

LEGISLATIVE COUNCIL.

Wednesday, 25th May, 1938.

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

PRESENT.

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

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

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

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

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

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

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

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

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

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

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

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

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

The Hon. J. Eleazar (Berbice River).

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

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

The Hon. Peer Bacchus (Western Berbice).

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

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

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

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

The Hon. T. Lee (Essequibo River).

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

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

OATH OF ALLEGIANCE.

THE PRESIDENT administered the Oath of Allegiance to Dr. B. N. V. Wase-Bailey, Mr. B. R. Wood and Mr. F. O. Richards who then took their seats.

PRESENTATION.

THE PRESIDENT, presenting the Insignia of an Officer of the Civil Division of the Most Excellent Order of the British Empire to Mr. M. B. G. Austin, said:—

“Mr. Austin,—By the King's Command I have the honour of presenting to you on His Majesty's behalf the Insignia of the rank of Officer of the Order of the British Empire.

“I esteem it a great privilege to be the agent in handing this mark of His Majesty's recognition to a member of a family whose name is held in high honour and regard in British Guiana and the neighbouring Colonies for distinguished public services over a long period.

“In your own services to this Colony as a member of the Legislative Council and a trusted adviser of the Government you have shown qualities of sincerity of purpose, soundness of judgment, straightforwardness and loyalty which are the inheritance of a high tradition. The Colony is fortunate which can command these qualities in its public men.

“I have very great pleasure in making this presentation.” (Applause).

THE PRESIDENT'S SPEECH.

The PRESIDENT addressed the Council as follows:—

HONOURABLE MEMBERS OF THE LEGISLATIVE COUNCIL,

This is the first occasion on which I have had the honour of addressing you on the programme for a Legislative Session, and I am sure it will be appreciated that the impressions and opinions which I venture to lay before you are those of one who is still a newcomer to the Colony, and are based on only a partial acquaintance with its problems. My opportunities of familiarising myself with conditions in the various parts of the Colony, especially in the interior, have been considerably curtailed by the abnormal weather conditions which have unfortunately caused considerable damage to crops and stocks: they have at the same time served to bring into prominence the urgency of such outstanding problems as the need for improvements in drainage conditions and roads. I look forward to being able to improve my knowledge of conditions by more extended visits to various districts later in the year.

General economic conditions have unfortunately suffered a distinct set-back during the last year largely owing to the disturbed situation in Europe and the East, but influenced also by a definite recession in the United States.

Naturally these conditions have had reactions on local trade, but the satisfactory financial results of the previous two years have placed the Colony in a stronger position to meet any temporary set-back.

The financial results of the year 1937 are now available in their final form, and the Colony is to be congratulated on the most successful year from a financial standpoint since 1929. The ordinary revenue for the year was \$5,906,783 and the expenditure was \$5,674,948, leaving a surplus of \$231,835 on the year's working. During the years 1936 and 1937 there was an accelerating rate of increase in revenue collections, the year 1936 showing an advance of \$142,188 over 1935 and 1937 an increase of \$428,367 over 1936—a total increase of \$870,555 in two years. The increase arises of course mainly from the improvement in trade during these

years, the total exports having increased from \$10,642,677 in 1935, to \$11,699,999 in 1936 and \$13,137,417 in 1937 and the imports from \$8,540,798 in 1935 to \$9,448,189 in 1936 and \$11,544,508 in 1937.

I need not dwell on the circumstances which have been responsible for this satisfactory advance which are well known to Honourable Members, but it is gratifying to note that there has been a substantial increase in the export of mining and forest products, notably bauxite and gold, balata and timber, an increase which we may hope will be maintained. There has on the other hand been a regrettable decline in the export of rice compared with the best levels attained, to which I will refer again, and the export of diamonds has continued to decline, partly perhaps on account of the competing attractions of gold under present conditions. The situation of our staple export, sugar, though both quantities and values have shown a progressive increase during the last three years, is not at the moment free from uneasiness, and we are anxiously awaiting the decisions of the International Sugar Council as to the export quotas for the coming year.

Imports at \$11,534,508 attained the highest level for ten years, but there were special reasons which contributed to the increase during 1937, and it cannot be anticipated that this rate of advance will be continued. Indeed, the experience of the first four months of the current year has shown a definite falling off in imports, and consequently in customs and other revenue derived therefrom. Though it is too early to forecast with any confidence what the final results of the year may be on the whole, however, there is reasonable ground for anticipating that the budget estimate of revenue for 1938 may be approximately realised.

Taken as a whole the situation is not unsatisfactory, and though the relatively high levels attained in 1937 may not be equalled there does not seem to be any real reason for anxiety as to the financial results of the immediate future. The surplus of \$231,835 on the year's working for 1937 was increased to \$402,235 after taking credit for a loan grant-in-aid of \$170,400 received from the Imperial Treasury during the year.

These figures are exclusive of the transactions with respect to works and schemes in progress financed by appropriations from the Colonial Development Fund. The expenditures under this head totalled \$66,049, and the receipts \$38,655, leaving an outstanding balance of \$27,394 due and recoverable from the Colonial Development Fund which has temporarily reduced the Colony surplus by that amount.

The surplus balance brought forward from 1936 amounted to \$556,506, so that at the close of 1937 the total surplus had increased to \$958,741 inclusive of the amount due from the Colonial Development Fund.

As a result, however, of certain financial and accounting adjustments adopted in accordance with general suggestions for changes in accounting procedure made by the Secretary of State in a despatch which is being laid before Hon. Members for their information, the above surplus has been further increased by \$104,071, being the unappropriated balance at the 31st December, 1937, of a special loan grant-in-aid of \$480,000 granted by H. M. Treasury in 1933 as an advance for "working capital" to cover financial requirements for loans and other advances made by Government, and for unallocated stores. The manner in which this adjustment is carried out will be explained in a separate message. The accounts of the year accordingly closed with a surplus on the books of \$1,062,812.

I do not propose to detain you with any attempt at detailed comment on the financial transactions of 1937 as this will be done as is customary in the Treasurer's report which is now in course of preparation. But as the existence of this not inconsiderable surplus might give rise to misapprehension as to the true financial situation of the Colony I think it advisable to explain in some detail the manner in which this surplus balance has been accumulated in order that its true significance may be appreciated. To do so it will be necessary to go back some years.

At the close of 1930 the Colony had an accumulated deficit of \$527,789 and in addition expenditure for 1931 exceeded the revenue by \$763,110. During 1931 there were received from His Majesty's

Treasury loans-in-aid totalling \$1,104,000, by means of which the accumulated deficit was reduced to \$187,199. To liquidate this balance a further loan-in-aid was granted in March, 1932, amounting to \$192,000. The budget for 1932 had forecast an estimated deficiency of \$574,985 to cover which a further loan-in-aid of \$576,000 was sanctioned in 1932. During that year, however, certain special and extraordinary receipts were brought to credit, the nature of which will be explained later, with the result that the actual deficit on the year's transactions was reduced to \$79,401. A sum of \$266,600 was accordingly taken to Revenue from loan-in-aid receipts to cover the deficits of 1931 and 1932, and there remained an unappropriated balance of \$501,400 from loans-in-aid which was retained in reserve. His Majesty's Treasury subsequently agreed that of this unappropriated balance \$480,000 should be retained and earmarked as a special advance for "fixed working capital" to cover financing requirements in respect of advances, unallocated stores and other suspense items which it would otherwise have been necessary to finance by temporary borrowings. The residue of \$21,400 was utilized with the sanction of His Majesty's Treasury to augment Unemployment Relief Funds. It should be noted that simultaneously with the provision of loans-in-aid for the liquidation of deficits considerable sums were being provided by His Majesty's Treasury for special appropriations for unemployment relief works, provision for which was extraneous to the ordinary budgets.

The process above described, viz, the appropriation of loans-in-aid to help in meeting anticipated deficits on the budget which were subsequently reduced by extraordinary receipts from the realization of certain Funds and other windfalls continued during 1933, 1934 and 1935. The receipts thus brought to credit included the realization of the Railway and Steamer Depreciation Fund, a surplus on the Currency Note Guarantee Fund, and from certain Loan Sinking Funds, and a considerable windfall accruing from the appreciation in values of investments. A schedule of these receipts is appended to this address. The total realised amounted to \$1,054,632 and the net result of the transactions over the years 1931 to 1937 may be summarized as follows. During

that period deficits on the ordinary budgets totalling \$1,829,000 were covered by the appropriation of loan and grant-in-aid receipts and in addition \$480,000 was provided by H.M. Treasury as working capital. During the same period there were taken into revenue the special receipts above referred to totalling \$1,054,632. The period began with a deficit of \$527,789 and concluded with a surplus of \$1,062,812. It is evident therefore that during this interval working deficits were approximately covered by loans-in-aid, and that the surplus of \$1,062,812 closely represents the accumulated reserve funds and other special receipts realised during these years.

These transactions are apart from and do not include the special appropriations made by His Majesty's Treasury for Unemployment and Flood Relief. The total of these amounted to \$1,585,000 and they were dealt with separately from the ordinary budgets.

While the existence of the surplus shown above may render it unnecessary to have further recourse to loans or grants-in-aid in the immediate future it will be appreciated that representing as it does realised capital assets it is important in the interests of sound finance that it should be reserved as far as possible for expenditure of a capital nature which may promise either an increase of production or by effecting permanent improvement in conditions may at least result in substantial economy in charges for annual maintenance. There are certain considerable demands of this character in view. In accordance with the agreed programme for replacement of Colonial Steamers it will be necessary to provide for a new ship to be completed in 1939. The cost is expected to be in the neighbourhood of \$130,000. The Committee appointed in February of last year to report on the position of the West Coast Railway has recommended the replacement of obsolete heavy rolling stock by lighter units at an estimated cost of about \$55,000 with a resultant saving in operating costs which it is hoped may attain about \$8,000 per annum.

The surveys which are being carried on with a view to investigating the possibilities of improved drainage may be expected to result in proposals involving substan-

tial outlay in certain areas, but the progress of these surveys has been hampered by the almost continuous wet weather which has been encountered for some months, and I am not in a position to make any forecast of the extent of the demands which may be formulated as a result of these investigations, or as to the manner in which they might be financed. The drainage operations which have been already approved in the case of the Georgetown front lands and of the town of New Amsterdam may also be regarded as works of a capital nature which could be legitimately financed from surplus funds. A total of \$40,000 is provided for the first instalment of these works in the current estimates, and a further \$160,000 approximately is estimated to be required for their completion. The reconstruction of the Fort Groyne at the entrance of the Demerara River is another work which cannot safely be postponed much longer. A figure of \$75,000 has been tentatively mentioned as the probable extent of the outlay required, but until a firm estimate has been prepared the figure must be regarded as purely provisional.

