemployment Relief Works. The Estimate of Revenue to meet this expenditure was placed at \$4,533,424, resulting in an estimated deficiency of \$574,985 towards which an Imperial Grant-in-Aid of £120,000 (\$576,000) was provided, thus securing a balanced Budget.

At the close of 1931, there was an adverse balance on the Colony's Surplus and Deficit Account of \$187,199. As announced in the Legislative Council on the 12th April, 1932, a vote of £40,000 (\$192,000) was provided in the Imperial Estimates for 1931-32 to liquidate the deficit, and consequently no debit balance remained to be carried forward in the current year.

With the complete removal of the accumulated deficits of past years and the balancing of the current year's Budget, financing difficulties have eased considerably as apart from the floating debt represented by actual assets such as Unallocated Stores, Advances, etc., it is now only necessary to borrow against temporary deficiencies between revenue collections and expenditure during the year.

The portion of the floating debt represented by actual assets has until now been covered by advances from the Crown Agents. During recent conferences in England the Crown Agents pressed for the reduction of the agreed limit of borrowing in this connection from £125,000 to £100,000. On representations being made that the former limit must be maintained while the Colony lacks surplus balances for employment in lieu of such advances, His Majesty's Treasury undertook to provide the amount necessary to maintain the

higher limit of cover and thereby ensure to the Colony adequate working capital against periods of maximum requirement. It has now been intimated that the sum of £25,000 will be paid over during the coming year. With the receipt of this sum the borrowing from the Crown Agents will be correspondingly reduced.

The occasion for and the extent of the borrowing on the floating debt of the Colony are explained and set out in detail in the annual reports of the Colonial Treasurer.

With the considerable reduction in the amount borrowed from the Crown Agents, occasioned by the elimination of the Colony's deficits from this borrowing and the further reduction just mentioned, it is no longer necessary to pledge all the remaining Colony Reserve Funds. I shall refer to these Funds later.

The Revised Estimates of Revenue and Expenditure for the current year incorporated in the draft Estimates for next year show the total revenue collections as falling short of the total of the original Estimate by \$16,747, but savings amounting to \$86,799 on the original Estimate of Expenditure. The position has again been reviewed since these Estimates were prepared and it now appears that although the revenue collections under certain heads are likely to be better than shown, the savings on Expenditure may be somewhat less. Further, a settlement with the Town Council with regard to the re-allocation of the cost of the Georgetown Sewerage Scheme will result in a reduction of Colony Revenue by \$19,634 in the amount recoverable from the Municipality for 1932. In any event, however, there is now no doubt that the deficiency between Colony Revenue and Expenditure will be more than covered by the assistance provided by the Imperial Government.

In 1930 we were in the position of being faced with a deficit which could not have been met even by the most drastic retrenchments and the curtailment of all undertakings and closing down of all new work. The Colony was further faced with an unemployment problem which it had no resources to meet. It must be recognised that if it had not been for the generous support and assistance we have received from the Imperial Government it

would have been quite impossible to have provided the amount of employment which has enabled the people of this country to escape severe privations and possibly serious distress. We looked for assistance from the Imperial Government and we have received it. The result is that Government has been able to undertake works of a definite and lasting value to the Colony in opening up its Interior, in affording facilities for further development of its agricultural and mineral resources, in the improvement of its road systems, in the re-construction of its sea defences, a salvage work of the first importance, in irrigation and drainage works in country districts, and in the construction of buildings which have added considerably to the permanent assets of the Colony. The effect has not merely been material but moral. *The Colony's credit stands considerably higher to-day than it has for some time past.* The efforts made by its people are appreciated and it is recognised that the assistance granted has been justified by the efforts made in the Colony itself.

The policy pursued has further had the effect of creating interest in the Colony to which practical effect will I believe be given. Unless the outside world can be satisfied that a continuous policy is being pursued, that it is having the effect desired that it is restoring credit and confidence, there can be no hope for this country which needs above all money and men. The responsibility that Government owes to the people to-day is to afford all possible assistance to those who are willing to work and to make every effort to carry on a programme of work which will afford them such opportunities and which will prove to be of ultimate value to the Colony. The duty that Government owes to future generations is to satisfy them that in a period of world depression British Guiana did not give way to pessimism but that it showed the world that it was willing to work and able to spend the assistance it so earned wisely for the present and for the future. The fact that we have been able to receive such liberal help has been due to our being able to show that our people are willing and able to work and that the money has been profitably invested in this Colony to secure for it that position in the future which it so abundantly merits. We can only secure further friendly co-operation and sympathy in the

future by our confidence in ourselves, by our ability to make good, and by the results achieved.

It must further be recognised that it would be impossible for us to secure the revenue which we have obtained this year had it not been for the maintenance of establishments for its collection. The danger in all-round reductions in staff is far greater for the State than for the individual.

Although a balanced Budget for 1932 has been maintained, revenue collections have in certain instances not reached expectations. The latest revenue statements show an increase in the receipts from Customs as compared with the same period in 1931. But this increase is almost wholly due to the imposition in 1932 of the Bill of Entry Tax which was levied from the 22nd January at the rate of $1\frac{1}{2}$ per cent. and later increased to 3 per cent. from 14th April, in order to make good the loss to Revenue resulting from the decision to recover from the Georgetown Town Council only 50 per cent. of the interest charges for 1932 on the Loan Expenditure on the Sewerage Schemes instead of 80 per cent. as allowed for in the Budget. Despite the increase of 2.6 cents a gallon in the duty on petrol less revenue from this source is being collected than in 1931, while the increase in the preferential rate of duty on flour from 90 cents to \$1 per bag yielded to end of September an increase in revenue of only \$5,959. Customs receipts are, however, expected to be slightly in excess of the original Estimate for the year.

The increased revenue allowed for in the 1932 Budget consequent on the increased rates of Income Tax, licence, estate and stamp duties imposed, is not being secured except in the case of Income Tax. It is now certain that the receipts from Income Tax will exceed the estimate of \$235,000 by about \$30,000. The revenue from Rum Duty has shown considerable improvement and is expected to exceed the Estimate by \$50,000.

With regard to expenditure, Supplementary Estimates for Colony expenditure amounting to \$21,845 have been passed during the year and a further Supplementary Estimate for a small amount will be necessary. As already indicated, however,

a saving on the total of the original Estimate will be secured. This has only been possible by adopting measures of economy of extreme severity and to a certain extent by avoiding expenditure which in the best interests of the public service ought not to be postponed.

It is clear, however, that we are by no means out of the wood and that we still require Imperial assistance to enable us to develop and improve our position. This position is not an uncommon one amongst all business concerns and there are few who are able at the present time to dispense with the services of the Banker.

In the draft Estimate of Expenditure for 1933 provision is being made for several new items, including \$100,320 under the Head "Public Debt" to provide for the first Sinking Fund contribution on the 1929 Loan, \$34,020 for the continuance of the programme of the Coastal Pure Water Supply Scheme the cost of which has hitherto been met from Loan Funds, \$10,138 increase under Sea Defence expenses and \$4,800 additional provision for repairs to Government Buildings. Excluding these increases which total \$149,278, the reduction compared with the 1932 Estimate is at present over \$130,000 but it may be necessary definitely to increase some items in the draft. It is nevertheless certain that there will be an appreciable reduction on the 1932 Estimates. This satisfactory result is partly due to the fact that the full effect of the retrenchment and economy measures of the past two years is now being secured. There has also been a reduction in interest charges on floating debt due to the elimination of deficits and the fall in the Bank Rate.

It is necessary to take a conservative view with regard to our Customs Revenue and budget only for a slight improvement in the main sources of revenue. While allowing for the re-introduction of legislation re-imposing abatements on Civil Servants' Salaries, the Temporary Excise Duty on Sugar, and the Surtax on Light, Tonnage and Harbour Dues, it will still be necessary to make up a sum of not less than \$550,000 if a balanced Budget for 1933 is to be obtained.

How is this deficit to be met? It is obvious that as improvement is effected in

our resources there is less justification for receiving further Imperial aid. It is, I know, the desire of you all that assistance rendered towards balancing our Budgets—all monies granted for unemployment relief are free grants—should be repaid when the position of the Colony renders this possible and that we should to the utmost possible meet our needs from any accumulated resources.

Towards meeting the deficit for the coming year, it is proposed to realise the investments of the following depreciation and reserve Funds:—

Colonial Steamers Replacement Fund.

Colonial Steamer Service Replacement Fund.

Railway Renewals Reserve Fund.

Post Office Savings Bank Depreciation Fund.

5 per cent. Loan Stamp Duty Account.

Regarding the Steamer and Railway Funds, no contributions have been made to the Funds for some years past. It is, however, important that the obligations partially covered at present by the existence of these Funds shall be met as they arise. There must be a condition, therefore, attaching to the appropriation of these Funds that provision is included in the Annual Estimates whenever renewal or replacement expenditure becomes unavoidable. The Secretary of State and the Treasury have undertaken to assist the Colony whenever its Budget has to contain provision for any expenditure that would otherwise have been met from these appropriated Funds. Consequently, the absorption of these reserves should not be in any way prejudicial to the Colony except in the loss of interest on the sums accumulated.

The maintenance of a separate Depreciation for the Post Office Savings Bank is now unnecessary in view of the modern practice whereby the appreciation and depreciation of the investments of any funds for which the Colony is responsible is carried to revenue or charged to expenditure annually on the basis of the mean market prices ruling on the last day of each year.

The Stamp Duties Account was established on the advice of the Crown Agents to provide on the most economical basis for the liability in respect of the stamp duty on transfers of stock of the 1929 loan. It is now recommended that the proceeds of this account be realised and any necessary expenditure on such transfers provided in the Colony's annual Budgets.

It will be recognised that our two most important Reserve Funds—the Immigration and Colonisation Funds—remain intact.

