

## LEGISLATIVE COUNCIL.

*Tuesday, 30th December, 1941.*

The Council met at 11 a.m., His Excellency the Governor Sir GORDON LETHBRIDGE, K.C.M.G., President, in the Chair.

### PRESENT.

The Hon. the Colonial Secretary, Mr. G. D. Owen, C.M.G.

The Hon. the Attorney-General, Mr. E. O. Pretheroe, M.C., K.C.

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

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

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

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

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

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

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

The Hon. N. M. MacLennan, Director of Medical Services.

The Hon. M. B. Laing, O.B.E., Commissioner of Labour and Local Government.

The Hon. G. O. Case, Consulting Engineer.

The Hon. F. Ogle, Director of Education, (Acting).

The Hon. B. R. Wood, Conservator of Forests.

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

The Hon. J. Eleazar (Berbice River).

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

The Hon. Peer Bacchus (Western Berbice).

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

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

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

The Hon. T. Lee (Essequibo River).

The Hon. C. V. Wight (Western Essequibo).

The Clerk read prayers.

### MINUTES.

The minutes of the meeting of the Council held on the 24th December, 1941, as printed and circulated, were confirmed.

### ANNOUNCEMENTS.

THE PRESIDENT: Hon. Members of Council, I have two minor announcements to make. One is that I have received a communication from the Comptroller for Development and Welfare in the West Indies saying that he has made a grant to this Colony for experimental work in rural housing. The grant is not a very large one. It is £200. He has told me that a considerable amount of successful experimental work is being done in Jamaica in regard to rural housing. Typed plans will be available very soon. The work will be under the supervision of the Medical Department.

During the week-end, I would like to inform hon. Members, I telegraphed the Secretary of State on certain matters primarily dealing with the cost of living and raising two questions which were mentioned during the course of the debates last week. One is the question of bulk purchases by the Government Supplies Board and the second is the question of the subsidization of a few essentials of living.

In those two telegrams I did not only raise those two questions, but I also touched on the Sugar Industry and the cost of labour to that industry—in other words, the question of the remuneration of Labour. I also telegraphed the Secretary of State regarding the remuneration of the lower-paid Government employees.

I am told that one hon. Member wishes to raise a question touching the Government Loan advertised in the newspapers. I prefer not to take it this morning, but to give an opportunity this afternoon, if it is desired to raise and discuss it. I want to proceed with the Committee stage of the two Bills which come first on the Order of the Day.

#### PAPERS LAID.

The Colonial Secretary (Mr. G. D. Owen) laid on the table the following documents:—

Report of the Directors of the Public Officers' Guarantee Fund for the year 1944.

Letter from Mrs. S.H. Bayley conveying to His Excellency and Honourable Members of the Legislative Council her grateful thanks and that of the relatives of the late Mr. S.H. Bayley for their expression of sympathy on the occasion of the death of her late husband Mr. S.H. Bayley.

#### NOTICES OF QUESTIONS.

With the consent of the Council, Mr. Lee withdrew the following questions which he had given notice of at a previous meeting of the Council:—

1. Will Government state what policy is being adopted in respect to the Moulders and Mechanics' Union's complaint of 26th November, regarding two of their members who were relieved of their appointment by the responsible Officers of the Canadian National Steamship "Lady Nelson," on Thursday, 22nd November, 1941, on account of representations by a local firm of Engineers?

2. Is Government aware that after these men were relieved of their employment by the Canadian National Steamships; the local firm refused to re-employ them?

3. Is Government aware that these skilled men were and are being deprived of better wages, and further, they and others are anxious to serve the Empire in the Mercantile Marine Service?

#### ORDER OF THE DAY.

##### INCOME TAX (AMENDMENT NO. 3) BILL, 1941.

The Council resolved itself into Committee and proceeded to consider the following Bill, clause by clause:—

A Bill intituled an Ordinance further to amend the Income Tax Ordinance, Chapter 38, by increasing the rates of tax payable by persons and companies, other than Life Insurance

Companies, and for purposes connected with the matters aforesaid.

Clause 2—Substitution of new section 22 in the Principal Ordinance, No. 45 of 1939.

Mr. SEAFORD: This means in certain cases there will be a tax on certain people double and on others an increase of 50 per cent. As I have pointed out there are no rich people in this country. I wonder if it is possible for Government to make arrangements for this income tax to be paid in instalments? I realize that Government is making arrangements for Government Servants to pay it so. In the case of big firms they may be able to pay it, but a large number of people, professional and otherwise, find it very difficult to put their hands on very large sums of money. I am wondering whether it is possible for Government to make arrangements for payment in instalments.

Mr. McDAVID (Colonial Treasurer): I appreciate the difficulty the hon. Member has referred to. As he himself said, Government has already taken steps to arrange for Civil Servants to pay the tax in instalments over ten months next year. I may say I myself have been considering some scheme by which the employees of the bigger firms may have a similar privilege or arrangement. That will depend upon the extent of the co operation of the big firms themselves. When it comes to individuals the position is rather more difficult, but I have no doubt that some scheme can be arranged. There is provision in the law by which Regulations can be made to give effect to any such scheme. I promise the hon. Member to go into it as soon as this Bill is passed in order to see what can be done to assist in this matter.

Clause 4—Substitution of new subsection (1) in section 34 of the Principal Ordinance, No. 2 of 1941.

Mr. DE GUJAR: I would just like to know whether the interest payable under the loan which it is intended to float will be attachable under this clause. I make that observation because I notice that one of the conditions stated in the advertisement is that the loan and the interest thereon, the property of persons not resident in British Guiana, will not be subject

to any tax or levies by the Government of British Guiana. I am just wondering whether that condition will override this clause.

Mr. McDAVID: Yes, sir. The interest on that loan, known as the 1922 Sterling 5½ per cent. loan is not subject to income tax in this Colony by virtue of section 13 of Chapter 47, the law under which this loan is raised. If the hon. Member turn it up he would probably be able to see it. I will just read what the section says:

(e) any amount for principal and for interest due to holders of bonds who are not domiciled in the Colony shall not be subject to any charge in the Colony for income tax or duties which are or may be imposed by any Ordinance now or hereafter in force, and that amount shall be paid without any deduction whatever in respect of any income tax or duties aforesaid;

That section was passed in 1922 and, of course, formed part of the terms under which the loan was originally raised in England. But further than that, there is a section in the Income Tax Ordinance, section 9 of Chapter 38, which specifically enables the Governor to exempt from income tax the interest paid to non-residents on any loan borrowed by this Colony. That provision for the exemption of interest from income tax is regarded as a very valuable one in connection with the raising of the loan. I want to remind the hon. Member though, that it does not really relieve the taxpayer of anything other than that is subject to the English Income tax, and the bondholder in England pays 10/- in the £ on it. It simply means that we in this Colony do not put him to the trouble of paying income tax here and recovering it in England. We therefore lose the income tax. It is one of the terms on which these English loans are raised and is supposed to be a very valuable privilege, and it is provided in the Law.

Mr. DEAGUIAR: I am afraid that the answer given by the hon. Colonial Treasurer raises a very controversial issue. I was aware of the conditions under which the 1922 loan was raised but, I must admit, I was not aware of the special power given to the Governor to exempt any interest payable by this Government from the payment of income tax. On the general question it seems to me that this Colony having to pay interest to the bond-

holders, it is only reasonable that such interest should be subject to the tax in the same way as taxpayers in this Colony who hold bonds have to pay income tax. I do not think sufficient argument has been put forward to show that the exemption is by way of encouragement to investors abroad. I do not agree that because investors would have to pay income tax in England or elsewhere they should not be subject to income tax here. As matter of fact, his line of argument supports the point I want to make. If we have reciprocity arrangement with the United Kingdom or the Dominions or the other Colonies, as the case may be, whereby this Colony can make deduction for income tax purpose on all interest paid to bondholders and they will be afforded relief on the other side for income tax, we are therefore giving away to somebody, whether the United Kingdom or other Colonial Government under this reciprocity arrangement, taxes which we ourselves are badly in need of. I respectfully submit that so far as this loan is concerned, this Colony is losing a good deal of taxes and the people of this Colony are being called upon to make good that loss. I strongly urge that although that condition existed in 1922 in regard to this loan, we are now converting it under entirely different conditions, and I cannot see any justification for carrying on something which we did in 1922, but which no longer obtains.

Let us examine the position from the local residents' point of view. I submit, and with every confidence, that it is more in the interest of the local investor to invest his money in Defence Loans on which he receives an interest of 3 per cent. free of any tax than to invest in local loans giving an interest of 3¼ per cent. on which he will have to pay income tax.

THE CHAIRMAN: In point of fact I do not get exemption from income tax in respect of my defence investments.

Mr. DEAGUIAR: My information is that there is a loan in England which is free from loss.

THE CHAIRMAN: To a very limited amount. There may be one loan which gives exemption, but generally speaking, you will not be able to invest now without paying income tax.

Mr. DEAGUIAR: I was referring to the War Loan which was issued.

Mr. SEAFORD: I think the hon. Member is referring to the War Saving Certificates.

THE CHAIRMAN: Every Defence Bond and Loan, from my experience, is not free from income tax deduction.

Mr. DEAGUIAR: One can obtain a loan at 3 per cent. free of any tax whatever.

THE CHAIRMAN: I would like to know it. I am merely querying the complete accuracy of what you are saying.