I am also hopeful that it may be found possible in the near future to embark on the construction of a new building for Queen's College which I think it is generally admitted is urgently needed if the present unavoidable restrictions in the facilities offered for secondary education are to be removed. It seems to me highly desirable that in planning a building of this magnitude and importance we should have regard to the future and endeavour, if our resources will permit, to provide a structure which will be a credit to the Colony and a source of satisfaction to future generations. It has accordingly been suggested that we should endeavour to enlist the assistance of modern experience in the planning of school buildings and send outline plans of our requirements to England to form the basis of a design by an architect experienced in the modern developments in such buildings adapted to suit local conditions and site. If the design so obtained proves to be beyond the limit of our resources it may not be possible to adopt it, but it would seem to be a pity to let slip the opportunity of endeavouring to obtain a building which will be worthy of its purpose and creditable to the Colony if it is at all possible,

and the effort to do so seems, well worth the making.

These undertakings form in themselves a considerable programme of capital works which would make a large demand on the available resources. They take no account of any proposals of a directly productive character which may be formulated. If such proposals can be regarded as contributing directly to economic development. I hope that other means of financing them may perhaps be found feasible.

There are however two other services of importance to which I would invite your attention as likely to demand and justify a larger outlay in the near future than it has been possible to concede in recent years. I have been greatly impressed since my arrival with the urgent need of more active measures to effect, if possible a permanent improvement in the quality of the main coastal roads, and of accelerating the reconditioning of public buildings, many of which are in a very unsatisfactory state of repair.

I need not enlarge upon the deficiencies of some of the more badly worn sections of the main coastal roads, especially the section along the Corentyne Coast. It has become only too evident that the methods of construction and maintenance which were sufficient in the past are no longer adequate to meet the wear and tear caused by modern traffic conditions. The difficulties of permanent reconstruction under the special conditions pertaining in this Colony are well known, but I think that sufficient experience has been gained of the concrete strip system to justify its adoption on a larger scale. It appears to afford at any rate a partial solution of the problem, and though by no means inexpensive it can be applied over a much larger area than would be financially possible if complete reconstruction in concrete were to be attempted. I trust therefore the Council will be prepared to agree to an acceleration of the rate of reconstruction on this system up to the limit which financial considerations permit, and that we may be enabled in the course of the next two or three years to deal with the sections which most urgently need reconstruction. The saving in maintenance costs effected by this system has been variously estimated, and without longer

experience I would prefer not to commit myself to a figure, but sufficient data are available to justify the belief that on the more frequented sections of road the saving would be very substantial. In any case I feel that it is imperative that a serious endeavour should be made to relieve both passenger and freight transport of the additional expense and serious discomfort which the present condition of many sections of the road surface entails. In the current year abnormal weather conditions have delayed repairs of all kinds, and I doubt if it will be practicable to undertake any rapid acceleration of the programme of permanent reconditioning, but I propose to ask the Council to approve of an appropriation of \$36,000 to make a beginning, and I hope that next year it may be possible to make a longer stride forward.

In the meantime we are unfortunately obliged to ask also for an additional maintenance appropriation of \$10,000 to help in meeting the conditions which the phenomenal rains have brought about. I fear it cannot be claimed that the work which this appropriation is required to finance will be of much permanent value but in the meantime it is essential to keep the roads open for traffic, and some sections are approaching the stage of impassability.

It is also proposed to ask your consent to a further appropriation of \$14,000 to accelerate the programme of permanent reconditioning of buildings. Details of the proposed programme will of course be laid before you. I have been greatly concerned at the condition of disrepair which some public institutions and other public buildings have reached, especially in the country districts, and I feel that a serious effort should be made to improve the conditions under which the inmates of certain institutions are housed and Government employees are required to live and work. In saying this I particularly do not wish it to be thought that I imply any criticism of the allocation of funds for this purpose in the past. I am only too well aware of the inexorable pressure of the financial stringency of recent years which rendered it inevitable that for the time being ordinary standards of maintenance should be abrogated, but now that the financial position admits for the time being of some relaxation of this pressure I

feel that it would be wise to seize the opportunity of accelerating the reconditioning programme in order to avoid as far as possible even larger expenditure in the future. The acceleration of the reconditioning programme for roads and buildings with the execution of some of the works above referred to would be of considerable assistance in helping the situation with regard to employment.

I feel that I should make it clear, however, that I cannot hold out any hope that the expenditure of these funds will in future enable the provision for maintenance to be reduced below the present standards. The amount allowed for maintenance of buildings in the current estimates, viz., \$74,586, is less than the three per cent. of the estimated depreciated value of the buildings covered and less than $1\frac{1}{2}$ per cent. of their replacement value. While this is a decided improvement on the conditions which acute financial stringency has imposed in recent years I think it will be admitted that for the maintenance under tropical conditions of buildings mainly constructed of wood it is certainly not excessive, and it is indeed questionable whether it is adequate. But an acceleration of the present reconditioning programme which must be regarded as a capital outlay seems to me likely to be of assistance in reducing the future outlay below what progressive deterioration will otherwise in due course make unavoidable.

The programme which I have outlined must, if adopted, make heavy inroads on the accumulated surplus, and I fear that for the current budget services it must also be anticipated that some further encroachment on this reserve will be inevitable. The Estimates as passed by the Council forecast a deficit of \$155,785. The Estimates of revenue were framed with due recognition of the fact that the receipts for 1937 were exceptional and that it could not be anticipated that the levels reached in that year could be maintained. As stated above it is hoped that the estimated revenue may be approximately realised, but certain additional provision in the way of expenditure has become inevitable and a schedule covering these requirements will be laid before you for your consideration. The schedule contains a number of items for the re-vote

of unexpended balances of 1937 votes in respect to services uncompleted at the end of the year. It also contains provision for certain emergency expenditure on drainage works rendered necessary by the recent abnormal rainfall and other items which are regarded as unavoidable, among them the additional vote of \$10,000 for road maintenance to which reference has already been made. The total involved is swelled by the votes covering the accounting readjustment in respect to the working balance which has been dealt with above, but as already explained the transactions involved in this adjustment do not affect the surplus balance which indeed they have the effect of augmenting to some extent. It is too soon to forecast with any confidence what is likely to be the net effect of the appropriations proposed on the financial results of the year, as it is not yet possible to estimate with any accuracy the extent of the counterbalancing savings which are invariably realised. There is no doubt that some further inroad on surplus balances will result.

I have dwelt at what I fear may be tedious length on the main features of the financial position and the major demands on the Treasury in prospect in the immediate future, as a clear grasp of this situation must be the foundation of all policy. An estimate of future prospects is more appropriate to the budget session, but I think it will be generally agreed that the further expansion of revenues which is essential if we are to be able to meet the very properly expanding demands of social services can only be attained by the further development of our economic resources, and primarily of course of our exports. Without this development no appreciable expansion of revenue can be anticipated, for it has already been recognised that the incidence of taxation is relatively high compared with other communities living under comparable conditions. In accordance with suggestions made to my predecessor by the Secretary of State for the Colonies I have appointed a departmental Committee to examine the question whether any measures of relief can be suggested which would have the effect of stimulating production or development. The question of expanding our exports is therefore of vital interest not only from the material standpoint but

from the point of view of the social welfare and progress of the population.

In this connexion the limitations which the International Sugar Agreement has placed on the output of our staple industry—the industry which has been and still is the foundation of the economic life of the Colony—fully justified as they are by the larger interests of the industry itself, fall with considerable severity on this Colony, as they close one of the most readily available avenues to expansion. They have at least the advantage that they must, I hope, help to stimulate our energies and enterprise in exploiting other possible avenues of development.

The expansion of the gold industry which the high price of gold has encouraged, though it has not fulfilled some of the hopes that had been formed, has nevertheless been of great assistance in increasing the circulation of money and helping employment. The export of gold in 1937, which totalled 39,208 ozs., was the highest for many years, and though the production for the first quarter of 1938 showed a slight falling off as compared with the previous year I hope that this may be regarded as a temporary condition and that we have by no means yet reached the limits of expansion. The reports of the Geological Survey indicate the presence of considerable quantities of payable ground if it can be economically exploited.

I am glad to note that the returns of diamonds won during the first quarter of 1938 show an appreciable increase over those for the corresponding period of 1937, but it would be rash to draw any particular inferences from that fact at this stage.

The notable increase in the export of bauxite during the last two years has placed that mineral well at the head of our mineral exports, and I am glad to observe that this increased output is being steadily maintained. I had the pleasure of paying a visit to the workings of the Demerara Bauxite Company recently and was greatly impressed with the efficiency of their organisation and with their care for the welfare of their employees. Investigations which have recently been carried out on the Berbice River into the bauxite deposits of that area open up interesting

possibilities of further developments in the near future.

The total value of mineral exports during 1937 amounted to just under \$3,150,000 as compared with \$1,448,000 five years ago, an important contribution to economic progress.

In connection with mining developments a question of primary importance is the improvement of communications with the interior. In this connection I am firmly convinced that, in the interests of the future development both in mining and other directions as well as for the improvement of mail services and general communications with the interior, it is essential that we should retain an internal air service. The Colony has been extremely fortunate in having had at its disposal the services of Mr. "Art" Williams, whose unique experience and knowledge of the country have enabled him to render invaluable aid in many emergencies. It is scarcely too much to say that the operations of the British Guiana Brazil Boundary Commission could hardly have been carried on without his assistance. In any case they have been enormously facilitated and accelerated. Now that the Commission's task is coming to an end and the traffic which they offer will cease I sincerely hope that means may be found to keep this service in operation. Discussions are now proceeding which I hope may result in the retention of his services for the Government and the public.

Of the resources which the interior of the Colony offers the most important of all and the greatest in extent are its forests. It is of vital importance that no effort should be spared to exploit the development of these rich reserves to the fullest extent compatible with their economic utilization. I am glad to note that there have been recently hopeful signs of progress in this respect. The exports of timber and sawn wood have increased in the last five years from \$123,000 in value to \$275,000 in 1937. This is a useful contribution to the development of our export trade, but it is only a step towards what we might hope to accomplish if we can be successful in organising this trade to meet the needs of the markets offering in the United States of America, Europe

and the Carribean, to say nothing of the possibilities of replacing the use of imported timbers almost entirely within the Colony itself. It cannot be expected that development in this direction will proceed with spectacular rapidity. Much patient effort and a careful study of market requirements will be necessary, but this great reserve of wealth might prove to be our most valuable asset if we have the energy and the enterprise to make use of it.

The report furnished on this question by Major F. M. Oliphant, who visited the Colony last year, is being laid before you. I will not detain you by attempting to discuss his recommendations at this stage, but it may be said that he forms a hopeful estimate of the possibilities of further development of the markets for British Guiana timbers. In his report he lays the greatest stress on the essential importance of adequate seasoning, and strongly recommends the adoption of the proposals put forward by the Director of Public Works in his report of the 28th June, 1937, on the drainage of the front lands of Georgetown to the effect that the swampy area in front of the Public Works Department yard should be filled in and used as a stacking and seasoning ground for timber.

This proposal seems to offer great advantages. It would provide some five and a quarter acres of valuable river frontage site: it would remove an unsightly and insanitary enclave at the very entrance to the harbour, and would effect a permanent improvement in the health conditions of this area of the town, and it would afford ample space for considerable stacking and seasoning operations on a most favourable site. I was much impressed by the possibilities of this plan, and immediately after my arrival took the matter up with the Colonial Development Fund Committee who, I am glad to say, have offered a free grant of £14,540 (\$69,792) to enable this area to be filled in and the necessary seasoning sheds and other accommodation to be provided. I sincerely hope the Council will feel able to accept this generous offer which will be laid before you in a separate message.

