

## LEGISLATIVE COUNCIL.

*Wednesday, 14th June, 1933.*

The Council met pursuant to adjournment, His Excellency the Governor, SIR EDWARD DENHAM, K.C.M.G., K.B.E., President, in the Chair.

## PRESENT.

The Hon. the Colonial Secretary, Mr. T. Millard, C.M.G. (Acting).

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

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

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

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

The Hon. R. E. Brassington (Western Essequibo).

The Hon. E. A. Luckhoo (Eastern Berbice).

The Hon. E. F. Fredericks, LL.B. (Essequibo River).

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

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

The Hon. Q. B. De Freitas, M.R.C.S. (Eng.), L.R.C.P. (Lond.), Surgeon-General (Acting).

The Hon. F. Birkitt, Postmaster General.

The Hon. L. G. Crease, M.A. (Oxon), Director of Education (Acting).

The Hon. E. F. McDavid (Deputy Colonial Treasurer).

The Hon. P. W. King, Official Receiver.

The Hon. N. Cannon (Georgetown North).

The Hon. A. V. Crane, LL.B. (Lond.) (Demerara River).

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

The Hon. J. Eleazar (Berbice River).

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

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

The Hon. Peer Bacchus (Western Berbice).

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

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

## MINUTES.

The minutes of the meeting of the Council held on the 13th June, as printed and circulated, were confirmed.

## ANNOUNCEMENT.

## THE RICE COMMITTEE.

THE PRESIDENT: It has been pointed out to me with regard to the personnel of the Committee on the rice question that there is no representative on that Committee of the County of Essequibo. I think it is a good point as it is really a Select Committee of the Council selected by the Council. I read out the names yesterday and no other names were suggested and I considered that those names would be sufficient, but I think reasons could have been put forward for the appointment of a Member from Essequibo, and they would have been sound and would have convinced the Council of the desirability of such an appointment. I propose therefore to add the name of Mr. Fredericks to the Committee. It will be under the Chairmanship of the Attorney-General and five members will form a quorum.

## ORDER OF THE DAY.

## ACREAGE TAX BILL.

THE COLONIAL SECRETARY (Mr. T. Millard): I move that "A Bill to provide for the collection of acreage taxes" be read the third time.

Mr. SMELLIE seconded.

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

Bill read the third time.

CUSTOMS DUTIES BILL.

Mr. D'ANDRADE (Comptroller of Customs): I move that "A Bill to amend the Customs Duties Ordinance, Chapter 34, with respect to the duty on precious stones exported from the Colony" be read the third time.

Mr. BIRKITT seconded.

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

Bill read the third time.

TAX BILL (No. 2), 1933.

Mr. McDAVID (Colonial Treasurer): I beg to move the second reading of "A Bill further to amend the Tax Ordinance, Chapter 37, with respect to the licences of Insurance Companies and the duties to be paid thereon." The object of the Bill is to repeal section 13 of the Tax Ordinance, Chapter 37, which imposes a licence duty on insurance companies, and to provide for the assessment of the duty on life insurance companies on a more equitable basis. In the present law there is a duty on all fire insurance companies, both fire and life, of \$1,000 per annum. There is also imposed on foreign insurance companies carrying on life insurance business in the Colony through agents a duty of \$500 per annum, and on foreign insurance companies carrying on fire or accident insurance business through an agency a duty of \$250. It is not proposed to alter any of the duties in respect of a company carrying on fire or accident insurance business. What the Bill seeks to do is to provide a new basis for the assessment of the duty on life insurance companies by introducing a graduated scale of \$5 for every \$1,000 received in the Colony, but subject to a minimum tax of \$500 and a maximum of \$1,000. The effect of this change will be that of the two local life companies the older will continue to pay the maximum duty of \$1,000 and the junior will pay a minimum of \$500. That means that the junior of the two companies will have its present

duty halved. One foreign insurance company carrying on life insurance business will pay approximately \$600 or \$100 more than is now charged and all the remaining companies will pay the minimum they at present pay. The result will be a loss of revenue of \$400. It is considered that this new basis will be much more equitable than the present and will, moreover, provide a substantial relief to any company on which it is considered that the present flat rate of \$1,000 falls very heavily.

Mr. BIRKITT seconded.

Mr. CRANE: Clause 2 of the Bill proposes that \$5 shall be paid on every \$1,000 of premiums received. There is nothing which says on what year's premiums. As in the case of income tax, the premiums should be those of the year preceding that in which the licence is to be paid. I cannot see any sound reason for making the distinction in sub-clause (3). It seems to me to require some explanation why a foreign fire company should not pay the same as a local fire company. There should be one licence.