Mr. DEAGUIAR: To return to the point I wish to make, I do not see why these people from abroad should be allowed to invest money here at the rate of  $3\frac{1}{2}$  per cent. and they are to be put in a different category altogether to the local investor. I think I am supported in that view by the point I precisely made. They are able to obtain relief for whatever tax is deducted in this Colony when they are to pay income tax in the United Kingdom and other Colonies except Canada. It seems that whatever the conditions of this loan were in 1922, now that we are going to convert that loan in order to effect a saving, with which I heartily agree, we should put ourselves in order and make these people pay income tax in the same way as any other local investor who may deem it fit to purchase these bonds or convert his present holdings into  $3\frac{1}{2}$  per cent.

Mr. McDAVID: I entirely sympathize with what the hon. Member has said. The point has not been overlooked by the Income Tax Administration here. Actually, some years ago we in the Income Tax Office prepared an elaborate memorandum on the whole question of taxation in this Colony and in England on existing loans raised in London. The matter was gone into very carefully by the Colonial Office, but there are immense difficulties involved. The English market is not attracted by loans raised in a Colony in which the interest is subject to income tax. It does not matter whether the holders of bonds can obtain relief. The fact remains, it is exceedingly difficult to raise money in the United

Kingdom whereby the interest on the loan is subject to local taxation. That is why such provisions are made in our loans. If it were possible to tax the investors in the United Kingdom, it would mean that we would be allocating to ourselves a portion of the taxes actually collected in the United Kingdom. The hon. Member is perfectly right in saying that may be something to which we are justly entitled. It has been worked out. The matter was represented over and over again and the fact remains that to secure money in the United Kingdom we have to make that exemption, if not we would probably have to pay a very much higher rate of interest. We have to fall in with the Market conditions in order to raise the money.

THE CHAIRMAN: The question is largely one of interest.

Mr. Mc DAVID: Yes.

THE CHAIRMAN: Can we not raise it locally?

Mr. Mc DAVID: Not at this amount. It is far beyond the scope of the local market.

THE CHAIRMAN: So you cannot raise it locally and therefore it is bound to be raised in the United Kingdom?

Mr. Mc DAVID: Yes.

THE CHAIRMAN: The exemption is given as an incentive to take it up?

Mr. Mc DAVID: Yes.

Mr. SEAFORD: It may be difficult to raise it in London, but does not the hon. Colonial Treasurer think it may be raised in this Colony, Trinidad and the West Indies? The point is this: If the rate of interest is fixed at  $3\frac{1}{2}$  instead  $3\frac{1}{4}$  per cent., I think that can be done. They tried to raise a loan in Trinidad at 3 per cent. and it was a hopeless failure. Had it been at  $3\frac{1}{2}$  per cent. they would have raised the whole loan. I feel that we will be able to raise that money in this part of the world at  $3\frac{1}{2}$  per cent. instead of  $3\frac{1}{4}$  per cent. It will pay us better to raise it at  $3\frac{1}{2}$  per cent. I do not think you can get much money coming in at  $3\frac{1}{4}$  per cent. The Insurance companies have to

pay it to carry on and lose much more than that. I am satisfied that it will pay us better to raise a loan at  $3\frac{1}{2}$  per cent. than to raise it at  $3\frac{1}{4}$  per cent.

Mr. Mc DAVID : The conversion is at  $3\frac{1}{4}$  per cent.

Mr. SEAFORD : I do agree with the hon. Member for Central Demerara (Mr. De Aguiar), if it is advisable to raise money where we can collect income tax it is preferable to do it at its source. I quite appreciate that this conversion loan is to get money "on the other side", and one has to make it attractive, as the hon. Colonial Treasurer said, I think it can be made sufficiently attractive in the West Indian market instead of going to the people "on the other side".

Mr. McDAVID : I think the debate has gone rather off the Income Tax Bill at the moment and on to loans. I would like to be permitted to say in regard to the Conversion Loan, we cannot afford to take any risks. If we are going to convert a loan you have, as hon. Members see from the notice in the newspapers, to give notice of redemption. You have to tell the other bondholders that on a certain date that money will be repaid, and you must know that you have that money. If you are going to raise the loan in this Colony and the West Indies, as suggested, an element of risk is introduced, and if you fall short of money you would be in a difficult position. That is why in dealing with this conversion the loan is raised in England. Owing to the magnitude of the loan there is a certainty of obtaining it in England. If it is not taken up to the extent required, it is decided to raise the new money in this Colony.

Mr. PERCY C. WIGHT : I rise to support what has been said by the hon. Member for Georgetown North (Mr. Seaford). To my mind, the argument used by the hon. Colonial Treasurer is not logical. It appears to me at first blush that the people of the West Indies are being used in regard to the loan, as they would only come into the picture if there is any failure to raise the money at  $3\frac{1}{4}$  per cent. "on the other side". I personally feel it will be a failure because of the fact that income tax there is 50 per cent., 10/- in the £. It is not sufficiently

remunerative to any investor. I speak feelingly because I have to control quite a tremendous amount of these bonds. I gather from the remarks of the hon. Colonial Treasurer, that when it was hinted that the conversion would take place the interest paid was to be  $3\frac{1}{2}$  per cent. To my great surprise, I see it is advertised at  $3\frac{1}{4}$  per cent. I can assure you, that as far as attraction goes in this Colony you will not get much from the way it is put, because the time has been limited in order to force people. I say so respectfully. I know the hon. Colonial Treasurer to be a perfectly straight man, but speaking from a straight point of view it seems to me like a catch to state you must either decide between now and a certain time to take this  $3\frac{1}{4}$  per cent. or not have the money invested. My advice to you is to wait; do not take it but leave it at that.

I know there is a tremendous sum of money in the Colony which is not invested and the people will be willing to do so at  $3\frac{1}{2}$  per cent., but they are not going to take  $3\frac{1}{4}$  per cent. It is precisely the same in regard to life assurance. The scale of earning is fixed at a certain rate. You must earn 4 per cent. if you are to give  $3\frac{1}{2}$  per cent. bonus. The hon. Colonial Treasurer made it perfectly clear that you must do it within a certain time, as the loan was raised "on the other side." Do not try to raise more than is necessary to pay off the people "on the other side." We have that information here. I speak for one Life Insurance company and one Fire Insurance company. Their bonds are not here but are in England. They are collecting them there and the interest naturally comes here. To bring that money to this Colony costs money; also it is a further loss to bring the bonds here because of the high rate of insurance on them to-day. I ask the hon. Colonial Treasurer to give the matter serious thought and recommend to Government that the rate of interest be increased from  $3\frac{1}{4}$  to  $3\frac{1}{2}$  per cent. I am satisfied that the  $\frac{1}{4}$  per cent. will be a good inducement. The people here can take up anything like £800,000.

THE CHAIRMAN : I will proceed with the clause as it is not immediately affected by the discussion. The hon. Colonial Treasurer can take up the matter later.

Bill passed without amendment.

The Council resumed.

Mr. McDAVID gave notice that at a later stage he would move the suspension of the Standing Rules and Orders in order that the third reading of the Bill be taken.

EXCESS PROFITS TAX (AMENDMENT)  
BILL, 1941.

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

A Bill intitled an Ordinance to amend the Excess Profits Tax Ordinance, 1941, by increasing the rate of tax by making certain alterations in the method of computing excess profits and by repealing the provisions relating to relief in respect of deficiency of profits.

Clause 2—Amendment of subsection (1) of section 4 of the Principal Ordinance.

Mr. PEER BACCHUS: I am moving an amendment to this clause: that the words "four-fifths" in the second line be deleted and the words "nine-tenths" be substituted therefor. In other words, the tax as proposed now is 80 per cent. and I am asking that it be increased to 90 per cent. This is identically the same amendment that I moved here some time ago when the Principal Ordinance was being introduced. Then and since I have listened to arguments opposing any increase in the rate of the tax, but I must admit that up to now I am yet to be convinced that 90 per cent. excess profit is not an equitable rate in the present circumstances. I must admit, however, that I am doubtful whether in the present circumstances it ought not to be 100 per cent. instead, but I think those responsible for the collection of the tax ought to be allowed 10 per cent. as a collection fee or commission. So far as the principle of the Bill is concerned, I do not know if I can add to what I have said here before in support of such an increase and, therefore, I will at this stage just reply to certain points that have been made during this debate opposing the increase from 60 to 80 per cent.

I think, sir, the leader of the opposition—the hon. Member for Central Demerara (Mr. deAguiar)—will not mind the term. The first observation he made was that those persons who were suggesting an increase of the Excess Profits tax have not

got any to pay. I am one of those persons who do not go in for profiteering and, therefore, will not be called upon to pay such a tax. If I am not mistaken, I am under the impression that my hon. friend on my left was not so interested in the collecting of what I termed some time ago "painful extraction". The greatest sinners in this respect are in the City of Georgetown and not in Berbice. I think the hon. Member queried what is an Excess Profits tax. The words, to my mind, express very clearly what it is. It is a tax on profits over and above the normal profits made by any concern in any one year. The hon. Member further queried if the increase and over means excess profit. I say no. I say the increase and over any given profit is not necessarily excess profit. If that does not, then increased profit is liable to Excess Profits tax. The hon. Member went further and said that if it is the intention of Government to cripple industries then Government can introduce the tax at 100 per cent. I do not know if the hon. Member would make some observation on a tax of 90 per cent. If it is not so, I am sorry he did not develop the point further to say which industry would suffer by the imposition of the increased tax. I would therefore reply by saying that if Government does not increase, or in fact places a deterring effect on excess profits, human lives would be crippled instead.