It is proposed that the facilities offered by this site should be made available for

timber producing firms at a nominal rate, and I venture to urge on those interested the desirability of a close study of the possibilities of this scheme in developing the market in well seasoned timbers. A large number of experiments made by Mr. G. O. Case in co-operation with the Forestry Department have conclusively shown that seasoning in the relatively drier atmosphere of Georgetown can be carried out much more quickly and the woods reduced to a lower moisture content than in the damper areas up river. The timber seasoning operations hitherto carried on by the Forestry Department at Mazaruni are being wound up, and it is proposed that the seasoning operations required for stocks for Government use should be transferred to the new site.

Turning from the exploitation of natural resources to the crucial question of development of agricultural exports other than sugar and its by-products we are confronted with a situation in the rice industry which must give cause for concern. With the fundamental difficulty arising from a low world price it is of course impossible for British Guiana alone to deal, but the question of the internal organisation of the industry has been the subject of prolonged controversy, and I fear that we are still far from unanimity of opinion. The comprehensive report of the Committee appointed by Sir Geoffrey Northcote in December, 1936, to advise on this question will be laid before you. Whatever view may be taken of their recommendations I am sure it will be generally recognised that we owe a great debt of gratitude to the Committee for their painstaking and thorough investigation of this difficult problem.

The internal organisation of the industry should be primarily a matter for those concerned in the industry itself. Legislative sanction is of course necessary to enforce principles upon which the majority of informed opinion is agreed, but I do not feel that it is appropriate for the Legislature or incumbent upon the Government to enforce by legislation measures of control as to the efficacy of which there are wide differences of opinion. If general confidence in the advantages of the system of control is lacking, whatever may be the reasons for disagreement, it is unlikely that the system can operate successfully, and attempts to evade its restrictions are inevitably encouraged.

There appears to be a substantial measure of agreement on certain fundamental points

- (1) That the cultivation of pure line seed should as far as possible be insisted on.
- (2) That grading for export should be carried out by an independent authority, and
- (3) That considerable loss is caused by inefficient milling and by the absence of facilities for artificial drying, pointing clearly to the desirability of a greater concentration of milling operations in mills equipped to operate in all weathers.

As regards the first two points a reasonably satisfactory system has been established, and I am myself inclined to the view that the efficient organization of milling is perhaps the most outstanding problem which demands solution if the industry is to be placed on a satisfactory basis. As Honourable Members are aware I have recently appointed a Committee to study the possibilities of dealing with this problem in the case of the Essequibo Coast area. If it is found feasible to apply the principles which have been suggested to the Essequibo Coast I have no doubt that valuable lessons would be learnt which might be applicable with appropriate modification to other areas, though it must of course be recognised that the conditions on the Essequibo Coast present a special case, and it does not follow that identical methods could be made applicable to other areas without substantial variation.

These experiments if they are found practicable must necessarily take some time, and in the meantime I am disposed to the opinion that general legislative control should be mainly confined to those features of the trade on which there is a substantial measure of agreement, and that attempts to control sales by the fixing of prices should be abandoned. It seems to me desirable, however, to retain machinery to keep producers and exporters informed as to conditions in the markets outside the Colony, and it may be worthy of consideration whether some system of export licences should not be maintained in the general interests of the trade. The whole question will of course come before the

Council for consideration and discussion in connection with the Committee's report, and Government will naturally be guided largely by the results of that discussion in attempting to frame any amending legislation which may be found necessary.

I venture to appeal, however, to all those whose interests are involved to take a long range view of the subject, recognising that an expansion in our export markets for rice is one of the most effective means open to us of improving the economic situation of a large section of our people. Whatever the difficulties may be, and I do not underrate them, means must be found not only of keeping the rice industry in being but of encouraging an expansion of output. I regard this as one of the most vital problems before us.

CATTLE.

The Legislative Council at its session in October last accepted a free grant of £3,000 from the Colonial Development Fund to assist in improving the breeding of cattle. Of this amount £1,490 was allotted to expansion of the livestock farm in Georgetown and the remainder to the district of Essequibo. Twelve Red Polls and Herefords were imported, of which two died on arrival, but the remainder are at the livestock farm in Georgetown and are in excellent condition. The work in Essequibo has been delayed pending the completion of a survey of drainage requirements in the proposed agistment area, but the report on this has now been received and it is hoped to proceed shortly with the conditioning of this area and the building of stables.

MINOR CROPS.

With regard to these I regret that not much progress can be reported. The banana experimental plots planted in the middle of 1937 at Supply, East Bank, and Middlesex, West Bank, Demerara, have been severely attacked by *Cercospora* leaf spot disease, and Panama disease has also made its appearance. Continuous rains have been unfavourable to the experiment.

Attempts to secure an assured market for plantains in Trinidad have unfortunately proved abortive so far. Before the extension of plantain cultivation can be recommended with confidence it seems

advisable that more stable market conditions should be assured. The matter is still under examination.

The Committee which was appointed to advise on the position of the coffee industry has not yet presented its report. The Director of Agriculture and the Hon. C. R. Jacob recently visited Surinam on behalf of the Committee to study the conditions in that Colony, and we have to thank the Government and other authorities of Surinam for affording them the fullest assistance in their investigations. Until the Committee's report is received it is impossible to comment further on the situation. The collapse of the export market for Liberian coffee makes the problem a very difficult one.

I have laid special stress on the importance of economic development of exports largely because it is only by this means that a permanent foundation for further progress in social welfare can be laid. Better economic conditions mean better health conditions, better educational facilities and better housing conditions, the primary essentials of better living conditions.

In regard to health conditions perhaps the most important step that has been taken is the institution of a standing Committee on nutrition charged with the duty of carrying on the enquiry begun by the Nutrition Committee which reported in February, 1937, with a view to the selection of authoritative information by enquiry and experiment on which a general policy can be based.

Discussions have been initiated with the Rockefeller Foundation as to the possibility of an investigation into the malaria problem in this Colony, but they have not yet proceeded far enough to enable any definite pronouncement to be made as to their possible results.

The need for better medical facilities for and supervision of the Rupununi district has been emphasised by a medical mission which recently visited that district by air. The matter is under examination, but an almost essential condition of the provision of more effective medical facilities is the maintenance of air communications to which I referred earlier in my address.

It is disappointing to find that not much progress has been made in the development of practical proposals to give effect to the recommendations of the Housing Committee which reported in 1934. I need not enlarge upon the practical difficulties which are considerable and are widely known. I sincerely hope that means may be found in the not distant future to make an effective beginning in tackling this problem which is of pre-eminent importance to the public health.

The question of primary education has, as you are aware, been referred to a Committee which is now sitting, and pending the receipt of their report I am not in a position to make any statement on this subject.

The newly created department of the Commissioner of Labour has been engaged in a careful study of conditions preliminary to the formulation of new legislation dealing with this important aspect of social relations. It will be necessary that the draft of this legislation, when it has been framed, should be forwarded for review to the Secretary of State for the Colonies; and it will not therefore come before you during the present session. The general features of this legislation will deal with the powers of inspection to be exercised by the Department, enabling provisions governing the regulation of hours of work in certain factories and trades, and the establishment of wage-fixing machinery for the regulation of wages in particular occupations where investigation shows this to be necessary or desirable.

An important feature of the work of the Department will be the maintenance of the cost of living index, and of statistics of earnings.

The value and activities of this Department however are not primarily dependent upon legislative sanctions; it can and I sincerely hope will be enabled to perform highly useful functions apart from and in anticipation of any legislative enactments. In particular it is hoped that its value will lie in its functions as an avenue of contact and consultation between employers and labour and I sincerely trust, indeed I am confident, that both partners in the industrial and agricultural field will

be prepared to make the fullest use of its good offices in this capacity.

The legislative programme before you includes a number of Ordinances on which it is unnecessary to make any special comment at this stage. Perhaps the most important are those dealing with the calculations of Teachers' Pensions, and the regulation of Dangerous Trades which has been drafted in accordance with principles laid down in the United Kingdom Factory and Workshop Acts of 1901 and 1907, and the provisions of an International Convention signed at Geneva in 1932

dealing with the protection of workers employed in loading and unloading ships. I am advised that the proposals which have been made for the repeal of the Entertainment Tax and the substitution of an import duty on cinematograph films must, under standing instructions, be referred in the first instance for review by the Secretary of State for the Colonies, and I regret therefore that it will not be possible to bring the Ordinances embodying them before you at this session.

I now commend the programme laid before you to your careful consideration.

APPENDIX.

The extraordinary revenue receipts referred to above comprise the following items :—

	1932.	1933.	1934.	1935.	Total.
Railway and Steamer Depreciation Funds	...	\$ 3,375	\$ 247,013	...	\$ 250,388
Revenue Defence Fund	...	6,306	...	...	6,306
Currency Note Guarantee Fund (surplus)...	...	99,806	...	...	99,806
<i>Loan Sinking Fund—</i>					
Surplus on redemption of stock, etc.	...	21	...	\$ 189,567	189,588
War Reparation Receipts	\$ 71,569	...	...	...	71,569
<i>Post Office Savings Bank—</i>					
Depreciation fund	...	1,356	90,638	...	91,994
Gains on sales of investments	46,898	16,456	2,779	898	67,031
Appreciation in value of investments	141,167	42,377	87,428	...	274,292
Miscellaneous	3,658	83	830	...	3,658
	\$ 266,592	\$ 168,887	\$ 428,638	\$ 190,465	\$ 1,054,632

MINUTES.

The minutes of the meeting of the Council held on the 17th December, 1937, as printed and circulated, were confirmed.

ANNOUNCEMENTS.

GRATUITY TO MRS. S. GLASGOW.

THE COLONIAL SECRETARY (Major Bain Gray) communicated the following Messages from His Excellency the Governor :—

MESSAGE No. 13.

Honourable Members of the Legislative Council,
I have the honour to invite the Council to approve of the grant to Mrs. S. Glasgow, uncer-

tified Assistant Teacher of No. 8 Congregational School, of a compassionate gratuity of \$157.50.

2. Section 5 of the Teachers' Pensions Ordinance, 197, provides for the grant of a pension to an uncertificated Assistant Teacher with 30 years service and over, but there is no statutory authority to grant either a pension or gratuity where service has been less than 30 years.

Mrs. Glasgow was retired on account of ill-health after having completed 21 years and 8 months satisfactory service, and I recommend for the approval of the Legislative Council the payment of the proposed gratuity which is the equivalent of half a month's salary (\$7.50) for each completed year of service.

W. E. JACKSON,
Governor.

8th February, 1938.

MARINE SUPERINTENDENT, TRAINING
OFFICER AND PILOT.

MESSAGE No. 15.

Honourable Members of the Legislative Council.