While in England opportunities were afforded for discussion with the Colonial Office and Treasury in which I had the able assistance of the Colonial Treasurer; we were able to satisfy the Home Authorities that the Colony has done and is doing its best to assist itself by its contribution through direct and indirect taxation. It was accepted that the Estimates for 1932 were based on the essential needs of the Colony and that the revised estimate of expenditure for 1932 should be accepted as the basis for 1933. It was further agreed that the Colony should not be asked to contribute further to revenue beyond the special taxation which had been accepted for 1932. It is not, therefore, proposed to increase taxation but it is not yet possible to reduce it. Council will therefore be asked to re-enact special measures which were introduced in 1932 to assist us in balancing our Budget. The continuance of these charges will, I am sure, be accepted by the community as it is clear that it has only been through our measure of self-help that we have been able to receive and justify that further assistance which has enabled us to make the real progress which has been effected in 1932 and to carry on developments for 1933. It can only be on such conditions that we can expect help to meet our deficit.

When calculation was being made of the approximate assistance likely to be required in balancing the Colony's Budget for 1933, attention was drawn to the need for providing for the first quarter of the following year pending the decision and the taking of a vote in Imperial Parliament for any assistance to be given in 1934. The Imperial financial year commences in April and consequently no sum can be voted or made available until April

or May of the next Colony financial year. This requirement was admitted and in the vote that will be taken in the Imperial Parliament to provide assistance to this Colony for 1933 a sum of £20,000 (\$96,000) has been added in order that the necessary assistance can be made available as required during the first quarter of 1934.

Information has been received that a sum of £14,800 (\$71,040) has been allotted to this Colony from Reparation Receipts from Germany on account of expenditure incurred on Separation Allowances and War Pensions during and since the Great War. This intimation is accompanied by a warning of the unlikelihood of any further substantial payment being made in the Colony. It has been indicated that this receipt should be used towards reducing the deficit on the Colony's Budget.

To meet the requirements of the Budget, with the inclusion of the various items of additional expenditure and after bringing to account the value of the special Funds, the Reparation credit, the assistance with borrowing for working capital, the provision for the first quarter of 1934 as well as further free grants for unemployment relief works, a vote is to be taken on the Colonial and Middle East Estimate in Parliament for 1933-34 of £100,000 (\$480,000) for this Colony.

The terms of the Loans received in meeting our deficits have not been laid down but no interest is provided and it is obvious that the only security is the prosperity of the Colony and that repayment must depend on the revival of trade which it is believed will follow on the grant to us of this assistance to tide us over our present difficulties. It is a mark of real confidence in this Colony that the Imperial Government is prepared to assist us to this liberal extent and invest Imperial funds in the Colony, which is the effect of this financial assistance.

The Colony's Funded Public Debt at present amounts to a total of \$22,077,986 comprising 30 Loan Issues at varying rates of interest that can be summarised thus:—

Under 5 per cent.	...\$	3,272,376
At 5 per cent.		12,148,160
5½ per cent.		4,800,000
6 per cent.		1,857,450
		<hr/>
	\$	22,077,986
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More than 85 per cent. of the debt therefore carries rates of interest higher than that at which the Colony could now secure loans in the London market. But redemption or conversion to a lower rate of interest is at present possible only in the case of the 6 per cent. Bond issues and one 5 per cent. issue amounting to \$121,000 with respect to which the right to exercise the option of earlier redemption on giving 12 months notice has already accrued. The 5½ per cent. Bonds are those of the 50 year Sterling Loan of 1922 in respect of which the right to exercise the option of earlier redemption does not accrue until 1942. With the exception of the issue for \$121,000 referred to above the 5 per cent. Bonds comprise converted Bonds of earlier 6 per cent. issues none of which may be redeemed before 1936, together with the latest London Issue, viz., the 5 per cent. 40 year Loan for £2,090,000. The Schedule to the Public Purposes Loan Ordinance passed in 1929 to authorise the raising of new Loans for public purposes contains an item to provide for the redemption of all the then existing 6 per cent. Bond Issues, and it was intended that each Issue should be redeemed as soon as the option to redeem had accrued. A total of \$721,100 had been redeemed to date under this provision, \$699,960 being met from the 5 per cent. 1929 Loan. The programme of redemption had, however, to be suspended at the end of 1930 owing to the temporary financial dislocation caused by the withdrawal of the United Kingdom from the Gold Standard, and the consequent inability of the Colony to secure the necessary advances for the purpose pending the raising of a further loan.

It is hoped now that more normal conditions are ruling to resume the redemption of the Colony's 6 per cent. Bonds. The question of the manner of redemption of these Bonds is receiving careful consideration at the present time.

There are many who would doubtless like to see a large loan raised on behalf of

the Colony for a big work such as the improvement of the Harbour or for further transport services. To these I would say that our best chance of being able to secure any such loan in the future is to satisfy potential investors that we are putting our house in order and that we have local assets which we have not allowed to fall into disrepair. If the future is to bear the burden of the policy of to-day it is essential that it should be assured in respect to the ordinary conditions of life rather than it should be left without necessities in order to promote a vast project the consummation of which may be too late to benefit those for whom conditions of life have been rendered impossible by neglect of the elementary and essential needs. I have every hope that if our revenue receipts are maintained next year we shall be in a position then to put forward further proposals on which your advice will be sought.

The Imperial Government is giving us as a free grant for 1933 a further sum of \$172,800 for the relief of unemployment as it arises.—It is proposed that from this sum an amount of \$35,000 in addition to the annual provision for the purpose should be expended on repairs and maintenance of Government buildings which will afford a considerable amount of employment to the unemployed in Georgetown and is essential work for the maintenance of these assets. The Imperial Government will, I understand, be prepared to meet further expenditure of a like sum over a period of five years to ensure the programme of work being adhered to if the Colony's Budget does not permit of the inclusion of this extra amount under Public Works Annually Recurrent.

A sum of \$25,000 will be earmarked for cutting, felling, storing and seasoning our timber, under the direction of the Forest Department which, besides giving employment, will enable Government Departments and if possible local firms to be supplied with seasoned wood which, as I point out elsewhere, is an essential factor in preserving the good name of our timbers and in increasing their sales. It is hoped that this Fund will be annually renewed from the receipts from the timber when sold. The Conservator of Forests will put forward full proposals in respect of this item at a later date.

The balance of the money for unemployment relief will be earmarked for the continuation of the East Coast road and other road works, for buildings and improvement of country areas.

I am sure it will be recognised by Council that the additional aid which will be rendered us in 1933 by the Imperial Government merits our gratitude, that it has been possible to give us so much assistance in a time of serious unemployment in Great Britain should serve as a stimulus to our efforts here, while it is a further token of the confidence now shown in this Colony's powers of recuperation, its potentialities of wealth and its value as an asset of the Empire.

The general improvement of conditions throughout the Colony is reflected in many directions, notably in the increases in the Customs duties particularly under cotton manufactures, hardware, silk, wool and woollen goods, though there have been decreases under tobacco, kerosene, petrol and cocoa. The general purchasing power of the community appears to have been increased while the fact that there is more money in hand is shown in the Savings Bank receipts which were \$45,633 more than in 1931 while the withdrawals were \$29,562 less. It must not be assumed, however, that the Colony has yet entered on any period of prosperity. Had it done so it would have been a remarkable exception to the general position throughout the world. It is to the credit of the Colony that it has with the assistance received from the Imperial Government been able to make a better recovery and show more signs of progress than most parts of the Empire. It behoves us to be the more careful to refrain from any form of extravagant expenditure. The people will be well advised not to launch out into such until there are clearer signs of a general trade revival.

It must be noted that all estimates with regard to balancing the Budget for 1932 are based on the Municipality meeting their indebtedness in respect of the Sewerage Scheme. I have already dealt with the proposed settlement elsewhere and it has formed the subject of discussion and resolutions passed at the last session of the Legislative Council. I only desire to make it clear to-day that Government cannot allow a position to continue in which rates are not paid and the Municipality's

liability to Government not met, but I have every hope of a final settlement of this question.

I can only repeat the statement made by me to this Council on the 12th of April last:—

“It is obvious that the cost of the scheme has to be met. It is equally obvious that the scheme has proved a successful one, and that both the Colony and Georgetown have benefited by it very considerably, both in respect of health and the general amenities of life in the capital of the Colony.”

I read only this morning that the death-rate of Georgetown had dropped below 20 per cent. probably for the first time, and this improvement has been mainly due to the installation of this excellent system.

“It must, however, be recognised that practically half of the cost of the scheme represents house connections to property in Georgetown, which have undoubtedly improved the value of this property. It cannot, I think, be reasonably contended that the cost of this portion of the scheme, which practically represents the sum which has always been accepted, even by critics of the present scheme and allocation, as being the sum to which the Municipality had originally committed itself, should be borne by the Colony generally or that the taxpayers of the Colony who are already bearing a heavy burden should be called upon to bear an increase to relieve the property-owners of Georgetown of any direct contribution to improvements to their properties beyond that which they would make with all other persons in the Colony liable to taxation.

“In respect of house connections we are dealing with services rendered to a body of persons in respect of private property. This is not a charge to which the taxpayer throughout the Colony can be asked to contribute as if he was a land-owner directly benefited. A different question arises in respect of the cost of the main scheme. Undoubtedly it is to the advantage of every taxpayer in British Guiana that Georgetown, the capital and port of the Colony, should be in possession of a Sewerage Scheme, ensuring healthy conditions in this important centre. This is the concern of everybody—even though it may only be the inhabitants of Georgetown who have received the direct benefit therefrom. Such being the case, it may, I think, be reasonably argued that the property-owners having linked up with the scheme and placed their houses in order, the Colony may well be responsible for the cost of the main drainage part of the scheme. That is to say, that in the opinion of Government an adjustment on a basis of 50-50 would be equitable.”

Government has now gone further than the proposals which were then made and accepted by the Municipal Council and have granted the 50-50 settlement with retrospective effect, that is to say, that the contribution made by Government to the full cost of the scheme is now one-

half. The taxation of the Colony to meet this charge is increased from \$60,000 per annum to approximately \$173,560 per annum for a period of thirty-seven years. It is not equitable that the taxpayers of the Colony should be called upon to bear any additional sum. That the 50-50 allocation is a reasonable one has been accepted even by advocates of the proposal that it should be made a Colonial Question. It has received the endorsement of this Council by the acceptance of a motion moved by the Honourable Member for New Amsterdam and Government is not prepared to ask this Council to vary that decision.