Both the hon. Member for Central Demerara and the hon. Member for Georgetown North (Mr. Seaford) suggested that provision should be made for the transition period after the war. I must admit that it was very good argument indeed, provided the same precaution had been taken at the time when there were rising prices at the beginning of the war. I say that precaution had not been taken. If the two transition periods are taken into account I feel certain that merchants would get the better one. It is obvious that after the war the tax in the Colony will be far below what it was at the beginning of the war and, therefore, it is clear that the merchants will be getting the better part of the transition period. I think the hon. Member for Central Demerara—if I remember correctly—said that in England when this tax was first levied it was because of increased activities on direct war efforts, such as building battleships, the production of arms and

ammunitions, by which those concerned made huge profits; it was therefore thought that it was best and wise that those profits should be taxed 100 per cent. But, sir, it seems to me that where excess profits are derived from absolute necessities of life such profits should be viewed more seriously and taxed more heavily, and that is the view I am asking hon. Members to take now into consideration, and also that it has been found that in this Colony only a slight increase of 10 per cent. as war bonus has been given to the employees receiving an income up to \$40 per month. We were told here last week by the hon. Conservator of Forests, as Chairman of the Control Board, how difficult it is to control prices, and it is very much worse when he is not receiving the full support and co-operation of the mercantile community. I think he made a successful requisition for \$14,000 so that the department might be strengthened, I wish that this Council will realize that the best strengthening you can give the Control Board will be to make Excess Profits tax a loss instead of a gain.

In my view this tax is not imposed as a revenue-earning measure, but more as a protection and assistance in controlling prices and also as a check on the rising prices of the uncontrolled articles. I think, it goes one step further, and that is to safeguard the liberty of the working man whose cost of living ought to be made to keep within his earnings. We were told also by the hon. Conservator of Forests that in Germany the death penalty has not prevented profiteering. I would not like to see such a penalty imposed in any British Colony but, sir, I would support a penalty whereby one would be suspended from business on being convicted twice for the same offence. I am appealing to this Council. I thought that Government instead of levying 10 per cent. below the proposal made at the introduction of this Bill would have taken it to 90 per cent. and just leave 10 per cent. as a very good margin for those disposed to collect excess profits.

Mr. SEAFORD: The Bill before us is called the Excess Profits Tax Bill. No one will object to an Excess Profits Tax Bill, but you have to define what "excess profits" means. I am satisfied that in

this Bill Government has gone very much further than excess profits. I would ask hon. Members of Council to study this Bill very carefully and do not just say that Excess Profits tax will take all we have. That is not the way. There is a good deal more in this Bill than appears on the surface. We have a most astute gentleman in the hon. Colonial Treasurer, and naturally his duty is to get every penny he possibly can for Government. I agree with him in every way, but I do not agree—and if this Council considers it you will also not agree—that he should go beyond excess profits which this Bill does. I feel Government has not given the contents of this Bill the consideration it may have had. I feel that when a Bill of this kind comes up affecting industry and the Colony as a whole to the extent it does, the experience of some of the men who are connected with industry and business may be made use of. There are plenty of snags which we all come across in Bills which have been agreed to and passed. It is only after we have tried to work them that we find here and there pitfalls among them. The most astute lawyer cannot draft any law or Bill that other lawyers cannot drive a coach and pair through.

The hon. Member for Western Berbice (Mr. Peer Bacchus) has moved an amendment to the clause, but instead of that I am going to ask Government to reconsider this clause; and I am going to give my reason. First of all I am going to refer to two Companies that exist in the Colony whose industry had been started within the last four or five years in a small way with a fixed capital. All the profits they have made have been put back into the business. That business may have grown considerably in the meantime, but during that period no dividends were paid but were put back into the business for the benefit of the industry. We come to the Excess Profits tax. They have got no dividends any year on which they can base it. They are allowed in certain cases 8 per cent., and in some cases 10 per cent. We may be told "That is a very good return on your investment". A very good return on initial capital, but that capital has grown five times its size.

Mr. McDAVID (Colonial Treasurer): I do not want to interrupt the hon. Mem-

her, but he is arguing on a false premises. The interest of 8 and 10 per cent. is not on the fixed capital but on the actual capital in being at the time of the value of the assets less liabilities. What the hon. Member is saying is that the interest is calculated on the paid-up capital. It is on the actual capital in being at the time.

Mr. SEAFORD: I fail to realize what the actual capital is on an agricultural industry. I do not know who is going to tell us what that is. A man has a rice field and on that he grows his rice. I do not know what you will base his capital on. I do not know how the Income Tax Commissioners are going to value that as he had no money out of that. He has cultivated the land. How are you going to get the true value of that? I fail to see how that is going to be done.

The other point that comes up in this case is this: What you are allowed Government proposes to take 80 per cent. and you are left with 20 per cent. I think I am correct in saying that under the provisions of the Bill you are not allowed to augment your reserves. They remain the same. Out of that comes the next question of depreciation. You are allowed a certain amount for depreciation and for replacements, but under the conditions existing to-day it is quite impossible to replace certain parts of machinery or otherwise and therefore it is necessary, in my opinion, that reserves should be allowed for this increased depreciation. The next point is that if you are allowed to increase your depreciation, the cost of replacement to-day is 50 per cent. greater than it was. You may argue that the allowance for depreciation is 5 to 20 per cent. That is quite correct, but the actual replacement value has gone up considerably more. I feel that allowance ought to be made for that. I know the hon. Colonial Treasurer will say that is a matter for settlement with the Income Tax Commissioners. They have a certain rate of depreciation in the United Kingdom but that in this Colony and in the Tropics is very much higher than "on the other side." I do not know who is going to guide the Commissioners in their control of this depreciation. It is higher on account of climatic conditions. There are various other things I can bring in the question of replacement to show that allowances ought to be made for

it. If one does not agree with the findings of the Income Tax Commissioners one has no redress. Admittedly, in the past they were very amonable and most reasonable and I anticipate the same thing again, but when you think that the hon. Colonial Treasurer, who is always willing to meet us in every way, may not always be here and we do not know how long he is going to be here—he may disappear overnight—I do not know where we will be. I do feel that things like that should be on a fixed basis, and that is why I maintain that 20 per cent. excess profits, if looked at in its true meaning is not as an excess because it is not excess profits, does not make up for depreciation and replacements which cannot be done to-day. That is one of the points, I feel, Government has not given the consideration it may have had.

That principle, I think, has been recognized to a great extent in the United Kingdom, because out of the 100 per cent. they are putting aside 20 per cent. as a reserve. If Government considers the position here and puts aside 20 per cent. as a reserve fund in this Colony I think that would be a fairer thing to do, and I am going to ask Government to consider that point. Not only in industrial work but it also goes to various businesses, because as we have heard, Government will not allow sales to be made at replacement value. I think the majority will be in favour of that. When hostilities come to an end I do not think on account of the control which exists to-day you are going to get that very buoyant and enthusiastic market. Owing to controlled prices the tendency will be for prices to drop. You are going to have here large stocks or fairly large stocks of high-priced goods. You have got to make allowances for that. Every firm is bound to put by reserves for that day. We know what happened in the slump after the last war. Terrific sums had to be written off in this Colony. I think every firm is bound to take cognizance of that point, to put aside very large reserves to meet that day. If Government is going to take the whole of what is called excess profits, it is a very bad outlook for this Colony. You are going to get many firms not being able to meet their liabilities and going into bankruptcy.

The hon. Member for Western Berbice (Mr. Peer Bacchus) spoke about a transi-

tion period for merchants. I presume he means by "transition period" the period of slump that is going to follow. It is with that object in view that I urge if Government insists on this 80 per cent. that 20 per cent. be put aside as a reserve. In support of that I may say that I did see in the papers that policy has been adopted also in Trinidad. I do wish that hon. Members and Government will consider those points. In this matter of excess profits you should consider what it means to the Colony as a whole and not from the point of view of getting all the money you can. You will get the money to day but you are going to pay for it later on. We must look ahead, and for that reason I have tried to make the point now.

Mr. ELEAZAR: I have listened to the hon. Member who has just taken his seat. From my point of view, I would prefer Government to take away the whole of this money and after that make a criminal offence of the whole thing. Taken logically you cannot get away from the evidence. Those who are in business purchase and account for everything—cost, insurance, freight, depreciation—and they fix a profit of so much and sell for so much. Now it does seem—

THE CHAIRMAN: I must ask hon. Members to address themselves directly to the clause. We have had a very full debate on the principle of the Excess Profits Tax Bill. We are now in Committee at a precise clause and I must ask hon. Members to speak directly to the question before us, which is Clause 2.

Mr. ELEAZAR: I am speaking on the amendment which has been moved to make the tax 90 per cent. instead of 80 per cent., and I cannot do it by any other means than by argument to show I am in support of the proposition. I feel so because those who are engaged in business of whatever nature take into consideration everything and they fix their profits at so much which is considered fair whether it be 8 or 10 per cent. on the outlay. If by reason of the war these same goods are put up 300 per cent., what is it but fraud? Government in taking 80 per cent. only is almost becoming an accessory before the fact. You cannot take away too much. It is a criminal offence if a man gets

a fair profit according to his own figures and he goes and puts on 200 per cent. on that. He is committing a fraud and ought to be charged and given a penalty of six months' imprisonment without a fine. He is taking advantage of the war to rob the poor people. When we come here and talk all around the question very often it does not show so heinous, as when you go around the small merchants and you are told that this thing sold at a sixpence will give a profit of 10 per cent., and suddenly you find this same thing being sold for 36 cents. That is 200 per cent. clear on the same goods on which if sold at 12 cents he would have made 10 per cent. profit. How can that be justified? The hon. Member for Georgetown North (Mr. Seaford) justified it by saying that you cannot replace for the same amount. When you replace at the higher amount you also charge 10 per cent. profit on that, and above that is certainly excess profit. There should be no justification for it. The whole 100 per cent. should be taken, but because there are persons interested and when self holds the scale, the balance is never properly adjusted. I have tried all I can to see if I can find justification for excess profits, as it is known, but I can find none. I have a fear I will not get support for the whole 100 per cent., and so

I am supporting the amendment that it be 90 per cent. instead.