In 1935 the Council agreed to the appointment of a training officer and pilot to the staff of the Harbours branch of the Transport and Harbours Department, with salary on the scale \$1,920 x \$120—\$2,400 per annum. The officer selected was appointed on agreement for two years which expired on the 15th of April, 1938. His work has been in every way satisfactory. The Board of Commissioners of the Department has recommended that the designation of the post be changed to "Marine Superintendent, Training Officer and Pilot," that the salary scale be revised to \$2,160 x 120—\$2,640 per annum, pensionable, and that the officer at present serving on agreement be appointed permanently with a commencing salary of \$2,400 per annum in the above scale with effect from the 16th of April, 1938.

2 The Board's recommendations have been approved in Executive Council, and in pursuance of the provisions of Section 4 of the Transport and Harbours Ordinance, 1932, (No. 25 of 1932), the Council is invited to approve of the post of Marine Superintendent, Training Officer and Pilot, Transport and Harbours Department, being added to the list of pensionable offices shown in the schedule to that Ordinance.

W. E. JACKSON,
Governor.

6th May, 1938.

INCREASE OF POLICE OFFICERS.

MESSAGE No. 17.

Honourable Members of the Legislative Council,

Strong representations have recently been made to Government as to the serious inconvenience caused and loss of efficiency created by the shortage of Police officers for essential duties. Considerations of economy have led to the enforced contraction of staff in this Department and during the last few years the establishment has been reduced by 1 District Inspector, 2 Sub-Inspectors and 4 Warrant Officers.

2. As a temporary measure, adopted in the effort to meet the depressed condition of the Colony's finances, these reductions were justified, but it is evident that the existing personnel is insufficient for requirements and allows no margin at all for the inevitable absence of officers due to illness or other causes. I feel convinced that it is not desirable in the interest of efficient police work and of public safety generally that these conditions should be permitted to continue.

3. I have consulted the Executive Council who have unanimously advised that immediate steps should be taken to increase the establishment of Police Officers by 1 District Inspector and 2 Sub-Inspectors. I therefore invite the Council to approve of the necessary provision being made in the first schedule of additional

provision for 1938 to give effect to this recommendation.

4. Provision for increasing the strength of other ranks by 15 has already been made in the estimates for 1938, and the question of a further increase is being considered.

W. E. JACKSON,
Governor.

19th May, 1938.

COLONIAL AGRICULTURAL SCHOLARSHIP
SCHEME.

Professor DASH (Director of Agriculture) communicated the following Message:—

MESSAGE No. 20.

Honourable Members of the Legislative Council,

I have the honour to invite the Council to approve of British Guiana making a contribution, for the period 1st April, 1938, to 31st March, 1943, in respect of the Colonial Agricultural Scholarship Scheme, of £1,950, of which one-third will as heretofore be borne by the Colonial Development Fund.

2. As Honourable Members are aware the Agricultural Scholarship Scheme was initiated in 1925 for the purpose of recruiting and training officers for Agricultural Departments of the Colonies, the contributions from the various Colonies being based on the number of scheduled posts in their Agricultural Departments.

3. The last period during which this Colony agreed to support the scheme has just ended with the financial year 1937—38, and as there is evidence that it has fulfilled the object for which it is instituted, I trust that Honourable Members will agree that this Colony should continue to support it.

4. A circular despatch from the Secretary of State on the subject dated 28th February, 1938, a copy of the report of a sub-committee of the Colonial Advisory Council of Agriculture and Animal Health which reviewed the working of the Scheme, and a copy of a memorandum which was submitted to the Colonial Development Advisory Committee are being laid on the table for the information of Honourable Members. The sub-committee which examined the scheme have recommended that the Scheme be continued, and they have proposed that the number of two-year Agriculture Scholarships to be awarded under the scheme annually be increased from 10 to 14 (each scholarship is estimated to cost £700). As a result of this, the cost of the scheme will be somewhat greater than hitherto, but the Colonial Development Advisory Committee have recommended that one-third of the cost should continue to be met from the Colonial Development Fund if the remaining two-thirds are provided by the Colonial Governments. This is the last grant which will be made from the Colonial Development Fund for the purpose, as the Committee consider that the scheme has now passed the experimental stage, and that after the next five years the Colonies should contribute their full share of the cost.

5. British Guiana agreed to make during the last four years an annual contribution of \$1,267 (£264) \$845 (£176) to be provided by the Colony and \$422 (£88) from the Colonial Development Fund. We are now being asked to contribute during the next five years at the rate of \$1,872 (£390) per annum, of which \$1,248 (£260) is to be provided by the Colony and \$624 (£130) is to be met from the Colonial Development Fund. The increase is due, as I have stated, to the proposed increase in the number of scholarships to be awarded under the scheme.

6. The Council is accordingly invited to approve of this Colony contributing to the Colonial Agricultural Scholarship Scheme in five equal annual instalments the sum of £1,950, one-third of which will be borne by the Colonial Development Fund, and of an amount of \$483 being inserted under Head XXV.—Miscellaneous (b) Subventions, etc., other than Municipal, subhead 24—Recruitment and Training of Officers for the Colonial Agricultural Departments, in the next schedule of additional provision for 1938, for this purpose. The contribution of \$624 to be borne by the Colonial Development fund will also be included in the next schedule of additional provision under Head XLVII.—Colonial Development Fund Schemes.

W. E. JACKSON,
Governor.

19th May, 1938.

ESTATE OF LUCIA D'ABREU.

Mr. Mc DAVID (Colonial Treasurer) communicated the following Messages:—

MESSAGE No. 14.

Honourable Members of the Legislative Council,

I have the honour to invite the Council to authorise the payment of Mr. Francis Feliciano Vieira, as residuary legatee under the will of Lucia De Abreu, deceased, of the sum of \$64.39, representing the unclaimed balance of the estate of the said Lucia De Abreu, which was paid into revenue.

2. The sum in question was paid to the Colonial Treasurer in pursuance of the provisions of the Public Trustee Ordinance, Chapter 245, and I recommend that the payment to Mr. Vieira be authorised under the proviso to subsection (3) of section 13 of that Ordinance.

W. E. JACKSON,
Governor.

8th February, 1938.

COLONIAL ACCOUNTS.

MESSAGE No. 16.

Honourable Members of the Legislative Council,

I have the honour to communicate to the Council the annexed copy of a circular despatch

from the Secretary of State for the Colonies dated the 25th November, 1937, on the subject of Colonial accounts.

2. It will be noted that the Secretary of State has decided that the principle should be adopted that all expenditure which diminishes (other than temporarily) the surplus of revenue available for appropriation should be provided on the votes of the Legislative Council and should be charged as expenditure at the time payment is made. In pursuance of this rule it will be necessary that in future all loans for fixed periods and other advances to public or private bodies, which are not of a current nature, and purchases of unallocated stores, hitherto met from surplus funds, should be met from voted moneys, while repayments or the proceeds of realization will be brought to the account as revenue.

3. It will also be noted that it is the desire of the Secretary of State that the outstanding balances on these accounts shall be dealt with as voted expenditure without delay, and be reflected as such in the final accounts of the year 1937.

4. In British Guiana, the transactions referred to have been financed since 1933 from an independent loan grant-in-aid of \$480,000 made to the Colony by His Majesty's Exchequer for "fixed working capital", which has been recorded in the Colony's accounts as a special fund separate and distinct from the surplus balance.

5. The outstanding balances as at 31st December, 1937, of the loan, advance and unallocated stores accounts referred to total \$375,929, and are set out in detail in statement I attached. In order to bring this new procedure into effect this total has been included as expenditure for the year 1937, while, correspondingly, the loan grant-in-aid of \$480,000 for working capital has been brought to account as revenue, thus increasing the surplus balance at 31st December, 1937, by \$104,071.

6. Further loans, advances and payments for unallocated stores totalling \$17,736 as set out in statement II, attached are being made in 1938. This total will be included as expenditure of the year 1938 while repayments of loans and advances estimated to total \$25,000 will be brought to account as revenue of the year.

7. It should be noted that these loans and advances all have been made under general or specific authorities contained in Ordinances and Resolutions of the Council or in accordance with a procedure approved by the Council. To bring the accounts into accord with the new procedure, however, the formal authority of the Council is necessary to cover the inclusion of the outstanding balances in the expenditure of 1937 and of the further payments in the current year as expenditure of 1938. These amounts accordingly appear as items of special expenditure in the final Statement of Supplementary Expenditure for 1937 and the first Schedule of Additional Provision for 1938 respectively, and invite the Council to approve of their inclusion in these schedules as voted moneys of the years 1937 and 1938.

W. E. JACKSON,
Governor

11th May, 1938.

STATEMENT I.

EXTRAORDINARY SCHEDULE OF ADDITIONAL PROVISION 1937, RELATING TO
LOANS AND ADVANCES.

OUTSTANDING BALANCES AT 31st DECEMBER, 1937.

1. Maintenance advances to Drainage Boards in Declared Areas (Section 14 of Drainage and Irrigation Ordinance Chapter 165).—		
Ann Grove-Unity and Lancaster	\$	220 52
Bush Lot		12,373 39
Betervewagting ...		1,629 00
Golden Grove-Victoria-Cove and John		3,196 92
Gibraltar-Courtland		6,948 74
Helena ...		129 33
Johanna Ceoilia-Annandale		8,717 63
Limlair Kildonan ...		211 15
Plaisance ...		331 47
Three Friends-Walton Hall		3,616 57
Ulverston Salton ...		189 76
Zorg-en-Vlygt-Aberdeen		2,914 04
Buxton		95 89
		\$ 40,474 41
2. Loans to Villages through the Local Government Board (Combined Court Resolution No. L. of 1920).—		
Agricola ...		500 00
Arthurville, Fredericksburg		271 53
Bel Air (Berbioe) ...		3,404 44
Bush Lot		490 76
Buxton-Friendship		5,235 00
Betervewagting-Triumph		8,071 40
Central Mahaicony		122 86
De Kinderen (Berbloe)		398 32
Good Intent-Sisters		1,700 00
Gibraltar-Courtland		1,784 00
Golden Grove-Nabaalis		2,600 35
Hyde Park and Grove		50 00
Hopetown ...		3,350 00
Kitty and Alexanderville		2,033 34
Lots 57-66 Country District		7,961 25
" 64-65		1,994 00
Lot 69		742 22
" 70		3,158 55
" 71		2,685 29
" 72		2,540 07
" 73		471 26
" 74		412 36
Mahaica ...		600 00
Mahaica, Helena and Supply		1,000 00
Maria Johanna		2,194 08
Relief and Support		1,101 28
Stanleytown		270 51
Ulverston		740 00
Unity-Lancaster ...		640 00
Weldaad ...		36 50
		\$ 56,463 37
Carried Forward		\$ 96,937 78

Brought Forward		\$ 96,937 78
3. Funded Loans to Villages (Section 14 of Drainage and Irrigation Ordinance, Chapter 165 and Combined Court Resolution No. L. of 1920).—		
Anns Grove-Two Friends	556 29	
Beterverwagting ...	6,778 75	
Buxton-Friendship	12,065 03	
Clonbrook	464 52	
Golden Grove-Nabaolis	7,120 78	
Helena	293 83	
Plaisance	2,066 55	
Unity and Lancaster	79 69	
Victoria	5,725 83	35,151 27
4. Loans to Co-operative Credit Banks (Section 17 of Co-operative Credit Banks Ordinance 1933 No. 28).—		
Anns Greve-Clonbrook	1,273 40	
Beterverwagting-Triumph	378 00	
Buxton-Friendship	1,740 00	
Bloomfield-Saltan...	975 88	
Canal No. 1	662 00	
Den Amstel-Fellowship	1,491 20	
Essequibo-North ...	368 00	
Essequibo-South ...	2,072 00	
Eversham	247 76	
Expectation ...	147 60	
Golden Grove-Nabaolis	560 40	
Good Intent-Sisters	604 20	
Georgetown	336 00	
Hopetown	574 40	
Leguan	848 00	
Lichfield	921 40	
Plaisance-Sporendaam	285 80	
Rosehall	304 00	
Skeldon	142 80	
Victoria	474 20	
Vreed-en-hoop	474 80	
Vergenoegen	20 00	
Wakenaam	566 00	15,457 84
5. Recoverable charges on private properties.—		
R. Bacchus (Mortgage on Plantation Taymouth Manor) ...	4,680 18	
H. A. Britton (Koker at Plantation Friendship) Section 11 of Road Ordinance, Chapter 113 ...	1,010 85	
Bagh Khan, (Koker at Plantation Louisiana) Section 15 of Sea Defences Ordinance, 1933, (No. 11)	355 27	6,046 30
6. Maintenance Loans to Students at Teachers' Training Centre		3,858 00
Transport and Harbours Department-Working Capital (Section 2 of Transport and Harbours Ordinance 1932 (No. 25)).—		
(Traffic Accounts, Unallocated Stores and Cash balances)		195,624 76
8. Unallocated Stores Suspense Account-Public Works Department		22,853 08
Total to be voted		<u>\$376,929 03</u>

STATEMENT II.