What the Municipal ratepayer wishes to know at the present time is his liability under the scheme. This is the amount which was accepted by the Municipal Council in May last plus further relief afforded giving retrospective effect to the 50-50 agreement, while in respect not only of arrears but also of payments for 1932,—which it was recognised were due from May last—time is granted to spread these payments over a period of five years. These terms are better than those which were originally asked for and recommended by the Bain Gray Committee; they are an advance on those accepted in May last and are in accordance with the agreement reached by all bodies concerned in September last.

I am glad to inform Council that progress continues to be made in the development of the Hinterland of the Colony. The construction of the road from Barrica to Potaro has aroused considerable interest outside as well as inside the Colony. It was a matter of gratification to me in England to find articles and letters dealing with the road had been reproduced in many of the leading papers both literary and technical. It has served not only to arouse further interest in this Colony but also to attract not merely the traveller who is fired with the desire to visit our great waterfall, Kaieteur, but also the business man who seeks further fields for investment. This is an age of rapid transport following on the advent of the explorer. For too long the Interior of British Guiana has been a closed book. The Bartica-Potaro road has now reached the Potaro river where on both sides of the river heavy rock cutting is

necessary to obtain satisfactory foundation sites for the suspension bridge towers and anchorages and provide easy approaches to the bridge which is now on its way out from England. The foundations are now being constructed. The cost of the construction of the road has been maintained well within the estimate, except during this last stage where unexpected and very considerable difficulties have been encountered in providing for these foundations which will, it is believed, entail an additional expenditure of some \$45,000 on the loan received from the Colonial Development Fund for this work. In view of the fact that the average cost of the road for the first 98 miles has not exceeded \$1,734 per mile and that this sum covers the cost of three bridges of 681, 1,018 and 350 feet in length it will, I think, be recognised that the money has been well and profitably spent.

The last visitor to go over the road was Monsieur Rieus, Engineer-in-Chief, Public Works for the French Colonies, who expressed to me his admiration of all that had been done and the valuable lessons to be derived from a study of this road and of the opening up of the country.

The objects of this development I may repeat are:

Firstly, to secure easy access to one of the most valuable areas of the Colony both for the pork-knockers who are now working in it and for future prospectors who will be able to visit it by road.

Secondly, to encourage the development of this large area, which is the size of Jamaica, by people of the country who will be led to establish themselves there and find employment both in seeking for gold and in taking up land for food products, etc. In this connection I am glad to state that one hundred and forty-two five-acre agricultural lots have been laid out this year on either side of the road up to a point 5 miles from Bartica and are occupied or under cultivation; applications continue to be received for additional lots.

Thirdly, to bring passenger traffic without the serious risks to be encountered on our rivers to an easy distance from Kaieteur and Tumatumari and other beautiful falls on the Potaro River.

Fourthly, to afford possibilities of opening up these areas not merely for minerals but also for the removal of the valuable timber growing along the road and for the possible cultivation of pineapple and other products on the slopes down to the rivers.

In pursuance of this policy I am glad to say that I have been able to obtain the assistance of the Colonial Development Fund to the extent of a loan of \$234,230 free of interest for five years, thereafter at 4 per cent., and repayable within twenty years, repayment to start in the sixth year. This sum will be expended in carrying the road across to the Tiboku Falls. This is estimated to cost \$174,998 which will open up the large extent of land lying between the two great rivers while it will also cut out the dangerous rapids and falls and afford the pork-knocker safe and easy access into a country known to be rich in gold and diamonds and holding out possibilities of other mineral resources. \$5,000 will be spent on the construction of a branch road from the present road to Tumatumari which will enable a visit to be paid to one of the most beautiful spots in the Colony and should also be of considerable assistance to the balata industry. For lorries a sum of \$14,400 has been provided to allow of 4 lorries working on this road. After considerable consultations and discussions with the chief Authorities in England on motor transport it was agreed to obtain a Thornycroft 6-wheeler with six cylinders capable of carrying a load of 3 tons.

It is anticipated that this type of lorry will meet the road requirements and in that case the other Lorries to be ordered will be of the same type. It is estimated that once the service is instituted the cost will be more than covered by the charges for passenger and freight and that these should in time afford a fair profit. The balance, \$39,830, will be spent on a geological survey of the new area to be opened by the road extension. I attach great importance to this survey being made at the same time as the road is carried through for the success of the two are closely related. The survey will have the assistance of the road transport and the investigations of the geologists should go far to determine the line to be taken by the road.

I feel sure that the whole Colony will appreciate the great assistance that has been rendered in these developments which will, I believe, be of lasting benefit and will, I hope, result in opening up to the Empire what we believe to be one of its richest undeveloped assets. While the work now being done is practically restricted to the small man it is satisfactory to report that 2,722 ounces of gold in excess of the quantity obtained during the same period in 1931 have been procured this year. Double the number of gold claims has been issued as compared with 1931 and the gold workings in the upper Puruni river and between Honey Camp and Karanang river appear to be most promising. I have every hope that interest will be aroused on a larger scale and that next year may see big capital attracted to this Colony. While the production of diamonds is 3,065 carats below that for the same period as last year, prices I am glad to say have improved and now average \$1 per carat more than last year. There are nearly 3,000 persons now in the Mazaruni district, while the road has provided continuous employment for an average of 250 men, numbers which should be increased with the extensions now to be carried forward and the work on the bridge.

Brochures have now been produced giving particulars of all previous work undertaken for minerals in the North West, Mazaruni, Puruni and Potaro-Essequibo Districts and it is hoped that these will be widely circulated outside the Colony. As I have stated before, it is essential if capital is to be attracted to British Guiana that a definite policy be pursued, that assurances should be given that this will be continued and that the fullest and most reliable information should be supplied in respect of all our resources.

The Colony will have learnt from the Press of the negotiations which were undertaken at Ottawa and of the proposals that have been made to the Colonies to implement the agreement there reached. It will have been realized that all our neighbours have dealt with the question of certain preferences to be given in respect of Empire goods and that hitherto this Colony has not been asked to participate in like measures. The reason for the delay has been that I was anxious not to put before Council any proposals which

had not been fully considered by the Secretary of State in the light of the special preferences given here owing to our high rates of custom duty, while I was further anxious that a basis should be reached which would afford the measure of protection required with the least amount of additional burden on any article used by the poorest classes. In respect of certain of the items in regard to which other Colonies have made changes in their tariffs the advantage which we now give to Empire goods covers the preferences asked for and avoids the necessity for making any increases under these heads. This applies in respect of motor-cars, tyres and spare parts, butter—an important item—bacon and ham, condensed milk, electrical apparatus, staves and shooks, and other articles which have been affected elsewhere. The articles affected and in respect of which this Colony will be asked to give effect to the undertakings given at Ottawa are rubber boots and shoes, canvas boots and shoes with rubber soles, hosiery, timber, brandy and wines. I have pointed out to the Secretary of State the effect of our present tariff and he has fully recognised that British Guiana has a special claim to consideration, but I am sure that you will all realise that we should not stand out from a participation which has been accepted in other Colonies. I am not in a position to announce the proposed rates of duty to-day, for these are under discussion with the Chamber of Commerce and representatives of the leading importers. We hope that we may arrive at increases which will enable us to afford protection and at the same time impose as small a burden as possible on the users of the articles in question. There is no need for any serious apprehension that wearing apparel will be increased in cost. In regard to cheap lines of hosiery these are now being imported from the United Kingdom in such quantities that it is unlikely that any increase on the foreign material will have any appreciable effect on the local cost.

As regards timber, the increased duty on pitch pine though comparatively small may necessarily increase its cost but the amount proposed will, I feel, be regarded as a reasonable one. This Colony should take advantage of any increases in duty on pitch pine to develop still further its own timber resources, and I am sure

that our timber merchants will take advantage of the position in regard to neighbouring Colonies to secure larger exports of greenheart, silverballi, crabwood and other timbers which may well be used in substitution. It has been suggested in this Council that preferences should be imposed on imported timber to protect our own locally-grown woods and I believe that at one time a Committee was appointed to investigate this position.

It is in respect of footwear that the preference may be felt, but the proposals which will be made to you very shortly will, I think, show that the cost is likely only to amount to a small increase, that competition of a similar article manufactured in the British Empire may be expected, and that the opportunity should further be taken to push and improve the sale of a very excellent and more durable article turned out in this Colony which with the protection afforded should be able to compete with the imported article.

The proposals in regard to wines are likely to have the effect of encouraging the importation of wines, especially those of the higher degrees of strength, a provision which Government has had under consideration for some time.

The Ottawa Conference is an important landmark in the history of economic development of the Colonial Empire. For the first time negotiations have been undertaken with other parts of the Empire on behalf of the Colonial Empire as a whole with the result that the Dominions and India are now ready to grant considerable preferential advantages to Colonial products on a reciprocal basis. Moreover Australia, the Union of South Africa, Newfoundland, India and Southern Rhodesia, which previously have granted no preferences to the Colonial Empire, have agreed for the first time to place it in the same preferential position as the United Kingdom in their markets. While this Colony may not at the moment be exporting its products to other Dominions than Canada the extension of trade and the further openings secured throughout our Empire must be recognised. There is no reason why our rum, our paddy and rice and other products of the country should now not go further afield. Were we not to come into an agreement such as this we

should mark ourselves down as a part of the Empire which could not ask for any special preferences from other parts and which by standing aloof had missed the opportunity of pressing claims later by failure to recognise the situation as a whole. It is also evident that the strength of the position of the Colonies, speaking as a whole, is likely to be impaired by exceptions being made in respect of any one Colony. Further, the assistance which we are receiving from the Mother Country in itself calls for a further return on our part. It is recognised that we at present are good customers of the British Empire and we should do nothing to impair that position which commands the sympathy and assistance of the Empire.