Mr. CANNON: It would be unwise to increase the rate on foreign companies because it is not always that the local companies can take all the insurance that is offered on any particular risk. What is more, I do not see how you are going to be able to collect this licence. Let me give an illustration. A firm doing business in the Colony covers its property by insurance in England. That insurance does not pass through an agent because the company has no agent here. How then are you going to collect the licence from that insurance company? I think we might leave well alone and be satisfied with what we are collecting. If firms are forced to cover their insurance abroad we will not get the little we are getting now.

Mr. DIAS: I am in agreement with the opinion expressed by the hon. Member. It is quite true that very often there is an overflow of business for the local insurance companies and it is a welcome opportunity for people to apply to the foreign companies for insurance that they cannot get locally. I happen to know that of my own personal knowledge. The local companies divide their insurance in blocks and take a certain amount on a

particular block: Having effected that insurance they cease to operate further in that particular block. You might have a concern putting up a new building and wanting insurance and not be able to get it except from a foreign company. There is therefore that compensating advantage to people here to get additional insurance when they require it. I have said more than once that I am very sympathetic to the infant company that has been paying the licence of \$1,000 since it came into existence. Personally, if the circumstances of the Colony were different, I would have preferred to support a smaller sum than is proposed. Better cannot be done at the moment, and I think the company itself will recognise that no greater relief can be afforded it. I express the hope, however, that as soon as the financial position improves the matter will be further considered, and if the company still needs further relief it might be given.

Mr. McDAVID: With reference to the point raised by the hon. Member for Demerara River, I thought the words "in the preceding year" were understood. I agree with the hon. Member that it would be clearer if the words "during the year preceding the year in which the duty is payable" were inserted to show that that is the basis on which the assessment has been calculated. That point can be dealt with in Committee. I also agree that a certain amount of competition from foreign companies is not only welcome but essential that we should have further opportunities for extending insurance in the Colony which cannot be taken by the local companies. In the case of the local fire insurance companies I think some differentiation is necessary because those companies are much more largely established than the local life companies in comparison with the foreign companies. I think that is the reason for the differentiation. If the foreign companies are taxed to the same extent it would probably drive them out of commission altogether and I think that is a position that should be avoided.

Mr. ELEAZAR: The reason given for this differentiation, I think, defeats the object. If it is a fact that the local companies have more than they can do, and there is such a large surplus to encourage other companies to come in, why should they not pay the same? It is too much

interference with business and business methods amongst competitors. If they want to come in let them pay like everybody else. They come in with their eyes wide open. Let them pay the same at least.

Question put, and agreed to.

Bill read the second time.

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

Clause 2—Repeal and re-enactment of section 13 of Cap. 37.

Mr. CRANE: The Colonial Treasurer thought that the words "in the preceding year" were understood. I invite legal advice on the point. If those words are inserted again I see a little difficulty. You will have the same difficulty in regard to companies starting business for the first year.

THE ATTORNEY-GENERAL: It does appear that in sub-clause (1) the difficulty presents itself as to the incident and mode of collection of the duties, and there are probably other difficulties in connection with the matter. As the third reading of the Bill will not be proceeded with to-day, I suggest that the Bill be left in Committee and the financial aspect of it worked out and the Bill brought back to the Council in the Committee stage.

The Council resumed.

#### CLUBS REGISTRATION BILL.

The Council resolved itself into Committee and resumed consideration of "A Bill to amend the Clubs Registration Ordinance, Chapter 269, with respect to the registration of Clubs."

THE ATTORNEY-GENERAL: It will be remembered that in the debate on the second reading of this Bill various matters were discussed and points brought forward in order to facilitate the working of the Bill in the manner in which it was intended. The Council accepted the principle and various Members made suggestions on points which may be included in the Bill and which will have the effect of tighten-

ing it up. I propose to mention the amendments which are to be moved. These arise out of the points raised and I think will have the acceptance of the House. The amendments have been printed and are in the hands of Members, but it is just as well to point out what the effect will be. In dealing with clause 2 of the Bill it was pointed out that it would be rather too stringent to make the penalty of the bond payable under sub-clause (1) merely in the event of the cancellation of the certificate under section 11 of the Principal Ordinance. Under section 11 the certificate can be cancelled on any of the various grounds stated in section 7 and also where there has been a conviction under section 10 of any officers of the Club for the sale of liquor for consumption outside the Club. With respect to that it is proposed to add to sub-clause (1), which deals with the bond to be given, the words "in respect of a ground specified in paragraphs (e), (f), (g), (h), (j) or (k) of section seven or by reason of a conviction under section ten of the Principal Ordinance." In clause 4 it is proposed to insert as sub-clause (2) (g) the following:—

(2) (g) a member may introduce as a visitor, not more than twice in any month any person resident in the Colony and eligible for election to the club, and, not more than three times in any month any person resident in the Colony and not eligible for election, and for a period not exceeding one month without the payment of subscription any person who has not resided in the Colony for more than three months; but no person who has ceased to be a member of the club whose subscription was then in arrear shall be introduced as a visitor.