EXTRAORDINARY SCHEDULE OF ADDITIONAL PROVISION FOR 1938, RELATING TO LOANS, ADVANCES AND UNALLOCATED STORES.

1. Maintenance Advances to Drainage Boards in Declared Areas (Section 14 of Drainage and Irrigation Ordinance, Cap. 166).—			
Plaisance	\$	1,025 00	
Beterverwagting		1,714 00	
Buxton		1,283 00	
Golden Grove-Nabaalis		2,953 00	}
Victoria-Nabaalis			
Ann's Grove, Unity and Lancaster		300 00	
Helena		368 00	
Mahaica		32 00	
West Demerara—Eastern Section		279 00	
Do. Western Section		401 00	
Three Friends-Walton Hall		1,978 00	
Zorga Vlygt-Aberdeen		730 00	
Johanna Cecelia-Annandale		511 00	\$ 11,574 00
<hr/>			
2. Loans to Villages through Local Government Board (Combined Court Resolution No. L. of 1920).—			
Buxton and Friendship	\$	2,500 00	
Kitty		640 00	
Canefield Country District		100 00	3,240 00
<hr/>			
3. Maintenance Loans to Students at Teachers' Training Centre.—			1,400 00
4. Transport and Harbours Department—Advance for Working Capital (Section 2 of Transport and Harbours Ordinance, 1932, (No. 25)).—			
Traffic Accounts, Unallocated Stores and Cash Balances Total advances required—			
Unallocated Stores (approved limit)	...	\$ 180,000	
General		50,000	\$ 230,000 00
<hr/>			
Deduct			
Balance at 31st December, 1937, provided for on Final Schedule for 1937			195,624 76
<hr/>			
		Balance to be provided	34,375 24
5. Unallocated Stores Suspense Account			
Public Works Department			7,147 00
<hr/>			
Total to be voted			\$ 57,736 24

CIRCULAR.

DOWNING STREET,
25th November, 1937.

SIR,

I have the honour to inform you that I have recently had under consideration the existing regulations and practice in regard to the form of Colonial accounts, and in this connection my attention has been drawn to the increasing difficulty experienced in ascertaining the financial position of a Colony from the accounts and statements at present prepared under Colonial Regulation 354 (a). In the case of those Colonies receiving grants from His Majesty's Exchequer in aid of their expenses of administration it has become evident that the information contained in these accounts is inadequate for the purpose of assessing the amount of the assistance required, and I have no doubt that more informative accounts would be of value both to you and the Legislature when framing and considering the Colony's budgets, and would facilitate the task of the Colonial Office in forming a due appreciation of the financial position.

2. Owing to the widening scope of the financial operations carried out in the Public Treasuries, the number of accounts contained

in the Colony's Ledger tends continually to increase, and the balances of all these accounts are included in the Assets and Liabilities Statements with a common cash balance. The Liquid assets appearing in these statements do not always afford reliable guidance as to the cash available to meet voted expenditure, while the Excess of Assets, which appears as the balance of Statement of Assets and Liabilities, includes the Colony's working cash balances, and, in many cases, sums already expended in the purchase of stores, or advanced and immobilized in the form of loans, and hence does not reveal the amount available for appropriation. Further, the annual statements at present prescribed do not include particulars of outstanding loans made by the Colony, but only of the public debt.

3. After full consideration I have decided that the following steps are necessary in order to secure that the accounts may fulfil their functions of setting forth the financial position and of ensuring financial control:—

(i) All expenditure which diminishes (other than temporarily) the surplus of revenue available for appropriation should be provided on votes and should be charged as expenditure at the time payment is made.

(ii) A "General Revenue Balance" account should be opened to which will be posted the balance of Surplus and Deficit Account for the year, and the appreciation or depreciation of investments.

(iii) The following additional statements should be rendered as appendices to the Annual Statement of Assets and Liabilities:—

(a) A tabular summary of all special funds, trust funds, unspent loan moneys, etc., deposited in the Public Treasury, showing appreciation and depreciation of investments, where applicable, and the disposition of the balances of the funds, whether as investments or as cash balances in the hands of the Treasurer (Statement A).

(b) A statement of balances, excluding the balances of funds, etc., in the hands of the Treasurer shown in Statement A, but including all other items in the Assets and Liabilities Statement (Statement B).

(c) A statement of outstanding loans made by the Colony out of its revenue, or public or other loans, generally similar to the statement of public debt rendered under Colonial Regulation 354 (v) (Statement C).

(d) A tabular summary of all unallocated stores accounts showing the opening and closing stocks (Statement D).

I will now refer to each of these changes in detail.

4. In order to secure that the accounts may correctly disclose the free balance at disposal and also to serve the even more important purpose of preserving to the Legislature the fullest control over appropriation, I consider that all transactions which diminish the Colony's free surplus of revenue must be recorded as expenditure at the time payment is made. In future, purchases of stores, or of other material assets, loans for fixed periods and other advances to public or private bodies which are not of a current nature, should be met from voted moneys and not from surplus funds. Repayments or proceeds of realization will be brought to account as revenue, together with the interest received. Where possible, repayment of loans should, however, be effected by a fixed number of equated annuities. The record of these transactions hitherto contained in the Assets and Liabilities statements will be replaced by the separate appended statements referred to in paragraph 3 (iii), (c) and (d).

5. In defining loans and advances for this purpose, it is necessary to distinguish them from investments. The test is the realizability of the asset. If the payment represents merely a temporary disposition of the surplus revenue in a marketable form until it may be required to meet expenditure, the transaction does not affect the position of the Colony's surplus and will properly be recorded as an investment.

6. As regards loans made from surplus balances before the receipt of this despatch, while I should prefer the outstanding balances to be voted as expenditure without delay in order to clarify the Colony's budgetary situation, I recognise that in some instances the local circumstances may render this step undesir-

able, and I am, therefore, content to leave the matter to your discretion.

7. I do not consider that sufficient grounds exist to justify the continuance of the practice of financing unallocated stores out of surplus balances. It is not a necessary feature of a centralized priced store-keeping system that a charge to votes should be delayed until the stores are issued for use or are written off, and in making the change it is not intended to relax in any particular the system of local control or the requirement that the sanction of the Secretary of State be obtained to establish a stock of unallocated stores within a defined maximum. The change is purely financial.

8. To avoid swelling the expenditure vote by a second charge when the stores are expended, I propose that only the net excess of purchases over issues should be voted. A separate Unallocated Stores sub-head or Manufacturing Suspense sub-head should be included in the Estimates as part of the Expenditure Head of each department authorized to hold a stock of Unallocated Stores. All purchases, returns and charges during the financial year will be debited to this sub-head, and the value of stores issued to Departments or Works during the financial year will be debited to this sub-head, and the value of stores issued to Departments or Works during the financial year will be credited to the debit sub-head. The value of these issues will be included under Expenditure sub-heads exactly as at present, and cash receipts from sales of stores will be credited to a separate Miscellaneous Revenue sub-head.

9. Normally the Unallocated Stores sub-head will show a small debit balance. In the exceptional event of a credit balance resulting either temporarily or from the year's transactions as a whole, this balance will be shown in the Statement of Account as a deduction from the rest of the Expenditure Head.

10. The net Expenditure sub-heads will be included in the Estimates in the following form:—

Unallocated Stores—	
Purchases, freight and other charges	... £
Deduct value of stores to be issued to other sub-heads and services	... £
(Net expenditure)	... £

The actual figures for the year will be shown in the same detail as an inset in the annual statements of expenditure under sub-heads.

11. While the cash position would not be affected by the immediate transfer to votes of the present balances of the Unallocated Stores Suspense Accounts, this step would entail comparatively large votes in the case of Colonies where the stocks held are heavy in relation to expenditure of stores, and if you so desire, the course may be taken of debiting fresh purchases and charges to votes and crediting issues and sales to the existing Suspense Stock accounts until they have each been completely liquidated, when credits to the expenditure sub-heads would commence. If the existing Suspense Account balances are transferred immediately to Votes, provision will be made as separate items under the relative sub-heads and not as part of the purchases, etc., items of the year.

12. Under the procedure described in the foregoing paragraphs, only a net sum will be included in the Appropriation Law and in the General Warrant, but it is to be expected that, at certain times of the year, the purchases, etc., of stores will temporarily outrun the recoveries from issues by more than the net sum voted, and I give my approval for the issue, without prior reference to the Secretary of State, of such Special Warrants as may be necessary to authorize the expenditure of the gross amount of purchases and charges shown on the Approved Estimate, the general limit fixed by the Secretary of State under Colonial Regulation 265 (1) (a) being waived in the particular case of the Unallocated Stores sub-heads. Amounts authorized by you under this sanction will be included in the periodical Schedules of Additional Provision.

13. The General Revenue Balance Account will exhibit the balance available for appropriation, and will replace the present running Surplus and Deficit Account as the balance of the Statement of Assets and Liabilities. It will first be opened with the balance of the existing Surplus and Deficit Account at the close of the previous financial year, and at the close of the current year there will be transferred to it (1) the balance of the Surplus and Deficit Account at the close of the current year and (2) the net appreciation or depreciation of the investments referred to in the second paragraph of Colonial Regulation 275. No other entries will in any circumstances be made in the General Revenue Balance Account. All statements of Assets and Liabilities will show the balance of the Account in the following form either as an inset or as an appendix:—

General Revenue Balance—	
Balance (1.1.1937) ...	£
Add or deduct Surplus and Deficit Account (1937)	£
	£
Add or deduct appreciation or depreciation of investments (1937)	£ (X)
	£
Balance (31.12.37)	£

The item (X) will be included only in the Statement rendered at the close of the financial year.