Further, where we are asked to give preference it is against foreign nations from whom we derive no benefit who are not purchasers of our products and who are merely undercutting our own fellow citizens of Empire by selling goods at prices which are only possible by the payment of scales of wages which would not be accepted in this or any other part of our Empire. The door is not closed to further negotiations in respect of the commodities in which we are interested but if we do not take our part in furthering an Imperial Agreement of undoubtedly great benefit to the Colonies as a whole, we cannot expect to maintain the same position in the Councils of the Empire or to receive the fullest consideration which I believe we shall always get by sharing in a general participation augmented as this will be by the fact that our Customs duties are already so much in favour of the United Kingdom and Canada and other Empire countries. The earliest opportunity will be given for a full discussion of these proposals, which I trust Council will regard in the light of the considerations which I have put before you.

The Public Works Department has with the assistance of the funds granted for the relief of unemployment and the loans by the Colonial Development Fund been able to provide a considerable amount of employment throughout the year. For the 10 months under review a sum of approximately \$250,000 has been expended on ordinary maintenance which is practically all that the Colony can afford to

meet on its Budget, but it has also been found possible to construct two road bridges in concrete, one at Peter's Hall, East Bank, Demerara, and the other at Kilmarnock, East Berbice, and to instal a septic tank system for the Public Hospital, Berbice, a long-felt want.

The principal works carried out for the relief of unemployment have been the re-conditioning of our roads and the completion of the East Coast road to Vigilance and a section of the East Bank road, Demerara, and the Vlissengen Road in Georgetown, the expenditure on this work being approximately \$60,000. With the assistance to be given in unemployment relief in 1933 it will be possible to carry on the section of the East Bank road by expending \$20,000 on this road. It is proposed that a like amount be earmarked for other road work and extension as required.

In respect of the Sea Defences the heavy expenditure entailed on the Colony has been largely met by assistance from these relief funds, the sum of approximately \$94,000 having been spent on works recommended by Mr. Case.

I am glad to be able to inform Council that with the co-operation of the planting community, which I gladly acknowledge and by their assessing themselves at varying rates up to 50 cents an empoldered acre on the condition that Government contribute an amount equal to the total sum to be met by the estates in respect of direct contributions by Government and on behalf of the villages, it should be possible in 1933 to carry on this work satisfactorily and on the lines agreed upon by the newly-formed Advisory Board for Sea Defences without the need for extraordinary funds for the purpose beyond the sum of approximately \$10,000 which the Secretary of State has authorised our including in our Budget for 1933.

A new, light, and easily constructed type of groyne has been designed by the Public Works Department which has enabled a considerable saving to be made on the original estimate. This settlement of a vexed question will, it is hoped, lead to our being able to put our sea defences, especially on the West Coast, in satisfactory condition and further to their being maintained and so to avoid the very serious

risk which the Colony has run for the last three years and from which it has been mainly saved by the assistance rendered us by the Imperial Government, another factor to be considered in recognising the value of the help we have received in these difficult years.

On buildings a sum of \$21,000 has been expended, the principal item being the completion of the Government School in Broad Street. Provision is being made for the erection of another Government School in West Berbice and possibly for assistance being rendered from unemployed relief funds towards the construction of the Carnegie Industrial Training Centre for Women. In 1933 the grant given us should enable another school to be built besides providing a sum of \$35,000 to be supplemented by further provision of \$4,800 on the Budget—in addition to the annual provision of \$33,900 for this purpose to be spent on the maintenance and repairs of public buildings. There is no more abundant evidence to be found of the lean years through which the Colony has gone than the state of our public buildings, many of which are actually in a dangerous condition through the attacks of ants, the lack of paint and whitewash, and the need of urgent repair. I have always impressed the need for expenditure under this head as soon as funds would permit, as apart from the discomfort and inconvenience caused by work having to be carried on in derelict buildings, Government assets were losing value from failure to maintain them in proper condition. The provision now made will have the effect of saving the situation if it is not merely a spasmodic and temporary effort and I have impressed upon the Secretary of State the need of similar sums being voted annually for at least five years for this purpose. I have every reason to believe that he is prepared to give favourable consideration to this suggestion. The work will further afford considerable assistance to the unemployed.

On the development of country areas a sum of \$68,000 has been expended benefiting the districts of Kilmarnock, Springlands, East and West Berbice, Victoria and Buxton and the Canals Polder. Further development has taken place at Anna Regina and a sum of \$2,800, was granted as assistance to the Municipality

in the drainage of Albuoystown. It is hoped to extend this work further. The principal work undertaken under this head is the extension of the Tapacooma Lake Conservancy in Essequibo which should assure a water supply to a very large area in this district which has suffered in the past from lack of water. This latter scheme will not be completed this year but the unexpended balance has been re-allocated to the Colony as unemployment relief together with a further sum of \$67,800 to be spent on other works of irrigation and drainage. It is further proposed to earmark a sum of \$25,000 from the grant for cutting, felling and seasoning timber, the need for which I referred to elsewhere. This work should also give a considerable amount of employment and it is hoped that returns will be obtained by sale of the timber which will enable a like sum to be provided annually to cover the cost of this work.

The unemployment relief granted this year has provided on the basis of three days per week employment on a weekly average to 1,800 men. While further provision under this head has been granted by the Imperial Government for 1933 it should be realised that these sums will only be made available by Government as the need arises. I hope it may not be long before we are able to provide in our Estimates for Public Works Extraordinary which will obviate the necessity for obtaining special grants for this purpose. All the relief that has been afforded us under this head by the Imperial Government is in the form of free grants.

I took the opportunity when in England to visit Princes Risborough, the Forest Products Research Laboratory for the Empire, where tests have been made of four of the principal timbers of this Colony—greenheart, purpleheart, wallaba and crabwood. I was able to secure from the Authorities an undertaking that these reports should be available by the time I left England. They have now been received and are with the Conservator of Forests who will gladly make them available to the Press and persons interested. It will be seen that certain difficulties and disadvantages are pointed out but the general indications show that if our timbers are properly seasoned and better advertised and put on the market up to sample there should be further and con-

siderable uses for them. This applies particularly to crabwood which is well recommended as a good second class mahogany. Successful operations have been achieved this year with greenheart of which at 31st October 70,550 cubic feet have been exported—28,843 cubic feet to England and 41,707 to Trinidad. On my return journey to England I endeavoured to enlist the interest of the West Indian Colonies I visited in our timbers and I feel sure that their use could be considerably extended. Complaints were, however, frequent that timbers have been supplied which were not up to sample or that the wood had not been properly seasoned.

As I have informed you, I am now obtaining assistance from the Imperial Government for the formation of a Fund for felling, cutting, sawing and seasoning timber to be stored by the Forest Department and supplied to the Government Departments and also to merchants for shipment as far as possible and in samples to show what can be done in seasoned timber. The supply of such timber will also reduce the use of imported timbers. I recognise that lack of funds has militated against such work being undertaken by private enterprise, but it is essential if our good name is not to suffer that efforts be made in this direction. Contiguity to markets, advantages from preferential treatment, desire to assist neighbouring Colonies, natural advantages in supply, can only be turned to good effect if we can supply a thoroughly satisfactory product up to sample and maintained at a good standard.

These remarks similarly apply to the development of our cattle and rice industries. I found in Trinidad and Barbados every desire to assist us in both these markets provided that we could give them satisfaction in these particulars. I am glad to find that the export of cattle this year amounts to 447, valued at \$6,940, of which 10 were sent to Barbados and 400 to Trinidad. These are, however, only beginnings and it is useless to expect these Colonies to take protective measures on our behalf until they are assured of at least a regular supply of animals from British Guiana. The condition of the trial has been improved considerably during the year but cattle disease in the Rupununi has seriously prejudiced output.

I had hoped to be able to announce to Council that assistance had been rendered to the Colony in respect of the establishment of a Stock Farm which was strongly supported by the late Mr. Eustace Montgomery whose untimely death was a great blow to veterinary work throughout the Empire and a serious loss to this Colony in whose stock development he had keenly interested himself. I have appointed a small Committee to advise Government as to the site for a Stock Farm and the lines on which it should be run and I feel confident that if proposals can be put up to the Colonial Development Fund showing that remunerative results are likely to be obtained that financial assistance may be expected. There is undoubtedly room for improvement in the breeding of cattle, sheep, pigs, and poultry which can be assisted by the establishment of a Stock Farm.

The Empire Marketing Board has made available a grant of £350 for a veterinary survey to secure immunisation of cattle against Redwater and Anaplasmosis. It is hoped that a portion of this grant may be utilised in the Colony.

The rice question is one of grave anxiety to the Colony. The efforts of the Rice Committee of the Chamber of Commerce and of the Director of Agriculture have been most valuable in ventilating this question and rousing public opinion to the necessity of preventing our inflicting damage on ourselves by exporting rice not up to sample and undercutting prices to the detriment of regular trade. Regulations have already been framed and passed for dealing with blending and further legislation will be put before you at this session of Council. The total area for this crop in 1932 is calculated at 77,400 acres. The total paddy yield is estimated at 1,317,000 bags or over 82,000 tons, a yield of 4,000 tons more than last year. Low prices for paddy, however, must prejudice the universal use of pure line seed paddy and it is to be hoped that exporters, merchants, millers and landlords will realise that further encouragement is necessary for the grower if we are to obtain the results in quality and quantity which are perfectly possible. Excellent samples of white rice have been obtained from the rice mill now established at Anna Regina and successful trials and demon-

strations have been held with the power-threshing and winnowing machines.

The question of steamer freight both on rice and on cattle is one which seriously affects the trade of this Colony. While a slight reduction from \$7 to \$6 per head on cattle has been secured, rice freights still remain at \$4.50. The Canadian Government has been addressed in this connection and it is hoped that competition may be created in this quarter which will reduce the present high freights charged.