The next amendment makes it incumbent on the Committee or governing body to keep a stock book of the Club. The other amendments are those of which I have already given notice.

Clause 2—Additional rules with reference to an application for a certificate.

THE ATTORNEY-GENERAL: In sub-clause (1) I move the addition at the end of the words "in respect of a ground specified in paragraphs (e), (f), (g), (h), (j), or (k) of section seven or by reason of a conviction under section ten of the Principal Ordinance."

Question put, and agreed to.

THE ATTORNEY-GENERAL: In sub-clause (2) (b) I move that the words "paragraph (a) of" be deleted.

Question put, and agreed to.

Clause 4—Amendment of section 6 of Cap. 269. Club rules qualifying for registration.

THE ATTORNEY-GENERAL: I move that sub-clause (2) be amended by substituting the following for paragraph (g):—

(2) (g) a member may introduce as a visitor, not more than twice in any month any person resident in the Colony and eligible for election to the club, and, not more than three times in any month any person resident in the Colony and not eligible for election, and for a period not exceeding one month without the payment of subscription any person who has not resided in the Colony for more than three months; but no person who has ceased to be a member of the club whose subscription was then in arrear shall be introduced as a visitor.

Mr. CRANE: If this sub-clause is to affect all Clubs it cannot have my support. If it is going to apply to outdoor Clubs it is going to operate very severely. Such a provision appears in the rules of certain Clubs but it should remain as a domestic regulation. That is the whole spirit of the Clubs Ordinance. A Club is the combined home of its members and not a public place. I agree that something is necessary in the case of Clubs that abuse the privileges of the law. I am willing to give Government every support and propose to move an amendment that this provision shall not apply to Clubs to be mentioned in a Schedule.

Mr. ELEAZAR: This provision will prevent me from taking a visitor to the Colony to a Club, and you are going to do violence where it is not intended. Such a rule would do very well for mushroom Clubs, where a person is taken there only for the purpose of getting liquor, and it should not be applied to *bona fide* Clubs.

Mr. DE AGUIAR: I am inclined to think that a provision of this kind will assist legitimate Clubs. If visitors to a Club are permitted to go there often they will never become members, but if they are restricted as proposed they will become members and legitimate Clubs would benefit.

THE ATTORNEY-GENERAL: I am glad I have the support of the hon. Member who has just spoken. I should like to point out that this provision will not be an innovation. I have had a good deal of

association with Clubs here and elsewhere which have this as one of their rules. There will be no hardship on any of the existing Clubs. The object is not to let people take advantage of the privilege of visiting a Club too often. The matter is one for the Committee of what view they take of it. It seems to have some advantages and some disadvantages, but on the whole it works very well and it may help in the object we have in view.

Question put, and agreed to.

THE ATTORNEY-GENERAL: I move the insertion as sub-clause (3) (*h*) of what now stands as sub-clause (2) (*g*), and that paragraphs (*h*) to (*j*) be renumbered (*i*) to (*k*).

Question put, and agreed to.

THE ATTORNEY-GENERAL: I move the insertion as clause 5 of the following:—

5.—(1) The committee or governing body of every club shall cause to be kept—

(a) a stock book in which there shall be entered the quantities of each kind of excisable liquors purchased for the use of the club and the dates when purchased, the names and addresses of the persons from whom purchased, and the dates of delivery at the club premises, and

(b) a sale book in which there shall be entered the quantity of each kind of excisable liquor supplied in the club in each calendar month.

(2) If, in any club, a stock book or a sale book is not kept or any entry is not made therein, as required by sub-section (1), every member of the committee or governing body and the secretary shall each be liable on summary conviction to a penalty not exceeding twenty-four dollars.

(3) If any member of the committee or governing body or the secretary shall wilfully make or concur in making any false entry in, or omit or alter, or concur in omitting or altering any material particular from or in the stock book or sale book, he shall be liable on summary conviction to a penalty not exceeding five hundred dollars or to imprisonment with or without hard labour not exceeding six months.

Question put, and agreed to.