14. My decision to exclude unrealized appreciation and depreciation of investments from the Revenue and Expenditure Account has been reached after consideration of the questions to which reference was made in paragraph 6 of the circular despatch from Sir Philip Cunliffe-Lister (now Viscount Swinton) of 7th March, 1935, and, while satisfied to the desirability of continuing an annual valuation of investments in order that the exact financial position of the Colony may be ascertained, I have recognized that objection may be felt to including in the annual budget an item which does not represent an actual cash transaction and which is not susceptible of legislative control.

Profit or loss realized on sales of investments will continue to be included in the Revenue and Expenditure Account, and the procedure set forth in paragraph 3 of my circular (2) despatch of 27th August last, will continue to be applied

to the transfers to or from the Crown Agents of the interest and the appreciation or depreciation of Stock Transfer Stamp Duty Funds, and to any similar transactions where the profit or loss on investments is actually received or paid out in cash.

15. The purpose of the *tabular summary of special funds, etc.* (Statement A) is to segregate transactions and balances of funds in the hands of the Treasurer which, while appearing in the Annual Abstract Account and the Statement of Assets and Liabilities, are not part of the public funds at the disposal of the Legislature.

Where a deposit is made in the form of an investment, or it is the duty of the Treasurer to invest the moneys deposited and credit to the special fund the interest received, any appreciation or depreciation of the investments will be shown in this summary and not in the General Revenue Balance Account. The assets of which the balance of each fund account consists will be set out as investments and sums due to or from the Treasurer. The difference between the totals of these later sums will show the amount of cash in the Treasurer's hands which does not form part of the Colony's available surplus, and will be carried to Statement B.

A model form of Statement A is appended. Unspent loan moneys, and balances of advances from the Colonial Development Fund or of other grants or loans from His Majesty's Exchequer funds, should be included in this statement, but, in the absence of special arrangements, General Reserve Funds should appear in Statement B.

16. The *Statement of balances (excluding special funds, etc.)* (Statement B) will include all the items in the Assets and Liabilities Statement except the balances and investments of the special funds etc., included in Statement A and the balance of these funds in the hands of the Treasurer appearing in that statement will be deducted from the Colony's general cash balances and investments. This statement is designed to show clearly to what extent the Colony's surplus balances and temporary deposits are required for financing its current financial administration, and to what extent cash is immediately available to supplement revenue. A model form is appended.

17. The *Statement of outstanding loans* (Statement C) will record the position of all loans repayable to the Colony, except the temporary advances and imprests which continue to be provided out of surplus balances, whether the loan has been made out of voted moneys in accordance with paragraphs 4—6 above, or out of Colonial Development Fund or other Exchequer loans or grants, or out of the proceeds of loan issues.

Particulars will be given of the source and date of the loan, the Ordinance or other authority under which it was made, the rate of interest and terms of repayment, the amount repaid or sinking fund accumulated, and the amount outstanding at the end of the financial year. In the case of a number of small loans made from a common source, e.g., loans to cultivators out of a Hurricane Loan, aggregate figures of the amounts lent, repaid, and outstanding will suffice.

18. This statement is the counterpart of the statement of the Colony's public debt at pre-

sent rendered, and I take this opportunity to request you to arrange for inclusion in the latter statement of all out standing debts due to His Majesty's Exchequer in repayment of Colonial Development Fund and other loans, if this is not already the practice in the territory under your administration.

19. *The tabular summary of Unallocated Stores Accounts* (Statement D) will show in respect of each authorized stock of unallocated stores the following particulars:—

1. Stock in hand at commencement of financial year.
 2. *Add* Purchases, returns and charges, as charged to Expenditure Sub-Head.
 3. *Deduct* Issues to votes and services as credited to Expenditure Sub-head (Y).
 4. *Deduct* Proceeds of stores sold as credited to Revenue (less percentage for stores on cost) (Y).
 5. Transfers between stores (+ or -)
 6. Adjustments for stores not paid for in year in which received (+ or -).
 7. *Deduct* Losses and deficiencies written off.
 8. Stock in hand at close of financial year.
- (Y) These items may temporarily be credited to the existing Unallocated Stores Suspense Account.

20. Copies of each of the four additional statements will be supplied to the Auditor for examination with the Annual Account and other Documents referred to in Colonial Regulations 323, and copies will also be transmitted to the Secretary of State with the returns rendered under Colonial Regulation 354 (a). In the case of those Colonies, etc., whose finances fall under the control of His Majesty's Treasury, four signed copies of the additional statements should be forwarded to me with the statement asked for in paragraph 9 of my predecessor's circular despatch to those Colonies of 22nd May, 1938.

21. The necessary amendments of Colonial Regulations are under consideration and will be promulgated in due course. I shall be obliged if you will arrange for the changes to be brought into operation so far as possible in preparing the accounts for the current and succeeding financial years, and for the complete procedure to be followed in the preparing of future Estimates and the relative Annual Accounts.

I have the honour to be,

Sir,

Your most obedient humble servant,

W. ORMSBY GORE.

The Officer Administering
the Government of British Guiana.

FREE GRANT FOR RECLAMATION
SCHEME.

Mr. CASE (Director of Public Works and Sea Defences) communicated the following Messages:—

MESSAGE No. 18.

Honourable Members of the Legislative Council,

I have the honour to invite Council to accept a free grant of £14,540 from the Colonial Development Fund for the reclamation of the swamp land in front of the Public Works Department Yard, the construction of a river frontage wall, and the conversion of the mud flat into a timber seasoning ground. This grant is subject to the condition that in the event of the unclaimed land not being put to the use for which it is intended, the matter should again be referred to the Colonial Development Advisory Committee.

2. For the information of Honourable Members, a despatch to the Secretary of State, in which I applied for assistance from the Colonial Development Fund for this scheme, and reports by the Director of Public Works and Sea Defences and the Conservator of Forests, which were forwarded with my despatch, have been printed as a Sessional Paper. (No. 7 of 1938). It will be seen that the reclamation of this area will be carried out by the use of mud dredged from the harbour as proposed in Mr. Case's report on 'Mosquito-Breeding swamps on Government Lands, Georgetown,' which has also been printed as a Sessional paper. (No. 3 of 1938). The use as a timber-seasoning ground of the land to be reclaimed is strongly recommended by Major Oliphant in his report on the commercial possibilities and development of the forests of British Guiana, copies of which have been laid on the table for the information of the Council. It is unnecessary to urge the need for this reclamation work on health grounds: its advantages in this respect are obvious.

3. As I stated in my despatch to the Secretary of State, I regard the provision of the proposed timber yard as perhaps the most important single step which the Government of the Colony can take in the direction of developing a market for local timbers, and I am anxious that there should be no delay in putting the work in hand.

4. I therefore invite the Council to approve the acceptance of the grant of £14,540 for the purpose.

W. E. JACKSON,
Governor.

18th May, 1938.

ADDITIONAL VOTE FOR COLONY ROADS.

MESSAGE No. 19.

Honourable Members of the Legislative Council

I have the honour to invite the Council to approve of the expenditure of an additional sum of \$40,000 during the current year on the maintenance of the roads of the Colony.

2. As a result of the abnormal and continuous rains, the condition of the main public roads has become extremely bad, and this additional sum is required for the purpose of putting the roads into reasonably good order when the rains cease.

3. The rainfall for the first three months of

the year, compared with the average of the past 50 years, has been :—

For year 1938 to date.	Average of past 50 years.
January	13.34
February	15.10
March	13.76
	42.20
	19.05

Road dams have been continually saturated, and the running surface has been maintained only by a much higher rate of expenditure than usual and extensive depletion of the stocks of repair material.

4. I regret the necessity for this expenditure as I fear that it will not assist in any way towards the permanent improvement of the roads, but must be spent on urgent temporary repairs to keep the roads open. With the advice of the Executive Council, I have authorised the Director of Public Works to accelerate expenditure on the maintenance of the roads in anticipation of this additional vote, and the Director has been instructed to concentrate work on the worst sections of the road as soon as weather conditions permit.

5. I now invite the Council to approve of the inclusion of an item of \$40,000 under Head XXXVI.—Public Works—Annually Recurrent, subhead 15—Roads, Rivers, Creeks and Portages, in the next schedule of additional provision for the year 1938.

W. E. JACKSON,
Governor.

17th May, 1938.

RECONDITIONING OF ROADS AND BUILDINGS.

MESSAGE No. 21.

Honourable Members of the Legislative Council,
I have the honour to invite the Council to approve of an addition to the expenditure voted for the current year of \$36,000 for the permanent

reconditioning of public roads and \$14,000 for the permanent reconditioning of buildings.

2. As stated in my address at the opening of Council, I have been impressed since my arrival here with the advisability of accelerating the reconditioning programme for the main roads and public buildings of the Colony, and I now recommend that a further sum of \$50,000 should be appropriated to extend the programme for the current year. At this stage of the year and in view of the abnormal weather conditions which have prevailed I doubt if a larger sum could be economically applied. On the other hand these very conditions have served to emphasise the urgency of the problem of permanent reconstruction of the more frequented roads on a more durable basis. The reasons which seem to me to justify as rapid a rate of progress in reconditioning buildings as financial considerations will permit have also been fully explained in my address.

3. A schedule of the proposed special works is attached to this message. It will be observed that the works contemplated are the construction of 2 miles of concrete strip on the Corentyne Road starting from New Amsterdam, and one mile on the West Bank, Demerara, (Vreed-en-Hoop to Pouteroyen), and the reconditioning of various Government buildings.

4. I wish that it had been possible to make a larger advance immediately but consideration of finance and the economic organisation of the work seem to render it desirable that a larger programme should be reserved for consideration in connexion with the general financial position during the coming year which cannot yet be confidently forecast.

5. The Council is accordingly invited to approve of the inclusion in a schedule of additional provision for the year 1938, under Head XLVI. Public Works—Extraordinary, of a sum of \$36,000 under subhead 22, Roads and Bridges, and \$14,000 in respect of buildings as set out in the Schedule attached to this Message.

W. E. JACKSON,
Governor.

23rd May, 1938.

SCHEDULE.

ROADS.		
<i>Corentyne Coast, Berbice.</i>		
Canje Bridge, eastward turn of road at No. 5 Village—2 miles	\$ 24,000	First instalment of a programme of improvement of roadway carrying heavy traffic.
<i>West Bank, Demerara.</i>		
Vreed-en-Hoop-Pouderoyen—1 mile	12,000	A large portion of this section is burnt earth road patched with stone and presents a very rough driving surface requiring continual re-surfacing.
	\$ 36,000	
BUILDINGS.		
Beterverwagting Police Station	\$ 2,300	
<i>Eve Leary Barracks.</i>		
Reconditioning of Main Barrack Buildings "B" Troop, Eve Leary	6,000	
<i>Colonial Bond, Georgetown.</i>		
Special repairs to foundation and flooring	3,200	A large portion of the floor of the warehouse is in imperative need of repair if it is not to drop into the river.
<i>County Inspector's Quarters, Suddie.</i>		
Extensive repairs and internal and external painting	2,500	It was intended to do this work this year from maintenance funds but it had to be postponed in favour of more urgent work.
	\$ 14,000	
SUMMARY.		
Roads	... \$ 36,000	
Buildings	14,000	
	\$ 50,000	

PAPERS LAID.