I am glad to be able to report that the prospects of the sugar crop are excellent and should beat all past records. It is estimated that the crop for 1932 is likely to reach 140,000 tons, or approximately 14,000 tons more than the figures reached in 1931. The weather has been very favourable and all that is needed is that prices should be maintained and improved. The prosperity of the chief crop of the Colony is felt in many directions but until the estates are assured of continuity in prices and certainty of markets at such prices there will not be that expansion in factories and machinery which are necessary to enable the estates generally to increase their production much further. These last few years have taught valuable lessons in reduction of overhead expenses which necessarily have reacted on employment on sugar estates. The success of the rice cultivation has supplemented the earnings obtained at the factory. The Colony is now, however, at the stage where it is necessary to consider whether openings cannot be found for immigrants from elsewhere without prejudicing the position of the unemployed in this Colony. To secure data on this subject the Commissioner of Lands and Mines and the Deputy Director of Agriculture were appointed to report on the possibilities of settlement and colonisation in the Colony. Their report has now been received and will shortly be printed and laid before Council.

There are two fields from which immigrants can be drawn. The surplus West Indian population in some of the surrounding Islands and those employed in Southern and Central American States where action has been taken to close down on immigration from the West Indies. It is essential to progress that the population of British Guiana should be increased but I should be

averse to putting any proposals before Council unless I am assured that the expenditure will be forthcoming to provide for passages and preliminary cost of settlement, that lands will be available which will be readily cultivable, properly drained and irrigated and suited to the type of immigrant whom it is proposed to recruit. For the East Indian rice lands will always prove attractive but not so for the Negro population. In the Colony in order to meet the needs of the latter and provide employment for men who have been drifting into the towns encouragement is being given to cane-growing and cane-farming in the villages. I am glad to report that the efforts of the Director of Agriculture have been successful, especially on the East Coast of Demerara where there is a gratifying progress in the industry, and cane-farmers are undoubtedly on the increase and taking up more land for this purpose.

A useful discussion was held on the occasion of the Buxton-Friendship Farmers Union Anniversary and a report of the proceedings has been published in bulletin form.

A series of field competitions have also been started in order to stimulate block cultivation of this crop by farmers. The change effected at the beginning of the year by paying for cane instead of returning sugar to the farmers has proved stimulating to the industry and should assure good returns on farmers' canes. The importance of flood-fallowing experiments has also received careful consideration. Valuable assistance to the extent of £900 for one year has been received from the Empire Marketing Board for sugar research and it is proposed to utilise a portion of this grant for the execution of a series of essential field trials on the economics of flood-fallowing.

It is to be hoped that efforts will be made to take advantage of the improved preferences and markets afforded by the Ottawa Agreement. The growers of citrus fruits and tomatoes will benefit greatly. Unfortunately at present this Colony has still to produce supplies of exportable value. Our exports of plantains have been well maintained and amounted to 57,120 bunches for the ten months ending October, 1932, an increase of over 24,000 bunches for the same period last year.

The development of the new Pineapple Company on the Demerara River will be watched with interest. I had several consultations in England with the Authorities of the Imperial Institute, the Agricultural Advisers to the Colonial Office, and the Mr. V. A. Pires with regard to the assistance he needed to obtain the canning plant required for the pineapple concessions. As a result of united efforts the Export Credits Association agreed to support the application with the result that valuable and up-to-date plant has been rendered available. The success of the experiment must, of course, largely depend on the nature of the soil and the efforts made by the concessionaires to improve it by manuring and the best methods of cultivation. It is too early yet to say whether the experiment is likely to prove successful but it is one which may render available the cultivation of large tracts of land along many of the rivers of the Colony.

Experiments with oil palms are also being made. These received the encouragement of Mr. Stockdale and judging from my experience in Africa it would seem that we may some day compete with lands there in like latitudes in this cultivation.

During the year there has been close examination of railway traffic and receipts. As Council is aware, one of the main objects of increasing the licences on motor-buses was to protect railway revenue which had suffered considerably from their competition. Third-class passenger fares were introduced on the East and West Coast railways and a number of additional trains were added to the Time-Table.

The increase of revenue from passenger, parcels and miscellaneous traffic for the nine months was nearly \$36,000 in excess of receipts for the same period in 1931. Against this has to be set extra cost of running, fuel, etc., which is estimated at approximately \$9,500.

There were also minor changes in the Steamer Services.

The retirement of Mr. Bayley and the sad death of Mr. Grant have deprived the Transport Department of two very experienced officers.

The condition of the Harbour continues

to cause some anxiety and it was finally decided on the recommendation of the Harbour Board to apply for a dredge and two hopper barges costing approximately \$70,000, if assistance can be obtained for their purchase.

The principal work undertaken during the year has been the erection of a luminous beacon and pilot station to take the place of the Lightship. It was estimated that this work would cost \$25,000, and I am glad to say it was completed and the beacon put into operation on September 6th at a cost within the estimate.

The health conditions of the people have notably improved as is shown in the figures for the first six months of the year; the births have numbered 5,325 as against 3,028 deaths, while infantile mortality is also decreasing. The principal needs of the Colony in this direction are in the provision of a pure water supply; steps have been taken in this direction by the piping and connections to the artesian well at Bagotville on the West Bank. The Secretary of State has expressed approval of provision being made of £5,000 (\$24,000) per annum together with provision for salary staff in the annual estimates for the next few years to enable five wells to be reconditioned annually.

Sanitary improvements are being effected in the towns, notably in New Amsterdam where the reclamation work is proving successful. It is hoped to assist it further by a grant for Unemployment Relief before the end of this year.

Health Weeks have been established in the Colony and equipment provided for a travelling health centre with the assistance rendered by the Colonial Development Fund.

I regret that the pumps to drain the Thomas lands area in Georgetown have not yet been installed but it is understood that they are now on their way and it is hoped that they will effect considerable improvement in the drainage of this area.

The local Leper Association has benefited by a grant from the British Empire Leprosy Relief Association for the establishment of clinics and by an amount of £600 collected by workers at home for

accommodation for the children in the Hospital. A scheme is in hand for further assistance in the prevention of leprosy amongst children and for the care of children of parents suffering from this disease.

The Colony welcomes the advent of six Religious Sisters from Czecho-Slovakia who have volunteered for the nursing of the patients in the Hospital at Mahaica.

Our Police Force has maintained its good reputation throughout the year and in spite of the considerable reductions which have taken place during the last two years, amounting to some \$51,000, I am glad to say that it has been able to meet requirements. It is not contemplated to make any further reductions in this Force.

The Inspector General reports that the motor-cycle patrols have been working satisfactorily.

A marked advance is reported in policemen's training in First Aid to the injured. In 1928 three officers were in possession of certificates. To-day the Police Force has obtained 8 medallions, 18 vouchers, and 97 certificates, a further 82 are awaiting results of the examination and 71 are under instruction for examination this month.

The work of the Police has been facilitated by the general good conduct on the part of all classes.

The position in respect of Education in this Colony is a matter of serious concern in respect of the increase in the Education Vote which must be made if the Colony is to continue its present policy of providing free elementary education for children between the ages of five and fourteen years.

During the year there has been an appreciable increase in the number of children in attendance in the Primary Schools. The number of pupils on the roll in August of this year was 45,385 as compared with 42,634 in August, 1930, while there has been an increase since 1930 of 3,662 in the average number of pupils in attendance. While such an increase is undoubtedly gratifying it is obvious that it has to be met by increased educational facilities. At present the whole burden

falls on Government which pays the salaries of all the teachers and assists in the maintenance of school buildings.

The Director of Education puts the requirements of the schools in respect of increased teachers at 90, if the staff allowed by the Code is to be provided, with a minimum of 50, to meet the most urgent requirements only. To provide this additional teaching staff he considers it essential to employ 10 assistant teachers and 40 pupil teachers, the former being paid at \$14 per month and the latter at an average of \$10 per month involving additional expenditure at \$6,480 per annum.

Our schools are at present suffering severely from overcrowding in classes, the average number enrolled in a class being 46 even when the smallest schools, where the average per teacher is low, are included. Classes of 50 and 60 are common in the larger schools. It is quite clear that the children cannot get the attention required nor can the teachers give it when such classes have to be dealt with. Government is therefore faced with the position of either requiring savings to be made in other directions, or of raising money in other ways to provide for the additional expenditure. In view of the present financial position it appears that some measure of self-help must be provided. If the Education Vote is to cover additional expenditure it can only be by:—

- (1) reduced salaries to teachers,
- (2) an additional cess being raised,
- (3) savings under some other head,

it being incumbent that we should not at present increase the provision for Education, which represents 7 per cent. of the expenditure of the Colony, beyond its present limits.

The teachers have met the 10 per cent. cut on their salaries and will continue to do so and I am averse to reducing salaries in the teaching profession unless it is found absolutely necessary to do so, though I consider that the basis of payment on attendance made to Head Masters needs revision.

Efforts are being made and with some success at present to put village taxation on a satisfactory basis and I am glad to note improvements in recoveries. Until this position is established the imposition

of an additional cess should, if possible, be avoided.

In regard to savings under other heads it is obvious that it is useless to endeavour to secure greater efficiency in one direction at the expense of other branches of school work. It is equally clear, however, that Government has not the funds to meet every requirement; it is now proposed to increase the vote for teachers, thereby affording employment which is urgently needed at the present time to a large number of young persons for whom this avenue has hitherto been closed, by reducing the vote for maintenance of school buildings. It must, I think, be recognised by the Missions and the community generally that if Government is annually to provide these large sums for education and make itself responsible for the provision of the teaching staff, local assistance must be forthcoming to maintain buildings which were erected by them and if necessary to increase accommodation to meet the increase in the school population. I have found elsewhere members of the community generous in providing school buildings and villages readily taxing themselves to contribute work and materials. It is generally recognised that after the religious buildings the school has the first claim on the people. Economy is effected in buildings where it is possible to erect a Government School to take the place of Mission Schools. This economy is not immediate as the teachers have to be provided for and the number of areas in which such schools can be erected is comparatively small.