Mr. LEE: Before the amendment is considered I would like to move an amendment to the clause—that the word "four-fifths" be deleted and the figures and words "100 per cent." be substituted therefor. In substance, I would only like to state one fact which has been brought to my notice and which is being continued in Water Street. A certain shopkeeper from the country came to Georgetown two days before Japan started hostilities in the Pacific and went to a certain store. He booked an order for goods to meet the needs of his customers for the Christmas holidays. Three days after he did so Japan declared hostilities and when he asked for delivery of the goods, he was told they cannot deliver because they have to consider the replacement value and if he wanted the goods he had to pay a higher price. He came to consult me as his lawyer and I told him that he can sue and get delivery of the goods. Later I

understood he was required to pay a little higher price and he accepted delivery of the goods. This kind of thing is going on, and this Bill is being brought in for the purpose of preventing the poor people, the working-classes, from paying a greater price for goods than what they should. If that is the case then I say the tax should be 100 per cent., and I move an amendment to that effect.

Mr. C. V. WIGHT: I ask that this matter be deferred on the ground that the request is made on the fact that the structure of the clause before the Council shows that no consideration has been given to alternative proposals which are in force in Canada and what has been distinctly stated there by the acting Minister of Finance (Hon. J. L. Hsley). I am quoting from the Journal of the Parliaments of the Empire:

The United Kingdom in its recently imposed tax on armament profits had adopted the method of imposing the tax on the increase of a firm's profits as compared with the average in recent years, and taxed such profits at 60 per cent. That method would not be satisfactory in Canada for a measure of general application, because a number of their industries had not been making normal profits in recent years. Accordingly, it had been decided that a business concern might elect to be taxed either on the basis of a graduated scale of rates of profit on capital employed, or on the increase in profits over the average of the past four years.

I think we are in the same position. We are not even in as strong a position to-day as in the Dominion of Canada. A graduated scale of excess profits should be inserted in this clause or, alternatively, a fixation of the percentage as instanced by the clause. I propose, for the purpose of amendment, that the graduated scale should be the same as is done in the Dominion of Canada. The hon. Colonial Treasurer may change that.

Mr. DE AGUIAR: I have risen to support what has been stated by the hon. Member for Georgetown North (Mr. Seaford) and to some extent what has just been uttered by the hon. Member for Western Essequibo (Mr. C. V. Wight), and I submit that those two Members certainly have given some thought to the subject. That leads me to make this observation. I am not surprised at what has fallen from the lips of other hon. Members who have suggested that the rate should be 90 or 100

per cent., because they did not give the subject any thought at all. If they did, I am sure they would not have put forward such a suggestion. The hon. Member for Western Essequibo actually clinched the subject when he quoted the words of the acting Canadian Finance Minister. I submit that if Canada—a more developed country than poor unfortunate British Guiana—finds it impractical to adopt what has been done in the United Kingdom, it seems to me that a very strong case has been made out for the arguments advanced by the two hon. Members who spoke as they did. The whole trouble has arisen, as the hon. Member for Georgetown North pointed out, over what is Excess Profits Tax.

THE CHAIRMAN: I must ask the hon. Member to address himself directly to Clause 2. We now have three amendments. I have allowed a good deal of latitude to the hon. Member for Georgetown North, but we have had a debate on the principle of the Bill at the second reading, and we must get down to the clause.

Mr. DE AGUIAR: I am developing an argument for the purpose of moving a further amendment.

THE CHAIRMAN: Have you an amendment to move?

Mr. DE AGUIAR: Yes.

THE CHAIRMAN: Can you state it?

Mr. DE AGUIAR: It is along the line of the argument by the hon. Member for Georgetown North. I am experiencing some difficulty in drafting it, as I am not quite sure where should be the proper place in the clause to insert it. With Your Excellency's permission I will read it:

Provided that a sum equivalent to twenty per centum of the tax collected during the continuance of this Ordinance be set aside as a reserve to be refunded after the war to the trades or businesses that have paid the tax under the Ordinance.

THE CHAIRMAN: You are not addressing yourself directly to the point. You wish to add a proviso.

Mr. DE AGUIAR: Yes, sir.

THE CHAIRMAN: I will take it later for consideration. In the meantime I have got to put this clause with the three amendments, I can take your proviso later.

Mr. DEAGUIAR: My only fear is that the proviso will not stand as a part of Clause 2 after it has been put without the proviso.

THE CHAIRMAN: I promise you not to do so without considering your proviso.

Mr. DEAGUIAR: Very well, I defer what further remarks I have to make until when you are dealing with the amendment I propose to move.

THE CHAIRMAN: I will let you move that when we deal with the clause.

Mr. SEAFORD: To a point of explanation! When speaking on the clause my remarks were addressed to the effect of alteration. I pointed out the reason why it is not advisable to make the tax four-fifths instead of three-fifths unless Government makes some provision for a reserve to meet the bad days ahead.

Mr. McDAVID: Sir, I am afraid I am caught rather between two fires—those who want over 80 per cent. and those who wish it reduced below that. There is one point I want to emphasize in regard to the rate being at four-fifths. It is this: In England the rate is 100 per cent. It was originally, as hon. Members know, 60 per cent. but in England there is a provision in the 1941 Finance Act which allows a reserve to be created by the Government—a reserve of 20 per cent. of the amount paid in—and that reserve is to be used in making a refund to taxpayers after the War for post-war reconstruction. Therefore, in fixing the rate at 80 per cent. in this Bill what Government had in mind was that the taxpayer in this Colony should himself create his own reserve. I want to suggest that if you go higher than 80 per cent. and you do not have a provision of that nature in this Ordinance, then you would be going further than the tax in England.

What is more I have to crave your permission to refer to another clause in this Bill because it has an important bearing

on the rate. That is Clause 4 which repeals the provision in the existing Ordinance providing for relief in the case of what is known as deficiency of profits. Under the present law where in a chargeable accounting period no excess profits are made but instead the profits fall below the standard, the taxpayer has the right to claim from revenue an appropriate refund of any tax previously paid. This Bill seeks to remove that provision. In fixing the rate you must take that into account because it still exists in England. We will be placing a rather onerous burden on our Revenue Account, when called on at some future date to refund to taxpayers money they had paid. I do ask hon. Members not to consider the rate but the Bill as a whole, and that we do not in this Colony wish to go higher than the tax imposed in England. I could have said very much more on the general principles raised by hon. Members, but seeing that those principles have been covered fully already I will not say anything more at this stage.

Mr. SEAFORD: May I point out to the hon. Colonial Treasurer one thing he referred to. I do not, however, propose to refer to this unjust clause until we come to it. As regards what the hon. Colonial Treasurer said about the 20 per cent. allowed as reserve, a company is allowed to increase its reserve to any extent it likes.

Mr. McDAVID: The hon. Member spoke on depreciation, but as I answered him when the second reading was taken I would not refer to it again. Businesses are entitled to claim the correct amount of depreciation. Depreciation is a matter which cannot be fixed by any set rules. A lot of discretion has to be exercised. The machinery which is being used to-day, I maintain, is also provided for in the framework of the Income Tax itself. This point should be settled, but I would like to ask one specific question of hon. Members. Which business is going to take profits and put them aside as general reserve and expect not to pay Income tax or Excess Profits tax on them, when businesses are allowed a reserve for depreciation and general bad debts?

Mr. SEAFORD: The point, I wish to make after hearing what the hon. Colonial

Treasurer has said, is that in the United Kingdom when that Bill was brought in and the tax made 100 per cent. it was stated that everything was going on ammunition work as far as possible, and it was fixed at 100 per cent. because they would not like the industry to make money out of war industries. The whole of the United Kingdom was put on a war basis so as to win the war and everything was subjected to that. Everything was for ammunition work. That is the reason. I submit this is not an industrial country, and to make a comparison between an industrial and an agricultural country in respect of the tax is a mistake.

THE CHAIRMAN: I think it would be in keeping with the debate if we take the amendments in the reverse order of moving, one after the other. The first amendment is that in place of the words "four-fifths" the following words be substituted "according to a graduated scale to be laid down in regulations approved by the Legislative Council."

Mr. C. V. Wight's amendment put and lost.

THE CHAIRMAN: The second amendment is that for the words "four-fifths" there be substituted the words "one hundred per centum."

Mr. Lee's amendment put, and the Committee divided, the voting being:—

For—Messrs. Lee, Jacob and Peer Bacchus—3.

Against—Messrs. C. V. Wight, Mackey, Jackson, de Aguiar, Elcazar, Percy C. Wight, Ogle, Wood, Case, Laing, Dr. MacLennan, Messrs. D'Andrade, Austin, Seaford, McDavid, Woolford and Dias, Professor Dash, the Attorney-General and the Colonial Secretary—20.

Amendment lost.

THE CHAIRMAN: The third amendment is the substitution of the words "ninetieths" for the words "four-fifths."

Mr. Peer Bacchus's amendment put, and the Committee divided, the voting being:—

For: Messrs. Lee, Jackson, Jacob, Peer Bacchus and Elcazar—5.