THE COLONIAL SECRETARY laid on the table the following reports and documents:—

Report and accounts of the East Demerara Water Conservancy for the year 1937.

The Immortal Heritage—an account of the work and policy of the Imperial War Graves Commission during 20 years.

The Ninth Quinquennial Valuation Report of the Demerara Mutual Life Assurance Society as at 31.12.36 and other statements as required by section 47 (3) of the Demerara Mutual Life Assurance Society Ordinance, Chapter 227.

Report of the Chairman, Poor Law Commissioners, on the Alms House and Outdoor Poor for the year 1936.

Report of the Immigration Agent General for the year 1936.

Reports of the Colonial Forest Resources Development Department for the periods 1st April, 1935—31st March, 1936, and 1st April, 1936—31st March, 1937.

The Co-operative Credit Banks Regulations, 1937.

Report of the Lands and Mines Department for the year 1935.

Report of the Lands and Mines Department for the year 1936.

Divisional Reports of the Department of Agriculture for the year 1936.

Report of the Registrar of Friendly Societies for the year 1936.

Statement showing the estimated total cost of the Home Establishment of the Colonial Audit Department and the appropriate shares payable by the several Colonies, Protectorates and Mandated Territories for the year 1938-39.

Annual Report of the Imperial Institute for the year 1937.

Report of the Commandant, British Guiana Militia, for the year 1937.

Report of the Georgetown Fire Brigade for the year 1937.

Report of the Georgetown Public Free Library Committee, together with a statement of the receipts and payments for the year 1937.

Report of the Committee to enquire into matters affecting the rice industry.

Report on work of the District Administration for the year 1936.

Circular despatch dated 14th March, 1935, from the Secretary of State for the Colonies

regarding the creation of the post of Labour Adviser to the Secretary of State and notification of the election for appointment of Major G. St. J. Orde Browne, O.B.E.

Regulations to amend the Post Office Telegraph Regulations, 1904, with respect to the charges payable on overseas telegrams.

The Imperial Forestry Institute University of Oxford—13th Annual Report, 1936-1937, and Prospectus.

Report of the Director of Colonial Audit on the accounts of the Treasurer of British Guiana for the year ended 31st December, 1936, together with the Governor's comments thereon.

Report of the Board of Commissioners and the General Manager, on the administration of the railways, steamers, road transportation and harbour services, for the year 1937.

Report to Government on the activities of the British Guiana Rice Marketing Board for the period 1st September, 1937 to 28th February, 1938.

Report of the Registrar of Trade Unions for the year 1937.

Forty-Seventh Annual Report of the Chamber of Commerce of the City of Georgetown which reviews the year 1937.

Final statement of Supplementary Expenditure for the year 1937, additional to that included in the Schedules of additional provision for the year 1937, already passed by the Legislative Council.

First Schedule of additional provision required to meet expenditure in excess of the estimate for the year 1938.

Report of the main surface drainage of Government lands, Georgetown, together with plans in connection therewith.

Correspondence regarding free grant from the Colonial Development Fund for reclamation of the mud flat at the Public Works Yard and establishment of a timber seasoning ground.

Report on Mosquito-Breeding swamps on Government lands, Georgetown, and their elimination.

The commercial possibilities and development of the forests of British Guiana by Major F. M. Oliphant.

Circular despatch dated 28th February, 1938, from the Secretary of State for the Colonies on the subject of the Colonial Agriculture and Veterinary Scholarship Schemes.

Report of sub-committee of the Colonial Advisory Council of Agriculture and Animal Health together with a memorandum submitted to the Colonial Development Advisory Committee.

Report of the Commissioners of Currency for the year 1937.

Report of a Committee on the suggested discontinuance of the West Coast Railway service and the institution of a Government road in lieu thereof.

Air-Seasoning of local lumber.

GOVERNMENT NOTICES.

INTRODUCTION OF BILLS.

Notice was given of the introduction and first reading of the following bills :—

The Teachers Pension (Amendment) Bill, 1938.

The Constabulary (Amendment) Bill, 1938.

The Civil List (Amendment) Bill, 1938.

The Official Designations Bill, 1938. (*The Colonial Secretary*).

The Assistant to the Attorney-General, (Amendment) Bill, 1938.

The Co-operative Credit Banks (Amendment) Bill, 1938.

The Local Government (Amendment) Bill, 1938.

The Deeds Registry (Sales in Execution) (Amendment) Bill, 1938.

The Patents and Designs (Amendment) Bill, 1938. (*The Attorney-General*).

The Appropriation Bill, 1938.

The New Amsterdam Town Council (Amendment) Bill, 1938.

The Tax (Amendment) Bill, (No. 2) 1938.

The Supplementary (Appropriation 1937) Bill, 1938.

The Pensions (Amendment) Bill 1938. (*Mr. McDavid*).

The Regulation of Dangerous Trades Bill, 1938.

The Fiscal Districts (Substitution) Bill, 1938. (*Mr. Laing*).

The Public Health (Amendment) Bill, 1938. (*Dr. Wase-Bailey*).

The Customs Duties (Amendment) (No. 2) Bill, 1938. (*Mr. Richards*).

Mr. CHRISTIANI (Commissioner of Lands and Mines) gave notice that at a subsequent meeting of the Council he would move that the following Regulations be approved :—

Crown Lands Regulations, 1938.

River Navigation Regulations, 1938.

GRATUITY TO MRS. S. GLASGOW.

THE COLONIAL SECRETARY gave notice that at a subsequent meeting of the Council he would move :—

THAT, with reference to Message No. 13 of the 8th February, 1938, this Council approves of the grant to Mrs. S. Glasgow, Uncertificated Assistant Teacher, of No. 8 Congregational School, of a compassionate gratuity of \$157.50.

MARINE SUPERINTENDENT, TRAINING OFFICER AND PILOT.

THAT, with reference to the Governor's Message No. 15, dated 6th May, 1938, this Council approves of the post of Marine Superintendent, Training Officer and Pilot, Transport and Harbours Department, being added to the list of pensionable offices shown in the schedule to the Transport and Harbours Ordinance, 1932 (No. 25 of 1932).

FINAL SUPPLEMENTARY ESTIMATE, 1937.

THAT, this Council approves the final statement of supplementary expenditure for the year 1937, additional to that included in the schedules of additional provision for the year

1937, already passed by the Legislative Council, which has been laid on the table.

FIRST SCHEDULE OF ADDITIONAL PROVISION.

THAT, this Council approves the First Schedule of Additional Provision required to meet expenditure in excess of the provision made in the Estimates for the year 1938, which has been laid on the table.

COLONIAL AGRICULTURAL SCHOLARSHIP SCHEME.

Professor DASH gave notice that at a subsequent meeting of the Council he would move :—

THAT, with reference to Governor's Message No. 20 dated 19th May, 1938, this Council approves of this Colony contributing to the Colonial Agricultural Scholarship Scheme in five equal annual instalments the sum, £1,950, one-third of which will be borne by the Colonial Development Fund, and of an amount of \$483 being inserted under Head XXV.—Miscellaneous (b) Subventions, etc., other than Municipal Sub-head 24—Recruitment and Training of Officers for Colonial Agricultural Departments, in the next schedule of additional provision for 1938, for this purpose.

ESTATE OF LUCIA D'ABREU.

Mr. McDAVID gave notice that at a subsequent meeting of the Council he would move :—

THAT, with reference to the Governor's Message No. 14 of the 8th February, 1938, this Council authorises the payment to Mr. Francis Feliciano Vieira, as residuary legatee under the will of Lucia D'Abreu, deceased, of the sum of \$64.39, representing the unclaimed balance of the estate of the said Lucia D'Abreu, which was paid into revenue.

FREE GRANT FOR RECLAMATION SCHEME.

Mr. CASE gave notice that at a subsequent meeting of the Council he would move :—

THAT, with reference to the Governor's Message No. 18 dated 16th May, 1938, this Council approves the acceptance of a free grant from the Colonial Development Fund of £14,540 for reclaiming the mud flat in front of the Public Works Department yard and utilising it as a timber seasoning ground.

UNOFFICIAL NOTICES.

HAND-IN-HAND FIRE INSURANCE COMPANY BILL, 1937.

Mr. HUMPHRYS gave notice of the introduction and first reading of the following Bill :—

The Hand-in-Hand Fire Insurance Company Bill, 1937.

PRIMARY SCHOOL CLASSES.

Mr. JACKSON, on behalf of Mr. LEE, gave notice of the following question :—

1. Will Government state what is the greatest number of students taught by one teacher in any school in Georgetown, New Amsterdam, East Demerara, West Demerara and Essequibo, each separately, stating name of school and how many classes are there with the average number of 50 to 90 students in the several districts aforementioned? Also stating names of masters.

HINDU AND MUSLIM MARRIAGES AND CREMATION.

Dr. SINGH gave notice of the following questions :—

1. Will the Honourable the Colonial Secretary be pleased to state whether any representation was received by this Government from the Government of India, as per recommendations made in the Pillai-Tiwari Report in connection with—

(a) The recognition of the Hindu and Muslim marriages performed in accordance with their religious rites without any let or hindrance, and

(b) The cremation of their dead by the Hindus of the Colony.

If so, the same be laid on the table and also to inform what steps have since been taken by the Government of British Guiana in compliance with these recommendations.

In case no such representation has been received, will Government take early steps of its own accord, in these matters? Whether there is any legal bar in these questions? If so, the same be given in detail.

EAST INDIANS IN GOVERNMENT SERVICE.

Will the Honourable the Colonial Secretary be pleased to state,

(a) What is the number of East Indians, as against the total number of employees, in the following services?

1. Civil.
2. Police.
3. Transport and Harbours Department.
4. Primary Schools of the Colony and their teachers in each district.
5. Secondary or Higher Schools and the Teachers in each district.

(b) How many of these East Indians are Non-Christian in each of the abovenamed services? Will the Honourable the Colonial Secretary be pleased to state,

(a) The number and the names of Hindu and of Muslim schools in this Colony?

(b) How many of these Hindu schools, and how many of these Muslim schools receive Grants-in-aid from the public revenue. Name the schools.

(c) What is the number of pupils on the roll of each school and what is the duration of their school hours?

RAILWAY TO THE INTERIOR.

Mr. ELEAZAR gave notice of the following motion :—

THAT the construction of a railway be immediately undertaken as a means of developing the resources of the interior of the Colony and relieving unemployment.

That the services of a railway engineer be engaged forthwith to make the necessary surveys and prepare estimates of the cost of the railway from Bartica to Rupununi, and

That Government should provide the funds necessary for the execution of the project.

REVISION OF THE CIVIL LIST ORDINANCE.