It is recognised that the charges on account of sewerage rate on buildings used as schools in Georgetown fall heavily on the institutions and I am prepared to recommend to Council that assistance be rendered to educational and charitable institutions in this respect—it will be necessary clearly to define what buildings come under this description and how this help can best be afforded.

The erection of a Government School in Georgetown which was opened on 1st June, and which now has an enrolment of 699 pupils, with an average attendance of 593, is a valuable demonstration of what can be done in this direction, but it has only been through the assistance rendered by the Imperial Government that Govern

ment Schools can be at present erected. A start is shortly being made with one on the West Coast, Berbice, from Unemployment Relief Funds and it is hoped to erect another next year with like assistance.

I was able during my visit to America to discuss the terms of the Carnegie Corporation Grant of £10,000 with the Corporation who I am glad to say have expressed their full approval of the proposed erection of an Industrial Training Centre for women and girls in Georgetown with the establishment of a Farm Centre should funds permit. The Advisory Committee on Education in the Colonies showed great interest in these proposals which they have also approved and to which they are giving every assistance in the selection of a suitable Superintendent to take charge of the Women's Institute for which I have also been able to obtain considerable data in regard to building and equipment.

Since my return a site has been selected on which it is hoped to start the building as early as possible.

The recent show held by the Workers' League through the energy and zeal of Mr. A. A. Thorne and his helpers has aroused further interest in the manufacture of the products of the Colony which it will be the object of this Institute to encourage and produce in quantity and quality to secure foreign markets.

I was also able while in America to secure the help of the Jeanes Foundation and Tuskegee to enable Dr. W. T. B. Williams, Field Director of Tuskegee, to visit this Colony early next year. The Jeanes Foundation will pay his full salary for the four months during which he will be here, the Colony providing housing accommodation and travelling expenses. Dr. Williams will assist in superintending the work of the Head Teachers in the Primary Schools who it is proposed should go through a course of training under his supervision while he will also visit and advise on work in these schools.

Dr. Williams is one of the principal authorities in America on this work and we are, I consider, fortunate in securing the co-operation of the Jeanes Foundation and of the Tuskegee Institute in granting us the loan of his services.

I am also glad to take this opportunity of expressing my high appreciation of the work being done at the Tuskegee Institute—entirely by Negro effort from which students of this Colony are also benefiting.

The Director of Education reports that considerable progress has been made in the work of the youths' classes at the Trades Centre which has now an average attendance of 245 weekly while new work centres are being established gradually in other parts of the Colony. I ask for further assistance to this end being rendered by the districts themselves.

A Committee is at present considering the curriculum and staffing of Queen's College and the Regulations under which the British Guiana Scholarship and Queen's College Scholarship are awarded.

I am glad to note that the enrolment of the College now stands at 198, which is the highest number the School has reached for many years. I am anxious to see the Preparatory School established as soon as possible.

Provision is made in the Estimates for the first time for dental treatment for school children in respect of which it is time that a start should be made. The medical inspection of school children has now established itself in all countries and it is only a question of finding the staff and the money to provide the facilities required in this Colony.

There have been changes round this Table since I met you last. The death of Mr. A. R. F. Webber is a great loss to the Colony. I shall miss his presence here greatly as I know you all do, and the development of the Colony as a whole and in particular of its interior had no stronger supporter than Mr. Webber, while his breadth of view, the all-round interest he took in all public matters and the humour with which he enlivened his speeches made him a valuable Member of this Council and his death a serious loss to it and to the Colony which reciprocated the affection he felt for it.

We also miss in Council the presence of two tried and trusted Government Members to whom we wish long life and happiness in their retirement. Dr. Kelly for 10 years directed the Medical Services

of this Colony with ability and tact, while Mr. S. H. Bayley who spent 44 years in Government Service in numerous capacities retired as General Manager of the Transport and Harbours Department with the respect and regard of Members on both sides of this Council.

We have also to mourn the death of Sir Everard im Thurn who did more perhaps than any other man of his time to make British Guiana better known. His book on the Indians and his writings in "Timehri" will remain as leading authorities on this Colony for which his affection never waned.

In Mr. Andrew Grant who was acting General Manager on the retirement of Mr. Bayley the Colony has lost a faithful and zealous officer, while in Mr. Michael McTurk, the bearer of a name well-known in the history of this Colony, another zealous worker for the opening up of the Interior has been lost to us.

I have endeavoured to set before Council our position in respect of the Budget for 1933 and to indicate lines of policy for the progress and development of this Colony in which we are all so deeply concerned. I ask your advise, your help and your co-operation which I feel sure will be freely given me as it has been in the past, and I can assure you of my desire to co-operate and work with you all to the advancement and benefit of British Guiana and its people.

With God's help and our own efforts let us merit the happiness and well-being which we all so much desire for our Colony.

Mr. WOOLFORD: I feel sure, sir, that hon. Members expect of me that I should on their behalf beg to be allowed to be associated with the sincere and cordial welcome extended to yourself and Lady Denham on your return to this Colony. We are glad and pleased to think that both of you recognise the sincerity and cordiality of that welcome. On behalf of the general community I desire to thank you for your graceful acknowledgment in the speech you made.

I have also to express the hope and satisfaction that colonists feel that circumstances have rendered it possible for you

again to return to the Colony and for yourself and Lady Denham to resume your manifold labours in this community.

I have also to thank you for the hopeful, encouraging, inspiring, and eloquent address which you have just delivered, and which, I feel sure, has been listened to and received not only by Members of this Council but by members of the public present with interest and attention. You may be assured that in the course of our future deliberations in this room your observations and your proposals will receive our anxious and careful consideration.

I have only now to request that Your Excellency will direct that your speech be printed, circulated and laid on the table in accordance with ancient custom.

THE PRESIDENT: I thank the hon. Member for his remarks. There being no immediate business I will adjourn the Council until 2.30, when I understand the business will be of a formal character. The hon. Colonial Secretary will then explain the Estimates for 1933, which will be laid on the table, and it is proposed thereafter to adjourn the Council for a week to give hon. Members an opportunity to study them.

The Council adjourned accordingly and resumed at 2.30 p.m., when Hon. R. E. Brassington was present.

MINUTES.

The minutes of the meeting of the Council held on the 30th September, which had been printed and circulated, were taken as read and confirmed.

MEMBER SWORN.

Mr. J. MULLIN, Commissioner of Lands and Mines, took and subscribed to the oath.

ANNOUNCEMENTS.

THE COLONIAL SECRETARY (Mr. C. Douglas-Jones): I am the bearer of the following Message from the Governor to the Council:—

MESSAGE No. 2.

Honourable Members of the Legislative Council,

I have the honour to invite the Council to approve, as a special case, of the addition of 5 years to the pensionable service of ex-Police Constable C. C. Smartt so as to allow of him being granted an increased pension and lump sum payment.

2. On the 26th of January, 1932, Smartt joined with others in the pursuit of a man who had assaulted a police constable in the execution of his duty and during the chase he ruptured the thigh muscles of his right leg. After medical treatment for over a period of six months in hospital Smartt was certified by a Medical Board of Examiners to be unfit for further service as the injury sustained by him was permanent. He was retired on the 1st of August, 1932, and was granted a pension of \$72.80 per annum, together with a lump sum of \$384 under the provisions of the Constabulary Ordinance, Chapter 30, calculated on his service of 15 $\frac{2}{3}$ years.

3. The Honourable Member for Georgetown South submitted a petition dated 18th August, 1932, by Smartt in which he represented that he was unable to do any form of work which entails walking or standing, or any other form of pressure and strain on his right leg; that he is a married man and his pension is just sufficient to pay his house rent, and prayed to be granted a gratuity or increased pension.

4. This case has been considered by my Executive Council and I recommend the addition of 5 years to his pensionable service. His pension calculated on the basis of this addition of years would be increased from \$72.80 to \$96.80 per annum, and he would be eligible for an increase of \$128 on the lump sum of \$384 already paid to him.

EDWARD DENHAM,
Governor.

4th November, 1932.

Major BAIN GRAY (Director of Education): I am the bearer of the following Message from the Governor to the Council:—

MESSAGE No. 1.

Honourable Members of the Legislative Council,

I have the honour to invite the Council to approve of the payment to Mrs. Susan McAulay, late uncertificated Assistant Teacher of Skeldon E. School, of a compassionate allowance at the rate of \$126 per annum from the 1st of September, 1932.

2. Mrs. McAulay attained the age of 60 years in June, 1932, and was retired on the 31st of August, 1932. She has had 23 $\frac{2}{3}$ years' service, and has not qualified for a pension under section 5 of the Teachers Pension Ordinance, Chapter 197, which requires 30 years to be served. The Education Committee recommended that she should be given a compassionate allowance. This matter was considered by me and, with the advice of my Executive Council, authority is now sought for the pay-

ment of an allowance at the rate mentioned above.

EDWARD DENHAM,
Governor.

4th November, 1932.

PAPERS LAID.

The following documents were laid on the table:—

The draft Estimates of Revenue and Expenditure for the year ending 31st December, 1933.

Sessional Paper No. 10/1932.—Report by G. R. Reid, Esq., on the cause and circumstances of the Railway Accident which took place at Buxton on the 1st of August, 1932.

Letter dated 25th June, 1932, from Crown Agents, with enclosure, appealing for the continuance for a further period of 5 years of the assistance given towards the cost of the research by the Committee of the Institution of Civil Engineers on Deterioration of Structures exposed to Sea Action, at the rate of £5 instead of £10 per annum.

Circular despatch dated 6th May, 1932, from the Secretary of State, asking this Government to continue to contribute towards the cost of maintaining the Imperial Institute and Exhibition Galleries for a period of 5 years from 31st March, 1931, at the rate of £100 per annum.

Report of the Auditor for the year 1931. (*Colonial Secretary*).

Report of the Surgeon-General for the year 1931.

Report under the Food and Drugs Ordinance for the half-year ended 30th June, 1932 (*Dr. De Freitas*).

Report on the Lands and Mines Department for the year 1931 (*Mr. Mullin*).

GOVERNMENT NOTICES.