Against: Messrs. C. V. Wight, Mackey, de Aguiar, Percy C. Wight, Ogle, Wood, Case, Laing, Dr. MacLennan, Messrs. D'Andrade, Austin, Seaford, McDavid, Woolford, Dias, Professor Dash, the Attorney-General and the Colonial Secretary—18.

Amendment lost.

THE CHAIRMAN: I had given instructions to Government Members that this was an open vote and they were not to vote according to any order from me.

Question, "That sub-clause (1) of clause 2 as printed stand part of the Bill," put, and agreed to.

THE CHAIRMAN: The proviso to that may come in as a special sub-clause.

Mr. DE AGUIAR: I beg to move that the following proviso be added to sub-clause (1) of Clause 2—

Provided that a sum equivalent to twenty per centum of the tax collected during the continuance of this Ordinance be set aside as a reserve to be refunded after the war to the trades or businesses that have paid the tax under the Ordinance.

THE CHAIRMAN; You are moving this, knowing that amendments have failed and the tax stands at 80 per cent.

Mr. DE AGUIAR: In moving this amendment I am going to ask those hon. Members who have any regard whatever for the future of this Colony to give the matter some consideration before brushing it lightly aside. I have sat in this Council Chamber time and again and have heard hon. Members bemoaning the fate of the people and the industrial activities of this Colony, and I have also heard hon. Members charging Government with lack of duty in providing an increase in the industrial life of this community. If those hon. Members had given a little bit of thought to the matter they would know that whatever industries have been established in this Colony, with the exception of one that I can think of at the moment, all have been built up out of reserves or accumulated profits, whichever term might be used. I do not think that many of them can point to any large arrival of capital in this Colony, and, if that alone is submitted, it is quite clear that whatever industries we

have—and it is regrettable to say they are not many, which only goes to show that we have not been living handsomely in the past—have been created and built up as the result of those reserves.

There is a further point in support of this amendment. I would like to deal with the maintenance of existing industries that we have. As I said when the Bill was before this Council last week, we know that when the war broke out every effort was made, and quite rightly too, to prevent inflation. It was undoubtedly a very wise move on the part of the Imperial Government to avoid inflation. We know that as the result of circumstances beyond our control inflation has come on. There is nothing we can do to stop it. It is true that it is not even as bad up to the present as it was in the last world war, but nevertheless there is a certain amount of inflation and, therefore, it is prudent for those people who are engaged in the commercial and industrial life of this community to look to the future and safeguard their activities. Most of us know what happened in 1921 and after. There are still certain companies in this Colony which have not been able to stand on their feet as the result of the last post-war depression, while there are still others just able to keep their heads above water, because after 1929, the beginning of 1930, depression in this Colony had been so severe that with few exceptions the earning of profits in most businesses had been almost negligible.

This Bill having as its object a tax on excess profits, I do want to urge upon hon. Members this fact or rather to point out to them the difficulties, bearing in mind that the persons who framed the Bill found it extremely difficult to include in this Bill a clause to meet such a case. In this Bill there is already one amendment, where a hard case was put up which was not envisaged when the original Bill was put before this Council, and it is now being sought to put that right. There are several other hard cases and, I submit, it will be extremely difficult to make the necessary provision in a Bill to meet such cases. The hon. Member for Georgetown North (Mr. Seaford) referred to renewals, replacements, depreciation and things of that sort. I think a Bill of this kind should receive the sympathy of Govern-

ment, even if not those who feel that taxpayers should be called upon to contribute 100 per cent. of the tax.

THE CHAIRMAN: That nullifies the sub-clause just voted.

Mr. DEAGUIAR: Not entirely.

Mr. SEAFORD: The only thing I would like to say is that I feel Government will be well-advised to accept this proviso, for the simple reason that it will be protecting itself after the war and we will not have a recurrence of what we had here previously.

Mr. ELEAZAR: I come here a whole "hogger" for 100 per cent. but after hearing the hon. Colonial Treasurer I did not press for it, his logic being so sound. I cannot conceive how hon. Members can possibly bring a proviso of this nature after what the hon. Colonial Treasurer has said. He has made all the necessary provisions to safeguard this, and I ask that the question be now put.

Amendment put, and the Committee divided, the voting being—

For: Messrs. Mackey, deAguiar, Percy C. Wight, Austin, Seaford, Dias—6.

Against: Messrs. C. V. Wight, Lee, Jackson, Jacob, Peer Bacchus, Eleazar, Ogle, Wood, Case, Laing, Dr. MacLennan, Messrs. D'Andrade, McDavid, Woolford, Professor Dash, the Attorney-General and the Colonial Secretary—17.

Amendment lost.

THE CHAIRMAN: There is nothing to stop this Council doing in the future the generous or right thing in offering a refund of this 20 per cent. After the adjournment the hon. Attorney-General has a minor and verbal amendment to make to sub-clause (3).

The Council resumed and adjourned for the luncheon recess until 2 p.m.

2 p.m.—

The Council resumed and resolved itself into Committee to resume consideration of the Clause Bill by clause.

Clause 2 (3)—

THE ATTORNEY-GENERAL: I wish

to move a small amendment to insert four words which were omitted from this sub-clause when the Bill was set up. I move that the words "or fractions of months" be inserted after the word "months," in the second line.

Clause 2 as amended put, and agreed to.

Clause 4—Repeal of section 7 of the Principal Ordinance.

Mr. SEAFORD: This clause repeals section 7 of the Principal Ordinance. That section provided that relief could be obtained in respect of deficiency of profits. That meant that if a company made profit in one year or loss in one year and profit in the next it was allowed to write-off that loss against the profit. The position now is that under this Bill the Government will levy excess profits tax when there has really been no profit at all. It does not seem that that is quite right. I would not say it is immoral, but I consider it "unmoral." When the Bill was introduced in the United Kingdom the Chancellor of the Exchequer said:—

"The matter may be put bluntly in this way, that although a business may have paid excess profits tax in the first year it would be entitled when another year had gone by to ask that the calculation should be made in respect of the whole period, so that if its profits in the first year had been followed by a severe loss or a drop, it would not be treated unjustly. Otherwise injustice would be done."

I feel sure that the Government of this Colony has no wish to do injustice. I would therefore ask Government not to press this clause. I am sure Your Excellency will see the merit of the case, and I am satisfied that all right-thinking Members of this Council will agree that it would not be fair to tax any one or to take from them that which they really did not have. It means that certain businesses will go into liquidation and it will be particularly hard on a Colony dependent on agriculture which depends more on the elements than anything else.

Mr. McDAVID: I have listened to what the hon. Member had to say and I think I should remind him that all taxation of this nature is really "unmoral," and particularly income tax, but we must be quite clear about what we are doing.

This provision in the Bill is undoubtedly a new feature; it was not present in the Principal Ordinance at all. It was introduced in England but I am not quite sure what were the real reasons for it. I think the Chancellor of the Exchequer had in mind taking the whole of the war period as one. We know that income tax and excess profits tax are all calculated by reference to accounting periods. If I have a large income this year I pay tax on it. If I lose my job next year I do not go back and ask for a refund of what I have paid. That is exactly what deficiency relief means. Members argue that if a business makes excess profits in one year then the tax is paid, but if in the next year the profits of that business fall below the standard, or the business makes no profit at all, the owner has the right to claim repayment of the tax on his excess profits. That is a very extraordinary feature and it would be a very great burden on the revenue, because Government could never know what its revenue position under this particular tax is likely to be. Government may collect the tax in one year, spend the money and the next year find that it has to be paid back. The risk of loss is taken into account.

Excess profits may be made through profiteering, increased turn over or any other cause arising out of the war, but when loss is sustained it may be due to unskilled management or some other cause. Why should the revenue be called upon to pay back a tax properly collected in one year? That is the reason for the introduction of this clause repealing the deficiency relief section which still exists in England and will continue during the war. It is a very dangerous provision to retain in our local Ordinance.

Mr. DE AGUIAR: I have risen to point out the inequality of the tax and to ask whether full consideration has been given to the several factors involved. The Treasurer has really put up a case where the necessity to reserve against future loss exists. He points out in one case how what are termed excess profits are earned, and says that if in the following year your profits fall below the standard allowed you must not go back and ask for a rebate. Let us reverse the argument. If during the accounting period an increased profit was earned and provision was made for the following year when your profit fell below

the standard a different picture is presented at once. It is impossible to put this provision in this Bill. That is one of the difficulties we are up against.

Mr. SEAFORD: I do not think it is quite fair to compare income tax with excess profits tax: they are two different things. This tax is definitely a war measure, and brought in to prevent profiteering to a certain extent and for other reasons. I think that by doing this kind of thing now we are putting a frightful brake on all industry in the Colony. If excess profits tax is introduced and accepted and the following year it is increased, people who invest money here lose confidence. That sort of thing can do the Colony no good. I am appealing to Members to vote against this clause, and I am asking you, sir, to put it to the open vote.

THE CHAIRMAN: We have introduced this repeal as part of the increase from 60 to 80 per cent. The two hang together.

Mr. McDAVID: No; they do not really hang together. I really put them together, speaking on the rate, because obviously the expenditure and the burden must be measured by both provisions in the Bill—suggested increase in the rate of tax and the possible removal of the deficiency relief.

THE CHAIRMAN: In other words, if we carried 100 per cent. you would possibly have suggested dropping this repeal?

Mr. Mc DAVID: Yes, sir.

THE CHAIRMAN: So they hang together in that way.

Mr. SEAFORD: I am afraid I cannot agree with that. Government has fixed the rate at 80 per cent. instead of 100 per cent. so as to afford people a reserve to carry on business afterwards. This clause has nothing to do with reserve. It takes away from someone what he has not got. They are two different things but they both increase the burden. I believe that this elimination of the existing section was not considered at all—not by Government. That is why 80 per cent. was accepted.