Mr. WOOLFORD gave notice of the following motion :—

WHEREAS by the provisions of the Civil List Ordinance, Chapter 52, it was enacted that the salaries of certain officers in the Civil Service of the Colony should be those specified in the schedule to the said Ordinance;

AND WHEREAS it was further enacted by the Civil List Amendment Ordinance of 1935 that notwithstanding the provisions of section three of the said Principal Ordinance (Chapter 52) the Governor of the Colony shall be deemed to have and always to have had power and authority when appointing an officer to any office mentioned in the schedule to the Principal Ordinance to fix and cause to be paid to him a salary at a less amount than the amount set forth in the said Schedule;

AND WHEREAS appointments have been made by the Governor of the Colony at a lesser sum than the maximum sum specified in the said schedule;

AND WHEREAS there are at present vacancies relating to appointments under the Civil List Ordinance;

AND WHEREAS it is desirable in the best interests of the Service and of the Colony that the salaries of such officers should be determined by the Governor in Council;

Be it Resolved,—That the said Ordinance 7 of 1935 be amended by substituting for the words "The Governor of the Colony" the words "Governor in Council:"

And Be it further Resolved,—That the provisions of the Civil List Ordinance should be submitted for revision by the Legislative Council at intervals of not less than 5 (five) years from the date of the adoption of this Resolution.

PETITIONS.

Dr. SINGH laid on the table a petition from the British Guiana Sanatan Dharma Maha Sabha on behalf of and at the request of the Hindu community of the Colony with respect to Hindu marriages, cremation of the Hindu dead and general education of the East Indians, and certain other matters.

Mr. ELEAZAR laid on the table a petition from Walter Macedo Doris praying for financial assistance.

ORDER OF THE DAY.

ROYALTY ON TIMBERS.

Mr. JACKSON, on behalf of Mr. LEE, asked the Colonial Secretary the following questions :—

1.—(a) Is Government aware that royalty should be paid on the timbers as cut in the forest and not as reduced and made up for shipment or for sale?

1.—(b) Is Government aware that royalty collected on sawn boards per 100 cubic feet is much smaller than the royalty collected on timber per 100 cubic feet?

2. Will Government state whether royalty was collected from persons who sold timber to the Forest Station at Mazaruni? If the answer is in the negative, will Government state what amount should have been collected for the years 1935, 1936 and up to 30th June, 1937?

3.—(a) Is Government aware that each of these persons is liable to be prosecuted for a breach of the Crown Lands Regulations?

3.—(b) What are the prices paid per foot for boards—greenheart, crabwood, or silverballi and other woods at the Forest Station at Mazaruni?

4. Will Government cause royalty to be charged on all timber sold to the Forest Station, and will Government use the boards so sawn in the erection of its buildings and for the use of the Public Works Department?

THE COLONIAL SECRETARY replied as follows :—

1.—(a) Royalty is payable under the Crown Lands Regulations, 1919, at the rates set out in the First Schedule on all produce in the conditions in which it is removed from the tract, logs being measured by string measure which gives a rough adjustment to the degree of manufacture.

It would not be possible to measure each tree as it is felled.

1.—(b) Yes. This is in accordance with the Crown Lands Regulations 1919.

The matter is one which will receive consideration.

2. Royalty was not paid formerly but has been paid since 31st October, 1936. The amounts were in 1935, \$433.46 and in 1936, \$121.45.

3.—(a) The persons who disposed of timber to the Forestry Department for experimental purposes were advised that no royalty would be payable on timber so supplied. Had royalty been payable the price per cubic foot would have been increased by the amount due for royalty.

3.—(b) No boards are bought by the Forest Department. The prices charged for sale of seasoned boards under the Timber Curing Scheme are, per ft. board measure :—

	1st quality.	2nd quality.	3rd quality. (when available).
Greenheart ...	6½c.	4 c.	
Determa ...	6½c.	4 c.	
Crabwood ...	6½c.	4 c.	
Cedar ...	9 c.	6½c.	
Hububalli ...	8 c.	6½c.	4 cents.
Purple Heart...	8 c.	6½c.	
Simarapa ...	6½c.	4 c.	
Silverballi ...	6½c.	4 c.	

4. Royalty is now charged on all timber purchased by the Forest Department. The boards sawn are seasoned and are sold to the Public Works, Education and other Government Departments and to furniture manufacturers and private individuals, in order to demonstrate as widely as possible the advantages of seasoned local lumber. This sawing has now ceased.

LEASE OF BARTICA VILLAGE LANDS.

Mr. JACKSON, on behalf of Mr. LEE, asked the Colonial Secretary the following questions :—

1. What amount was collected by the Lands and Mines Department for lease from lands in the Bartica village lands for the years 1935 and 1936 and up to 30th September, 1937?

2. By what authority Government collects these rents?

3. Is Government aware that the lands were made village lands by Order in Council dated 3rd April, 1905?

THE COLONIAL SECRETARY replied as follows :—

1. The rents collected in respect of lots held by the Crown and Colony at Bartica village during the years 1935, 1936 and 1937 (to 30th September) amount to \$581.88, as follows :—

1935	\$ 156 68
1936	238 87
1937	186 33
	<u>\$ 581 88</u>

2. That of the Governor and the Governor in Council. See the Crown Lands Ordinance, Cap. 171, the Crown Lands Regulations, 1919, and the Lands and Mines Department Ordinance, Cap. 166.

3. The reply is in the negative. The lots to which the Bartica Village Council acquired proprietary rights are those set out in Schedule II. to Ordinance No. 37 of 1902; Government collects no rents from these lots.

LEGUAN SEA DEFENCES.

Mr. JACKSON, on behalf of Mr. LEE, asked the Colonial Secretary the following questions :—

1. What area of lands has been occupied in the year 1937 by the Sea Defence Board in the Island of Leguan? Is Government aware that

by section 39 of the Sea Defence Ordinance, Chapter 118, the lands have to be acquired in the manner stated in the said Ordinance?

2. When was the greenheart groyne situated at Amsterdam, Leguan, dismantled, and by whose advice? What was done with the boards, planks and timbers taken from the said groyne? Is Government aware that the dismantling of the said groyne was the cause of erosion of the foreshore? Will Government accept it as a future policy not to dismantle any groynes at all?

3. Is Government aware that sand is being removed from the foreshore at Leguan and Wakenaam by the Public Works Department? If the answer is in the affirmative will Government cause same to be immediately discontinued? Will Government state from what part of the islands of Leguan and Wakenaam was sand taken from the foreshore for the years 1935, 1936 and 1937?

4. Is Government aware that sand was taken from the foreshore at Maria's Pleasure and Amersfort, Wakenaam, and that on account of such removal erosion has taken place and the foreshore has now to be made up by facine?

THE COLONIAL SECRETARY replied as follows :—

1. No area of lands in the island of Leguan has been occupied in the year 1937 by the Sea Defence Board, Part II. of the Sea Defence Ordinance, Chapter 118, which contained section 39, was repealed by section 49 of the Sea Defence Ordinance, 1933, (No. 11 of 1933).

2. The Director of Public Works and Sea Defences inspected Amsterdam on 28th December, 1937, and found that none of the five groynes there had been dismantled. All are still there but four are in too bad a state to repair so the Director of Public Works and Sea Defences has issued instructions for dismantling them. Groynes which are not water-tight do more harm than good.

A few months ago a few planks were washed out of one of the groynes; these were not replaced owing to the bad state of the groyne and the planks were used to make a bridge to transport clay to the sea dam.

It is not proposed to replace any groyne now in a bad state of repair in Wakenaam or Leguan until hydrographic surveys have been made. Such a survey will probably be made this year.

3. Government is aware of the removal of sand from the foreshore of Leguan and Wakenaam by the Public Works Department; but only small quantities are taken as the necessity arises in the course of works. Such removal has in no way impaired the sea defences. The parts of the islands from which small quantities of sand have been taken during the years 1935, 1936 and 1937 are :—

Wakenaam—Good Success, Belle Plane, Bankhall, Zeelandia, Amersfort, Bendorff, Fredericksburg and Maria Johanna.

Leguan—Retrieve, Okum, Blenheim, Enterprise, La Bagatelle, Maryville, Success, and the southern section of Uniform nearest drainage outlet.

4. So far as Government is aware there has

never been any sand in front of facine works at Maria's Pleasure. A small quantity of sand was removed from the foreshore at Amersfort in 1934 for the construction of a koker for the Maria's Pleasure Country District; no erosion was caused thereby.

BILLS—FIRST READING.

THE COLONIAL SECRETARY having moved the suspension of the Standing Rules and Orders the following Bills were read the first time:—

A Bill intituled An Ordinance to amend the Teachers Pensions Ordinance, Chapter 197, in respect to the calculation of pensions and to provide for payment of a reduced pension together with a jump sum gratuity.

A Bill intituled An Ordinance to amend the Constabulary Ordinance, Chapter 30, with respect to the pensions payable to certain non-commissioned officers and police constables.

A Bill intituled An Ordinance to amend the Civil List Ordinance in certain particulars and with respect to the salary and allowances which may be paid to the Governor.

A Bill intituled An Ordinance to provide for a change in certain Official Designations. (*The Colonial Secretary*).

A Bill intituled An Ordinance to amend the Assistant to the Attorney-General Ordinance, Chapter 253.

A Bill intituled An Ordinance to amend the Co-operative Credit Banks Ordinance, 1933, in certain particulars.

A Bill intituled An Ordinance to amend the Local Government Ordinance, Chapter 84, in certain particulars.

A Bill intituled An Ordinance to amend the Deeds Registry (Sales in Execution) Ordinance, 1936, in certain particulars.

A Bill intituled An Ordinance to amend the Patents and Designs Ordinance, 1937 (No. 9), in certain particulars. (*The Attorney-General*).

A Bill intituled An Ordinance to appropriate the supplies granted in the current session of the Legislative Council.

A Bill intituled An Ordinance to amend the New Amsterdam Town Council Ordinance, Chapter 87, with respect to the exemption from taxation of certain premises.

A Bill intituled An Ordinance to amend the Tax Ordinance, Chapter 37, so as to exempt certain receipts from stamp duty.

A Bill intituled An Ordinance to allow and confirm certain additional expenditure incurred in the year ended thirty-first day of December, 1937.

A Bill intituled An Ordinance to amend the Pensions Ordinance, 1933, to allow further time in special circumstances for the exercise of an option by public officers for a gratuity with reduced pension. (*Mr. McDavid*).

A Bill intituled An Ordinance to provide for the regulation of Dangerous and Unhealthy Industries.

A Bill intituled An Ordinance to provide for the substitution of Districts proclaimed under the District Government Ordinance, Chapter 85, in place of Fiscal Districts. (*Mr. Laing*).

A Bill intituled An Ordinance to amend the Public Health Ordinance, 1934 (No. 15 of 1934), in certain particulars. (*Dr. Wase-Bailey*).

A Bill intituled An Ordinance further to amend the Customs Duties Ordinance, 1935. (*Mr. Richards*).

A Bill intituled "An Ordinance to provide a new constitution for the Hand-in-Hand Mutual Guarantee Fire Insurance Company of British Guiana, Limited," and to re-incorporate the same under the name of "The Hand-in-Hand Mutual Fire Insurance Company, Limited." (*Mr. Humphrys*).

Notice was given that at a subsequent meeting of the Council it would be moved that the Bills be read the second time.

The Council adjourned until the following day at 10.30 a.m.