THE ATTORNEY-GENERAL: I move that the following be inserted as clause 7:—

“7. Section seven of the Principal Ordinance is amended—

(a) by renumbering the section as “7 (1);”

(b) by substituting the following for paragraph (i):—

“(i) that the club occupies premises in respect of which, within twelve months next preceding the formation of the club, a licence for a spirit shop has been for-

feited or the renewal of a certificate for a licence for a hotel or a spirit shop has been refused under the Intoxicating Liquor Licensing Ordinance, or in respect of which an order has been made that they shall not be used for the purposes of any club.”

(c) by the addition of the following as sub-section (2):—

“(2) For the purpose of determining whether a club is conducted in good faith as a club the court shall have regard to the nature of the premises occupied by the club.”

Question put, and agreed to.

Mr. CRANE: I move the insertion as clause 8 of the following:—

The provisions of sub-section (1) of section two of this Ordinance requiring a bond to be lodged with the application for the grant or a renewal of a certificate shall not apply to any club named in the Schedule hereto or declared to be added thereto by order of the Governor published in the *Gazette*.

The result of this amendment will be that in respect of Clubs for outdoor exercise it would not be necessary for them to lodge with the application a bond executed by two sureties as in the case of other Clubs. I have prepared a Schedule of the most prominent Clubs which I shall ask leave to move. The other Clubs need not complain because if any other Club considers that it should be treated in the same way they can make application and after proper enquiry the Governor can add their names to the Schedule by publication in the *Gazette*.

THE COLONIAL SECRETARY: Government propose to accept the amendment on the clear understanding that the Clubs to be included in the Schedule are sports Clubs.

Mr. CRANE: Absolutely.

Question put, and agreed to.

Mr. CRANE: I now move that the following Schedule be added:—

SCHEDULE.

1. The Georgetown Cricket Club.
2. The British Guiana Cricket Club.
3. The Demerara Cricket Club.
4. The East Indian Cricket Club.
5. The Malteenoes Cricket Club.
6. The Georgetown Football Club.
7. The Demerara Rowing Club.
8. The Portuguese Club.

Mr. JONES: I suggest the addition of

the Georgetown Golf Club and the Demerara Golf Club.

Question put, and agreed to.

The Council resumed.

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

ADJOURNMENT.

THE COLONIAL SECRETARY: Before the Council adjourns I think hon. Members would like to know the business outstanding to be taken when the Council resumes. The Council is aware that a Select Committee has been appointed to deal with the pressing question of the continuance of the Rice Export Ordinance. That Ordinance expires on the 30th June and it is hoped when the Council resumes to proceed with any legislation arising on the investigation and report of the Committee as early as possible. There are certain other Bills which it is also hoped will be available and ready to be put on the agenda. The Public Health Bill is under consideration of a Select Committee and its further consideration is awaiting the arrival of the new Surgeon-General. The Cinematograph Bill is ready, but certain questions have arisen in regard to administration and enquiries have been addressed to Trinidad on the subject, to discover whether Trinidad themselves are faced with that particular difficulty. It is therefore necessary to clear up this point of administration before bringing the Bill before the Council. The Pensions Bill is nearly ready and it is hoped to have it on the Order Paper early. The Co-operative Societies Bill is now ready and will be published. The Workmen's Compensation Bill has been prepared, but it is considered necessary to have advice on the administration in the event of the Bill

being passed. The Government of Trinidad has been approached on the subject with a request to allow an official of experience there to visit the Colony and advise on the working of the Ordinance. That information will be available at the time of the introduction of the Bill. There are also a Mining Bill relating to the rates and collection of royalty and a Supplementary Appropriation Bill. It is hoped during the adjournment to bring these Bills as near as possible to the Order of the Day, but it is hoped that when the Council resumes the first business will be the consideration of legislation in connection with the rice industry and the activities of the Rice Marketing Board.

Mr. CRANE: I am afraid that the time will be very short to deal with the rice question.

THE PRESIDENT: I think what is required is a report in the first instance dealing with the present position governing the export of rice from this Colony under the control of the Rice Marketing Board. As has been pointed out, that Ordinance will expire on the 30th June, and before that date the Council should be in a position to know what is proposed in respect of control, if any, to be exercised by Government in relation to the rice industry. There is no reason why the Committee should not meet from to-morrow and sit every day during the next fortnight. The Committee might suggest a Commission afterwards to consider the rice question generally. At the present time the important question before us is the export trade, and I suggest that the Committee confine themselves to making a recommendation in regard to that, taking any evidence they wish.

The Council adjourned until Tuesday, 27th June, at 11 o'clock.