Notice was given that at a later stage it would be moved that Standing Order No. 11 (1) be suspended to enable the following motion to be moved:—

THAT the Council do resolve itself into Committee of Supply upon the Estimate of Expenditure to be defrayed from Revenue for the year ending 31st December, 1933 (*Colonial Secretary*).

Notice was given of the following motions to be moved at the next meeting of the Council:—

THAT, with reference to Governor's Message No. 2 of the 4th November, 1932, this Council approves of the addition of five years to the pensionable service of Ex-Police Constable C. C. Smartt to allow of him being granted an increased pension and lump sum payment. (*Colonial Secretary*).

THAT, with reference to Governor's Message No. 1 of the 4th of November, 1932, this Council approves of the payment to Mrs. Susan McAulay, late uncertificated Assistant Teacher of Skeldon E. School, of a compassionate

allowance at the rate of \$126 per annum from 1st September, 1932. (*Major Bain Gray*).

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

A Bill to facilitate the proof of service of process under the Summary Jurisdiction (Procedure) Ordinance, the Summary Jurisdiction (Petty Debt) Ordinance and the Criminal Law (Procedure) Ordinance.

A Bill to carry out certain Conventions relating to the employment of women, young persons and children.

A Bill to amend the Trades Union Ordinance by making provision for the compulsory registration of Trades Unions. (*Attorney-General*).

A Bill to allow and confirm certain additional expenditure incurred in the year ended thirty-first day of December, 1931 (*Mr. Millard*).

A Bill to amend the Church of Scotland Government Ordinance, Chapter 230, by removing all doubts as to the relationship between the Presbytery of British Guiana and the General Assembly of the Church of Scotland, and as to other incidental matters. (*Major Bain Gray*).

UNOFFICIAL NOTICES.

BUSINESS HOURS.

Mr. CRANE gave notice of the following motion :—

THAT this Council is of opinion that the conditions under which female selling clerks in business places in the Colony are required to work ought to be investigated and that such legislation as the said conditions warrant be introduced forthwith.

RETIREMENT OF OFFICERS.

Mr. CRANE gave notice of the following questions :—

1. How many Government Officers have reached the age of retirement but are still in the service of Government ?
2. Why have these officers not taken their pensions ?
3. Has Government lost sight of the fact that economy can be effected by these officers going into retirement ?

SPEECH AND SALUTE.

Mr. CANNON gave notice of the following questions :—

1. What was the cost of printing the annual speech of His Excellency the Governor in 1931 ?
2. What will be the cost of printing same this year ?
3. What is the cost of firing the salute at the Fort at the opening of the Annual Session of the Legislative Council ?
4. Why was the usual salute not fired at the Annual Session held this day ?

DISTRICT ADMINISTRATION SCHEME.

Mr. ELEAZAR gave notice of the following questions :—

1. What is the amount of—
 - (a) Travelling expense and
 - (b) Subsistence allowances drawn by all officers of the District Administration Scheme, Berbice, from the District Commissioner downwards, who keep motor cars for the purpose of travelling on duty, showing the sums drawn separately by each officer month by month from the inception of the scheme to the end of October, 1932, and the number of miles covered by such officer ?
2. Under what tariff or scale of allowances are these officers governed ? Please give particulars and details showing the manner in which such payments are calculated.
3. Are there different scales of allowances or tariffs applying to different officers ? If so, give particulars of same, and state what is the reason of this differentiation (if any) and who are the officers to whom these scales or tariffs respectively apply.
4. What are the amounts in detail drawn separately by each of the officers mentioned at—

- (1) Month by month as
 - (a) Travelling, and
 - (b) Subsistence allowances whether commuted or otherwise in their then respective position for the year immediately before their inclusion in the District Administration Scheme, Berbice, stating also what was the official status then of each officer.

Under what head or heads are the travelling expenses and allowances of the District Commissioner, Berbice, charged ?

Is it true that a part of the expenses and allowances of the District Commissioner, Berbice, himself is charged against the Public Works Department ? If so, give details thereof and reason for same.

What is the amount at present standing to the credit of Sub-head : "Travelling expenses and subsistence allowances"—District Commissioner, Berbice ?

Have instructions been issued to all District Commissioners that the trains should be used by them for travelling purposes whenever possible and convenient ?

State details of the total amount of official travelling by train done by the District Commissioners and staff for :

- (1) Berbice and
- (2) Demerara, since the inception of the District Administration Scheme.

HOUSE ALLOWANCES.

Mr. WOOLFORD gave notice of the following questions :—

1. How many Public Officers are in receipt of house allowances ?
2. What posts are held by such officers ?
3. Where are they now stationed ?
4. How many of these officers actually occupy dwelling houses, and how many do not ?
5. Specify in each case what sums are paid by such officers in respect of the dwelling-houses occupied by them, and what sums are drawn by those who do not occupy such houses ?
6. Is the Government aware of any cases

where such officers do not occupy dwelling-houses, but nevertheless have drawn the allowance intended for such purposes? If so, how long has the Government been so aware?

7. If the answer to the latter portion of the preceding question is in the affirmative, what explanation, if any, has the Government to offer for permitting such officers to draw these allowances?

8. How many officers have during the past three years been transferred from one district to another and have since been deprived of either the duty or house allowances previously enjoyed by them?

9. Are there any Public Officers in the districts to which any of the officers referred to in the previous question have been transferred enjoying either duty or house allowances?

10. What are the posts held by these officers?

11. What reasons, if any, has the Government for withholding either the duty or house allowances in the cases referred to in question 8 specifying in each case the particular reason for doing so?

12. Are there any cases where appointments have been made with the privilege of free quarters and where the appointees are not occupying the accommodation provided for them? If there are any such cases will the Government specify the posts held by such officers and furnish the reasons for the non-occupation of the quarters in question?

13. Has the Government in such cases paid any amounts for the accommodation of such officers? If so will the Government furnish the amounts paid in each case?

PETITIONS.

Mr. ELEAZAR laid on the table petitions (1) from Martha E. Vaughan, widow of a Police Constable, praying for financial relief in respect of the services of the deceased, and (2) from Walter Beresford praying for a pension or compassionate allowance in respect of his services as an attendant at the Mental Hospital.

COMMITTEE OF SUPPLY.

THE COLONIAL SECRETARY: Pursuant to notice I move the suspension of Standing Order No. 11 (1) to enable me to move the following motion:—

That the Council do resolve itself into Committee of Supply upon the Estimate of Expenditure to be defrayed from Revenue for the year ending 31st December, 1933.

Motion put, and agreed to.

THE COLONIAL SECRETARY: In moving this motion it will be necessary for me to repeat and refer to some of the figures mentioned in Your Excellency's Speech this morning, but I hope the Council will bear with me and not regard it as unnecessary repetition. It is necessary for me in introducing the Estimate of Expenditure now laid before the Council

to refer to certain aspects of the financial position of the Colony when I moved this motion last year. All I can say in regard to the position of the Colony last year is that it was gloomy, but it would be an exaggeration to say that the present position of the Colony has so improved as to be exceptionally bright. I also think it would be an exaggeration to say that no improvement has taken place this year. We perhaps at the moment live too close to the actual effect of the depression from which this Colony has suffered as well as other Colonies of the Empire to be able to realise that some development and advance have been made during the past year. The progress made by the Colony during the past year, although still regarded as a year of depression, may not be regarded as considerable. On the other hand, if you take the main industries, they have more than held their own.

We will first take sugar. It is generally agreed that the Colony depends mainly on the prosperity of the sugar and the sugar estates of the Colony. It is a well-known fact, and I think the sugar planters and those concerned with sugar estates will readily agree, that they have been able, through the economies they have been able to make, to withstand the times of depression very much better than they themselves would have anticipated had they been asked two or three years ago to state what they thought the position of their estates would be to-day, and the fact remains that not only have they been able to carry on, but they have been able to operate at no very great loss. I understand that during the coming year many of the larger estates will have sufficient money or receive sufficient money and will see their way to effect improvement in cultivation and to enlarge their operations generally. To date we have exported 14.71 per cent. more sugar than this time last year.

We come to rice, the next largest article of production, which has been developed during the past two years, and which, through the efforts of my friend, the Director of Agriculture, has been placed on a very sound footing within that period. Rice-growers in the Colony are, I know, satisfied with the work of that Department and the experiments which it has been carrying out to produce a better and pure line of padi have been appreciated,

with the result that the rice now produced is of a very much better quality than that produced a few years ago. The price is low and I do not think at the present time producers are getting more than a return sufficient to cover their operations. We have exported 13.17 per cent. more to-day than at this time last year.

Another big increase is in gold. There is an increase in the value exported of 52.4 per cent. That may be mainly due, I think, to the efforts which are being made to open up the interior. This morning Your Excellency made reference to the Potaro Road and the influence it is having on the development of this Colony. There is no doubt about it that with reasonably safe and cheap transportation to the interior a much larger number of men are employed there and many more will eventually proceed to the diamond and gold-fields. It is that sort of work which we want, and I am hoping that further development will be the result of this road and that those men who work in the interior will be able to take their families with them. During a recent visit I paid to the interior I saw the men at work and they realised that they were now in a position to build their houses and take their families there. These men can now be provided with lots upon which they may build their houses. They also ask for educational facilities. These can be supplied without difficulty when the necessity for them arise.

There is also a very large increase in the export of coffee. 80.42 per cent. more coffee has been exported this year than last year. The North-West and Pomeroon Districts which a year or two ago were hard hit by the depression in the market price of coffee benefited. Fortunately, I believe, a number of coffee-growers have been able to benefit by the larger price, but many have been unable to keep their cultivation in good condition. If the price of coffee be maintained these coffee-estates will now be put in good order again.

There have been small increases in diamonds and timber.