THE CHAIRMAN: On the other hand, had we accepted the 100 per cent. your argument would have been stronger.

Mr. Mc DAVID: Had we accepted the 100 per cent. Government would have been in duty bound to put aside 20 per cent. as has been done in England.

Mr. ELEAZAR: When they do not make any profit they pay nothing, but when they make profit over and above what they ought to make legitimately they have to pay excess profits tax. When they profiteer Government takes away some of the excess profits, but the next year they say "We have made nothing, give us back what you took last year." There is no logic in that argument. Members are looking at it from the point of view of a man who has invested capital. I am looking at it from the point of view of the man from whom it is taken. When they get this rebate will they give their employees some of it? It is the money of the labourer they have taken, yet the hon. Member speaks of this tax as "unmoral."

Mr. SEAFORD: I think the hon. Member for Berbice River (Mr. Eleazar) does not quite appreciate the difference between real and fictitious profits. What you see on paper as profits may not exist at all in reality. So far as I can see he is unable to separate the two things.

Mr. ELEAZAR: Real profit is what Government gives you, and all you take is unreal.

Mr. JACOB: I must agree with the hon. Member for Georgetown North (Mr. Seaford) in regard to this clause of the Bill. I can quite see the hardship that will be created on concerns such as sugar estates, and I do not think the Treasurer's reference to income tax applies very forcibly to this clause. Businesses or trades which are dependent on weather conditions and other factors would be adversely affected by this clause, and the hon. Member's suggestion that it should be deleted is very sound.

Mr. SEAFORD: Am I in order in moving its deletion?

THE CHAIRMAN: I do not think that is necessary; you can vote against it.

Mr. PERCY C. WIGHT: May I suggest that we leave it out on this occasion, and if the Treasurer finds that it works advantageously to the proprietors of estates he might move that it be inserted some time next year. There are logical arguments for it and there are certain arguments on the other side, but I think if we left it out for 12 months nobody would suffer any material loss.

Mr. McDAVID: It is not at all vital to the Bill and, speaking personally, I am disinclined to press it if the majority of opinion is against it. I feel more that way because it is a variation from the English Act, and we do try to follow as closely as possible the English principles as put forward in the Finance Act. In England they are taking 100 per cent. but they propose to refund a portion of it at another time.

THE CHAIRMAN: What is the comparison with the neighbouring Colonies?

Mr. McDAVID: In the Trinidad Bill recently put forward I do not see any provision of this kind although I understood that they intended to put it in too.

THE CHAIRMAN: In other words, they allowed the old law to stand.

Mr. SEAFORD: They deduct 13½ per cent. as reserve.

THE CHAIRMAN: You say you do not regard it as vital?

Mr. McDAVID: No, sir.

Mr. ELEAZAR: Is this Bill to go on during the war or forever? I cannot conceive of anybody cooking his books to make then show a loss during the war.

Mr. DIAS: I would like to correct a statement which is so frequently made about excess profits being money which is stolen from the people.

Mr. ELEAZAR: I repeat that.

Mr. DIAS: The hon. Member must know, if he knows anything about Georgetown at all, and the Treasurer will bear me out, that there are several concerns in this Colony which have made excess profits without increasing a single penny on the cost of anything. For instance, there is

the Guiana Match Factory which still sells matches at one cent per box, but its increased profits are due to increased trade and the development of an export trade to the West Indian islands. There are several other businesses which do not make one penny by way of excess profits in the light in which the hon. Member uses the expression. I resent it on behalf of those companies with which I am associated.

Mr. ELEAZAR: One swallow does not make a summer. If a company puts more capital into its business and makes more profit, that is not excess profit at all. Excess profit is not the same as increased capital; it is what is taken from the people over and above what you should.

Mr. McDAVID: I am very grateful for the support of the hon. Member for Berbice River (Mr. Eleazar), but I agree with what the hon. Mr. Dias has said. Excess profit does not necessarily connote profiteering, but profit derived over a certain standard. I am not saying that such profits may not be obtained in an improper way. What Government is trying to collect is excess profits over a standard which naturally comes to business as the result of war conditions. The case cited by Mr. Dias is a case of increased turn-over as the result of the war. It seems to me that that point is very much misunderstood. I am sorry to say that in certain cases where there is profit the Bill may not get the individual at all. That is the unfortunate part of it.

Mr. ELEAZAR: If you cannot get everyone you should not lose this one. You release ten men who are profiteering because one is going to suffer. It is said that the greatest good to the greatest number. The majority are profiteers.

Mr. LEE: Excess profits can only be made at the expense of the consumer.

Mr. SEAFORD: I beg to differ. That is entirely wrong. Some hon. Members do not know the position in the slightest degree.

THE CHAIRMAN: Mr. Treasurer, do you wish to withdraw the clause?

Mr. McDAVID: Yes, sir. I would like to accept the proposition made by one

hon. Member that the clause be not pressed on this occasion, and if in another year we find it necessary we will re-introduce it.

**THE CHAIRMAN:** On that understanding you are prepared not to press it?

**Mr. McDAVID:** Yes, sir.

**THE CHAIRMAN:** I take it that certain Members wish it to stand. I therefore put the question that clause 4 stand part of the Bill.

Clause 4 deleted.

The Council resumed.

#### INCOME TAX (AMENDMENT No. 3) BILL.

**Mr. McDAVID:** I move that "A Bill intituled an Ordinance further to amend the Income Tax Ordinance, Chapter 38, by increasing the rates of tax payable by persons and Companies, other than Life Insurance Companies, and for purposes connected with the matters aforesaid" be read a third time and passed.

**Mr. AUSTIN** seconded.

Question put, and agreed to.

Bill read a third time and passed.

#### EXCESS PROFITS TAX (AMENDMENT) BILL.

**Mr. McDAVID:** I move that "A Bill intituled an Ordinance to amend the Excess Profits Tax Ordinance, 1941, by increasing the rate of tax and by making certain alterations in the method of computing excess profits" be read a third time and passed.

**Mr. AUSTIN** seconded.

Question put, and agreed to.

Bill read a third time and passed.

#### EXPIRING LAWS CONTINUANCE BILL.

**THE COLONIAL SECRETARY:** I move that "A Bill intituled an Ordinance to continue certain expiring laws" be read a second time. I am afraid it is necessary to ask the Council yet again to pass this Bill for another year. The laws referred to were introduced as temporary measures nine years ago, but this is not the time for Government to consider reducing taxation, and it is necessary to collect some half a million dollars under

the Sugar (Temporary Excise Duty) Ordinance, and the Bill of Entry Tax Ordinance, 1932. The former is estimated to yield something like \$200,000 and the latter \$350,000.

**Mr. McDAVID** seconded.

Question put, and agreed to.

Bill read a second time.

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

The Council resumed.

**THE COLONIAL SECRETARY:** I move that "A Bill intituled an Ordinance to continue certain expiring laws" be read a third time and passed.

**Mr. McDAVID** seconded.

Question put, and agreed to.

Bill read a third time and passed.

#### GEORGETOWN RATING BILL, 1941.

**THE ATTORNEY-GENERAL:** I move that "A Bill intituled an Ordinance to prescribe the method to be adopted in computing the taxes and rates to be levied and collected by the Mayor and Town Council of Georgetown in respect of the year nineteen hundred and forty-two" be read a second time. This Bill is largely a domestic affair of interest to the inhabitants of Georgetown. All hon. Members know the history of the rating position in Georgetown, and now it is set out in the preamble of the Bill. The position is that the basis of appraisal in 1937 has by force had to be used every year up to the present year, and the Bill provides that the same basis should be used next year too.

Some time ago the Georgetown Town Council were asked if they would like an expert from England to advise them on a new method of appraisement to be used in Georgetown or, alternatively, if they would care to prepare their own method and then submit it to expert examination in England. The Town Council chose the latter method, prepared their scheme and submitted it to Government in the form of a Bill. That Bill has been published for public information and sent to England on July 25 this year for examination by experts there, but up to the present no reply has been received.

Therefore it is quite obviously out of the question that any new scheme can be used next year, and this Bill seeks to provide that the 1937 basis of appraisalment should be made use of again. I hope this will be the last occasion it will be necessary to re-introduce a Bill of this nature with regard to the rating in Georgetown. I move that the Bill be read a second time.

Professor DASH (Director of Agriculture) seconded.

Mr. JACOB: I trust, too, that this will be the last time this Council will be asked to pass a Bill to enable the Georgetown Town Council to levy rates and taxes on the basis of the 1937 appraisements in Georgetown.

Question put, and agreed to.

Bill read a second time.

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

The Council resumed.

THE ATTORNEY-GENERAL: I move that "A Bill intituled an Ordinance to prescribe the method to be adopted in computing the taxes and rates to be levied and collected by the Mayor and Town Council of Georgetown in respect of year nine hundred and forty-two" be read a third time and passed.

Professor DASH: seconded.

Question put, and agreed to.

Bill read a third time and passed.

#### SURTAX ON TONNAGE AND LIGHT DUES.

THE COLONIAL SECRETARY: I move:—

That, with reference to Governor's Message No. 2, dated 16th December, 1941, this Council approves of the surtax of fifteen *per centum* being levied on the amount of tonnage and light dues which shall be collected during the year 1942, under section eighteen of the Transport and Harbours Ordinance, 1931.