We have had considerable decreases in the export of bauxite, molasses, rum and balata, the most important of all, perhaps, being bauxite. The effect of the world depression is that less bauxite is required,

Perhaps larger and more easily explored fields of bauxite have been discovered in other parts of the world, but the fact remains that the decrease in the operation of the Demerara Bauxite Co. has been a very considerable blow to the Colony. It has not only meant a decrease in employment during the past year but a very considerable decrease in the revenues of the harbour owing to the decreased number of boats which come to take away bauxite—the number has been reduced to about one per month.

I think, too, we can say that our local industries have during the past year established themselves more firmly than they had been able to do before. In regard to the local industry in matches that has improved. The same firm have been increasing their exports to the islands and also have started to make cigarettes, and I hope they will continue to do so and that it will be quite possible for them to import Empire-produced tobacco which is just as good and has become popular among makers of cigarettes in Great Britain. I feel certain that it will not be long before that firm will be able to import tobacco grown in the Empire for their operations locally.

A local firm is making edible oil which is of considerable assistance to the people who are depending on the growing of coconuts. The effect of its operations is that the average imports of edible oil for the five years 1926 to 1930 which have amounted to \$209,332 per annum have been reduced in 1931 to \$115,047, so that we may take it that half the edible oil consumed in the Colony is produced locally. Also local soap is finding a ready market.

Then we have a promising industry in the growing of pineapples on the Demerara River. I had the pleasure of visiting the estate not so very long ago and was surprised at the growth made by the plants. The foundations of the factory were then being put in and I understand the building is now very nearly completed. It now remains to be seen whether climatic conditions are suitable for growing pineapples. That cannot be proved until we have had one or two crops.

This morning, sir, you referred to the cattle industry. A great deal remains to

be done before we can supply the markets of the neighbouring islands.

The fact of increased production—I may almost say of the flourishing condition—of some of our smaller local industries, and the assistance which we have received during the past year from His Majesty's Government for the relief of unemployment, have helped over the Colony through a difficult year. \$381,406 has been expended and also a sum of \$160,438 in loans from the Colonial Development Fund was spent last year. All these together cannot but have some effect on the prosperity of the Colony during last year. It is not very marked, but I am satisfied that the position of the Colony is very much sounder to-day than it was at a similar date last year.

I now refer to expenditure. The approved estimated expenditure for 1932 was \$5,229,207, and the revised estimated expenditure \$5,021,610. The draft estimate of expenditure for 1933 is \$5,125,109. It shows a decrease of \$104,098 on the approved estimate for 1932.

The ordinary administration expenditure for 1933 shows a decrease on ordinary expenditure for 1932 of \$82,499, and if that sum is added to the total economies effected in the cost of administration since 1926 well over \$1,000,000 will have been saved on the cost of administration since that year. I am not sure whether the point has not been reached that actual economies in staff can be carried no further. All Departments are working shorthanded and a great deal of pressure has been put upon those responsible for the work of Departments. There are still other economies which can be made and will be made, I hope, during a year or two, although perhaps, not in the direction in which economies have been already made in the past.

To the ordinary expenditure for 1933 we must add a sum of \$100,320 for Sinking Fund charges on the 1929 loan.

Then we have the items referred to by Your Excellency this morning. Reference was made to the pure water supply scheme. That is very satisfactory. His Majesty's Government has permitted us to include in our Annual Estimates for the

next few years a sum of £5,000, exclusive of the cost for staff—\$10,000—making roughly \$34,000 for the completion of the reconditioning of the wells. The loan which had been raised for this purpose has been exhausted and hon. Members are well aware of the difficulties experienced in connexion with these wells. They have failed, and we discovered the cause of the failure and have been able to put it right. We can now recondition them in such a way that in all human possibility they will continue to flow for a number of years.

We have also a grant of £10,000 for distribution. A small distribution scheme was tried out at Kitty Village and a large one at Bagotville Village. We have been able in one direction to convey water $2\frac{1}{2}$ miles from the well and something over a mile in another, and by the erection of a tank at the end of the pipe-length $2\frac{1}{2}$ miles from the well we still have sufficient head to raise water into a big tank and from that point we estimate it will be an easy matter to carry water for another mile. When we can deliver water over a distance of 3 miles it will be a great help to the people in the thickly populated areas and there is no reason why that should not be done. Experiments at Bagotville have proved extremely useful and satisfactory, and the information obtained will enable us to perfect distribution schemes in other parts of the Colony.

Then we have the sum of \$10,000 for sea defences. You referred, sir, this morning to the arrangement which has been come to with the representatives of sugar estates with regard to the present construction of sea defences as recommended by Mr. Case, and the future maintenance and construction of them. It has been arranged that this should be borne equally between the estates and Government. For 1933 it will not be necessary to raise any money by loan because the contribution by the estates and funds supplied by Government will be sufficient to carry out work recommended during that year, but it may be necessary to raise money for future works in the programme to be carried out in 1934.

A new Sea Defence Bill has been drafted and will be submitted to the Advisory Committee on Sea Defences. When they have examined it and agreed to the details

it will then be ready for presentation to this Council.

With regard to rates on land, arrangements have been made by which at all events the rates paid by the villages will be borne by Government for the reason that we realise that the villages are not in a position to bear at the present time any more taxation. It is necessary that some form of contribution in this direction should take the place of the export tax. The tax has now been removed and will accordingly disappear from the Budget of the Colony. It must also be remembered that the taxpayer of the Colony is bearing the whole cost of the old Sea Defence Loan.

Then we have a small sum of £1,000 for repairs to buildings in addition to unemployment relief. Hon. Members are aware that the buildings are in a very bad state of disrepair. Representations which have been made have resulted in the possibility of our entering on a programme for the reconditioning of our public buildings spread over a few years. I feel sure that the sooner we begin to repair these buildings the less money we shall have to spend in the end. Many of them have got into really dangerous condition and the money now spent will save them and save further expense in the future.

We turn now to revenue. The ordinary revenue for 1933 has been estimated at \$4,571,617, against the revenue for 1932 of \$4,514,737. This, I am glad to say, is the first year in which the Government has been able to anticipate that our Customs revenue will reach the estimate. I refer to Customs revenue especially because that is a great portion of revenue and it gave us the most trouble in the past. For some years we have not been able to get what I may call a satisfactory grip of the estimates of Customs revenue. Year by year we have tried to arrive at a correct estimate but have failed, and we have had to reduce from a very high estimate put on in an optimistic year some years ago which resulted in a large deficit, and so it is only by a process of gradually reducing these estimates that we have been able at last to find a figure at which we can show at all events a small surplus. We are not yet in a position to increase the estimates of Customs revenue and there-

fore they have been placed at the same figure as last year, with the exception of the bill of lading tax which will produce a full year's revenue as against nine months this year. So that our estimates of revenue from Customs at all events may be regarded as conservative.

We have anticipated increased revenue from income tax and other directions as well which I need not deal with at the moment.

It is necessary for me to make reference to reparations. With regard to the Reparation receipt, information has now been received that the precise sum is £14,910 2s. 6d. (\$71,568.60) and that this sum has already been paid into the Colony's account with the Crown Agents. The circumstances of this payment require that the draft revenue estimates shall be altered to include it in the column "Revised Estimate, 1932" and that the loan in aid of that year shall be correspondingly reduced.

The draft estimates for 1933, with the exclusion of this sum from the revenue estimates, will consequently show a deficit of \$56,212. This deficit is covered by the surplus arising from the transaction of the current year as shown in the revision in the estimates. The surplus is \$56,234 and this sum of \$56,212 leaves a small balance of \$22.

With regard to the draft estimates of expenditure for 1933, thirty-five Departmental votes show an increase—I am taking the increases as compared with the revised estimates for 1932, but in doing so it would be difficult to indicate how they are actually arrived at. It is a much easier and usual method to compare the estimates with the approved estimates for the previous year, but we are especially instructed by the Secretary of State that the ordinary expenditure for 1933 should not exceed the revised estimate for 1932. The Estimates show that 35 votes have been increased and 15 decreased. Of the increases in the votes the larger number actually are mainly due to increments of salaries and other minor causes. There has been a considerable increase in the actual expenditure for the District Administration Scheme, but if hon. Members will turn to page 13 of the Estimates under Recapitulation they will

find that whereas there is an increase of \$11,177 shown, this is made up of a transfer from the Lands and Mines Department of approximately \$7,433. The vote has also been increased by the inclusion of District Administration of the Rupununi District.

Transport and Harbours estimates show an increase of \$12,400, but that is mainly due to debiting the Department with their share of the interest charges on current advances.

A large increase is shown under Medical, Hospitals and Public Health Departments, due mainly to increase of salary and personnel. The Post Office shows an increase of \$4,595, which is also due to personnel. Public Debt shows an increase of \$47,000 due to the Sinking Fund.

As against these increases there is a large decrease in Pensions and Gratuities of \$38,823, and Miscellaneous \$29,851. In addition to these items there has been a large decrease in the Lands and Mines Department of \$8,194, Police \$2,984, Prisons \$2,270, Ministers of Religion \$2,319, Subventions (Municipal) \$2,713.

On the whole, the position of the estimates of expenditure shows that every economy has been made and that any increased expenditure is due mainly to causes for which the Administration cannot be responsible but are themselves normal increases which must be with us every year.

I now move the motion standing in my name.

Mr. SMELLIE seconded.

THE PRESIDENT: It is not proposed that the Council should go into Committee to day but to adjourn until next week when it will go into Committee.

Mr. CRANE: I formally move that the Council be adjourned until Tuesday next.

THE PRESIDENT: That will meet the position. In accepting that motion I should just like to add, with regard to one statement made by the Colonial Secretary, that I hope no hon. Member is under the impression that there is any further deficit to be met. That is not the case at all. The balance for 1932 represents the balance for reparations. If we do not get it on the balance we will get it on the reparations and there will be no deficit.

Mr. ELEAZAR: Tuesday next is so near. Would Thursday not do?

THE PRESIDENT: I would be glad to meet the hon. Member, but it is proposed to adjourn until next Tuesday in order to deal with other matters referred to in my speech this morning. If it is necessary with regard to the Estimates I will then give a postponement until Thursday.

The Council adjourned until Tuesday, 22nd November, at 11 o'clock.