In the Draft Estimates for next year under the revenue head "Transport and Harbours Department" the sum of \$300,000 is included as the estimated amount to be collected from tonnage dues, and \$73,000 in respect of light dues. Those amounts

include a 15 per cent. surcharge which hon. Members are now asked to approve. Those items have been included on the assumption that this resolution, which has been moved annually for several years, will be moved again this year to enable Government to collect \$373,000 provided in the estimates.

Mr. McDAVID seconded.

Motion put, and agreed to.

#### ESTIMATES, 1942.

The Council then resolved itself into Committee and resumed consideration of the estimates of expenditure to be defrayed from revenue for the year ending 31st December, 1942.

#### POLICE.

Mr. JACOB: I notice that the expenditure under this head has risen tremendously during the last ten years. In 1932 it was \$412,531 while for 1942 the Council is being asked to approve of an expenditure of \$565,607, an increase of \$153,076. I would not say that the expenditure should not have increased, but I do say that the increase has been too rapid and it has been excessive. I believe that if certain other measures had been adopted the expenditure would not have risen to the present figure. I hope it will not rise very much during the next few years. Apart from the general expenditure under the head there has been tremendous expenditure on new buildings to house the Police, and that makes the position a little worse.

I do not know if Government is fully satisfied in regard to the discipline of the Police Force. I have had occasion to write several letters to Government in regard to police work generally in Demerara, Berbice and Essequibo, and I have a good deal of evidence, documentary evidence, from people who are not afraid to sign their names or give their names, charging the Police with partiality, discrimination, uncivility and other minor things. I do not know whether the post of Commissioner of Police will be filled shortly and whether by a local man, but I would strongly recommend that the post be filled by a man from abroad with Army experience.

Regarding the other Officers of the Force I think the time has come when certain Officers should not remain in one position for a considerable period. I feel sure that the Colony would benefit tremendously if some of the senior Officers were promoted. I do not want to be unfair to any civil servant, but I think they have served here long enough. They may have served Government or the Imperial Government well, and for that they ought to be transferred on promotion elsewhere, but I do think the time has come when there should be a definite change in the staff, particularly among the senior Officers of the Department. I think if that were done there would not be so much criticism and dissatisfaction, and everything would work very much better and smoother.

Mr. JACKSON : I think there has been considerable improvement in the Police Force during the past eight or nine years and I do not for one moment consider that the amount to be spent on the Force is by any means too much. The Police are the guardians of our peace; their duties are onerous. Day and night they have to work, sometimes in the midst of danger and difficulty, and I think that a word said in their favour at this time ought to offer them some encouragement in the very arduous duties which they perform. I have had no intimate knowledge of any complaints against the Force but I do know that in moving about I have discovered that there is certainly a great desire on the part of the Police Force to do the best for the country, and I sincerely hope that some encouragement will be offered them. In my opinion the Force has improved in intelligence by a long way. We are getting in the Force now young men who are certainly more advanced in education than those who joined 15 or 20 years ago, and I have no doubt that the money expended on the Force is money well spent.

There is one particular matter to which I may be permitted to refer, and that is that since the new Motor Vehicles Ordinance has been brought into operation a great deal of additional work has been put on the Force. As a matter of fact I think the Sgts-Major who are charged with a great deal of extra work should in some measure be given extra

remuneration. I do not think Government would lose anything if it took the matter into consideration and gave them some slight remuneration for the volume of work which they are called upon to do in connection with the licensing of motor vehicles. As a matter of fact I think I am right in saying that the fees which were paid to the Superintendents of Police for checking and examining motor vehicles and issuing certificates are now paid into the Treasury, and I think if Government considered the case of the County Sgts-Major, upon whom the volume of work rests, and gave them some extra remuneration it would be doing the right thing. The members of the Police Force are not paid princely salaries and we know it is a difficult thing to increase the salaries of the men, their numbers being so large, but I plead specially on behalf of the Sgts.-Major that some consideration might be given to them. I believe that if the Colonial Secretary got into touch with the Commissioner of Police it might be found possible to give those men some additional remuneration for the extra work they do.

In general I wish to commend the Police on their general activities, their smartness and on their clever detection of crime. I sincerely hope it will continue in that way and that the Colony as a whole will benefit immensely.

Mr. C. V. WIGHT : As a Member who comes into daily contact with the Police Force through my profession I should like to endorse the remarks of the hon. Nominated Member. A policeman's duty is no happy lot. I have never discovered any partiality or discrimination on the part of the Police. In every walk of life we have the good and the bad. The bad men who have been discovered in the Police Force are very few and far between. I have always received the greatest courtesy from the Police, from the Commissioner down to the lowest member of the Force. I think the Force ought to be proud of itself in view of the remarks addressed to it by the learned Judge who is now to be Chief Justice of the Colony, on the occasion when raw recruits went out from the Constabulary Depot to deal with a disturbance and exhibited the greatest discipline which might have been shown by a more experienced body of

men. That stands to their credit. I agree with the hon. Mr. Jackson that there is now much more anxiety by young men who are well qualified to join the Force. One member of the Force has just left the Colony to join H.M. Forces, and I think he is a matriculant and an inter. LL.B. I do not think that under the acting Commissioner the discipline of the Force will be lax.

**Mr. MACKEY:** I would like to endorse the remarks of the last two speakers. I see very little of the Police, but from what I do see of them I know they are exceedingly capable and efficient. In fact I know that when the Inspector-General of Local Forces in the West Indies comes here the Police Force has always earned a very fine report indeed.

With regard to the remarks made by Mr. Jackson I, too, quite realize what it means when members of the Force have to go on duty in all kinds of weather and in a great deal of danger. I refer particularly to the bush rum raids, but perhaps my friend the hon. Member for Berbice River (Mr. Eleazar) is more conversant with that subject than I am. Criticisms are levelled at the Police from time to time, but in my opinion they are largely due to the fact that, after all, this is a very small community indeed, and naturally one is inclined to make a mountain out of a mole hill. I have read a case in England in which an Admiral was fined £100 for breach of the traffic regulations, but no complaint was made about the Police being partial. The Police carry out their duties without fear or favour.

There is one matter in connection with the Police which I have no hesitation in mentioning here. I think Government might consider relieving them of the examination of motor vehicles which certainly takes up a great deal of their time. Some of the Officers are particularly good at that job while others are not. I personally have never been in the clutches of the Police, but I do not mind telling the Council that on one or two occasions I ran pretty close when I was driving my car. I was told that if I parked my car on the wrong side of the road again I would be fined two guineas and my licence would be taken

away. If the Police did that to them several members of the community would say they were being badly treated. I think we are getting off extraordinarily light.

**Mr. ELEAZAR:** I think if the Police were more vigilant than they are they would have had me in scores of times. There are good policemen, bad policemen, and indifferent policemen, and I think you will find that in every country and amongst every class. I think this money could be saved next year. I do not know the reason for it. Government seem to be making a policeman's job more arduous because they are building larger police stations and making them like palaces. They must be expecting Hitler; I hope he will not get as far as here.

I wish to refer to item (18)—54 4th-class Constables at \$28—\$18,144. This is not fair to the young men of the Colony or to the Force. Policemen are not getting princely salaries. Government some time ago took it into its head to reduce the number of policemen. Although it was warned, it did not take heed. It reduced the number of policemen and closed down some stations against advice. Now that it is necessary to bring the Force up to proper strength Government has introduced a 4th class at \$28 per month. I firmly believe that with the improvement of education all round Government can improve the Force by getting a better class of young men, especially from the point of view of educational qualifications, and they should be given a salary of \$34 per month to start with.

There can be no doubt about it that the Police are doing their level best, but there is room for improvement. Sometimes they bungle hopelessly when they try to detect crime. Criminals are not fools, and it takes a very wise man to run them down. It was a mistake to introduce a 4th class instead of bringing new men in as juniors in the 3rd class. There are young men with Senior Cambridge certificates who would be glad to join the Force at \$30 per month with the prospect of promotion. A salary of \$28 per month is not sufficient. Married policemen are given an allowance of \$3 per month for rent. You cannot get a decent room for \$3 per

month. Government must not destroy the morality of the country in this way. If you lower the standard of living you destroy their sense of propriety and morality. I suggest that the 4th-class should be abolished or something done to improve the lot of those men. In taking in new recruits Government should insist upon getting young men with a higher standard of education. Government is spending a lot on education and should get the benefit of that higher standard of education.

Mr. LEE: I would like to support the suggestion made by Mr. Jackson that Government should consider the question of giving some extra remuneration to the Sgts.-Major whose duties have been increased as the result of the Motor Vehicles Ordinance. I admit that the duties of the Police are onerous, but I do not agree with Mr. Mackey that the examination of motor vehicles should be taken away from the Police, because, after all, they are responsible for the traffic on the roads and are the proper authority to examine motor vehicles. Those Superintendents of Police who are given this extra duty should be compensated in some form although they do the work in Government's time.

I am suggesting to Government that there should be some sort of examination for recruits for the Police Force, and that certificates of character should be taken into consideration. It has been brought to my notice that young men have been taken into the Force with only the slightest ability to read and write, but they were assisted by "godfathers."

I suggest also that Government should appoint a properly qualified barrister-at-law to be attached to the Police Department to advise in important cases. All indictable cases are sent by the Police Department to the Attorney-General's Office for advice. If there was a qualified barrister attached to the Police Department the Attorney-General's Office could be relieved of that work. He could also prosecute on behalf of the Police in the Magistrate's Court where a good deal of time is wasted by untrained prosecutors.

There have been complaints against the Police of partiality, but in every sphere in which duties have to be per-

formed there will be cases of partiality. In one instance I know of there was evidence of partiality, but that is by the way.

I would also like to bring to Government's notice the question of the housing of policemen. Instead of spending money on building residences for County and District Superintendents, houses should be built for the policemen where they could be called upon at any time. A policeman has to live in a tenement yard, and when there is a row he sides with one or other of his neighbours. That is responsible for the charges of partiality. It is only natural. The sum of \$3 given to married policemen in the City is not sufficient to hire a place suitable as a stable for a horse,

THE COLONIAL SECRETARY: I wish to make one or two remarks with respect to what has been said by hon. Members. The hon. Member for North-Western District (Mr. Jacob) referred to the discipline of the Force. I was not aware that there was anything wrong with the discipline of the Force. It must be remembered that it is a very large Force—800 to 900 men—and there must be one or two men who perhaps are not as satisfactory as they should be, but I personally have always found them very civil. There are, of course, members of the public who make things difficult for the Police: the hon. Member for Serbice River (Mr. Eleazar) has himself admitted that. Every assistance should be given policemen on traffic duty. I have heard some very unfortunate remarks made to them and I think it is wonderful how they stand up to what is said.

The hon. Member for North-Western District (Mr. Jacob) suggested that an Army Officer should be brought in. I would like to remind him that the post of Commissioner of Police was separated from that of Commandant of the Local Forces only a few months ago, and there is now an Army man in charge of the Local Forces. When the post of Commissioner of Police will be filled I am not in a position to say.

The hon. Mr. Jackson and the hon. Member for Essequebo River (Mr. Lee) referred to additional duties which certain Sgts.-Major have to perform in connection with the licensing of motor vehicles. I

would like to point out that the person who is doing most of the work in that connection is a clerk, and if anybody deserves additional pay it would be the clerk rather than the Sgts.-Major. That is what I am told, but I shall look further into the matter.

The hon. Member for Berbice River (Mr. Eleazar) referred to the large buildings which are being put up as police stations. He referred to them as palaces whereas the hon. Member for Essequibo River (Mr. Lee) thinks that more of them should be built. I do not know if the hon. Member for Berbice River has ever visited the police stations at Leguan and Ruimveldt which are the two most disgraceful buildings I have seen. The Bourda station is also in a very bad condition. How the housing of policemen in compounds in the country would enable Government to do away with County and District Superintendents of Police I do not know. Surely the housing of policemen in compounds does not mean that there will be no need to have senior Officers in the districts. I agree that it is very desirable to house as many men as we can, but it would cost a very large sum of money, and certainly would not enable Government to economize in the number of Officers in the Force.

The hon. Member for Berbice River has made out a great case for increasing the salaries of 4th-class police constables. As there is no election coming on, I know that that is not in his mind, but I hope some day he will support the case of probationers in the Civil Service! A 4th-class constable starts at \$28 per month and is given uniform, light, free quarters, and free medical attendance. A probationer who has to have certain additional educational qualifications, starts at \$30 per month and does not know when he is going to get promotion. A 4th-class constable gets promotion in two years' time, and the majority of them are promoted in 18 months. They are far better off than probationers in the Civil Service.

The hon. Member for Essequibo River suggested a method of selecting candidates for the Force. I should like to inform him that there is a Candidate Selection Board on which four Police Officers serve, and the examination is very thorough.

Educational qualifications, physical development, and the character of the applicants are taken into consideration, and when selections are made the Board sits for two or three days enquiring into the history of candidates. I do not think the hon. Member need have any fear of wrong men being selected.

As regards his suggestion that a qualified barrister should be attached to the Police Department I do not know whether the Attorney-General will say anything on that point. I understand that at present the Police consult either the Crown Counsel or the Crown Solicitor, but nevertheless, if at any time the Attorney-General feels that there should be a barrister attached to the Force I am sure Government would be prepared to consider the hon. Member for the post (laughter).

Mr. LEE: I would like to tell the Colonial Secretary that I am not an applicant for any post in the Government.

THE CHAIRMAN: Coming as a stranger to the Colony I am very favourably impressed with the Police Force of the Colony.

Item (23)—Launch Engineers (3 at \$288 to \$480 by \$24), (3 at \$240 to \$360 by \$24), \$1,884; Ration Allowances, \$1,176.

Mr. LEE: The allowance given to these policemen is not sufficient.

THE CHAIRMAN: We will make a note of it.

Item put, and agreed to.

Item 15—Conveyance of Prisoners, Criminals and others, \$800.

Mr. LEE: When prisoners are discharged from prison I suggest that a free pass should be given them to return to the district from which they came.

THE COLONIAL SECRETARY: This item provides for the conveyance of prisoners awaiting trial. The hon. Member should have raised the point under Prisons and I would have told him that the Prison Superintendent is authorized to make provision for discharged prisoners to

return to their districts. I am not aware that the Superintendent is not carrying out that duty. If the hon. Member knows that he is not I will enquire into it.

Item put, and agreed to.

THE COLONIAL SECRETARY: I move the insertion of a new sub-head 33—Equipment for new police station at Soesdyke, Demerara River, \$700. When we reach the head Public Works—Extraordinary, Members will see an item for the construction of a police station at Soesdyke. It is very necessary to have a police station in the vicinity of the Air Base at Hyde Park, and Soesdyke is the most suitable site.

Item put, and agreed to.

#### POST OFFICE.

Item 1 (11)—Postal Agents, \$4,200.

THE COLONIAL SECRETARY: I move that this item be increased by \$172. Members will observe that the estimate reduces this item by \$172, but I am asking leave to allow the amount to remain at \$4,372 so as to enable Postal Agents to be paid at 13½ Miles, Issano, and at Oranapai, 39 Miles. The Postmaster-General recently toured that part of the Colony and strongly advises that a small payment be made to the Postal Agents who are now there. They have to handle a certain amount of money and it is not fair to expect them to do the work without pay. I ask that the item be left as printed in the 1941 Estimate.

Mr. ELEAZAR: This is a Department in which I have taken very great interest, perhaps for the reason that one of my very best and oldest friends, who is now on pension, served his time in it. Through my friendship with him I got to know a lot about the Post Office. They say that these are modern times but it seems that in this Department the change has been so violent that we can hardly recognise it as the same Department. I do not know if the Postmaster-General had anything to do with it, because he found some things when he came, but in the past and up to a short time ago the New Amsterdam Post Office was opened at 6.30 in the morning and closed at 5 p.m. The telegraph clerks complained, and I think rightly, that their hours were too long, and

asked for overtime pay. That was denied them, with what result? The public was made to suffer because the Post Office is now opened somewhere around 7 o'clock and closed at 4 p.m. The result is that if anyone dies in an outlying district after 4 p.m. a telegram cannot be sent to relatives in Georgetown or elsewhere until 8 o'clock the next morning. Instead of employing another clerk or paying the same clerk a little overtime the public is made to suffer the inconvenience of having no telegraphic facilities after 4 p.m.

That is bad enough, but the steamer leaves New Amsterdam for Rosignol at 6.30 a.m. and you cannot get a postal order at the Post Office until 7 o'clock—half an hour after the departure of the steamer. There is a police station at Schepmoed, about 23 miles from New Amsterdam and roughly about 18 miles from the nearest police station. Three or four policemen are stationed there and have no communication with New Amsterdam except by steamer which calls there once a week. If a tiger ate the three of them nobody would know a word about it. Government cannot afford to connect that station with Sisters police station by telephone. Telephone wires are actually there but the poles are falling down.

There is another innovation. If I came to Georgetown and telephoned from a friend's house to my family in New Amsterdam the call is charged against my friend, no attempt being made to find out the name of the person making the call.

I have never been in favour of these postal agencies and I never will be. When a postmaster retires he is appointed a Postal Agent and gets \$10 per month in addition to his pension. He is also allowed to remain in the house he occupied. The result is that the man next to him is deprived of promotion. These postal agencies can only sell stamps. There is not economy but parsimony in certain directions. I hope the day will soon dawn when Crown Colony Government will be thrown into oblivion.

Boys are taken on at the Post Office and when they reach the age of 18 they are sent away and others are taken on. The Post Office of this Colony was laid on its present foundation by the late Sir Frederick Hodgson who came from the

London Post Office. Since then it has been going down by frequent changes. Some of the employees of the Post Office are underpaid. When Government thought of making retrenchment in the Civil Service it got Major Bain Gray to make a report. He made a report and left nearly every one of these services—

**THE CHAIRMAN:** What has this to do with the Post Office?

**Mr. ELEAZAR:** It is to show that the administration of the Post Office can be improved. I do not suppose we have come here just to pass these items; we have come here to discuss the whole of the Post Office Department in order to show if there is any little improvement that can be made here and there. If Your Excellency thinks not I would certainly like to do everything you would like me to do. I have always got on well with the Governor. The idea is that I draw attention to several things that might be improved. In the past that was done, but since Crown Colony Government has been introduced our criticisms do not matter very much to anybody. I hope, however, that with Your Excellency's influence things will improve in several directions.

**Mr. JACOB:** I have also been comparing the estimates of the Post Office and I find that in 1932 it was \$138,923 while for 1942 the estimate is \$237,323, an increase of \$98,400 in 10 years. Looking at the revenue side on page vi. I see that the anticipated revenue from the Post Office, Telegraphs and Telephones for 1942 is \$269,055. I consider that this Department could bring in a great deal more revenue if proper steps had been taken in the past and if proper steps are taken even now. There is a shortage of telephones in the Colony and there has been a shortage within my living memory—a quarter of a century I think a couple of hundred telephones would be taken up to-morrow if Government told the public that there are telephones available. Government has a splendid excuse that it has not got materials. This thing has been going on for the last 20 years.

The telegraphic service is rather boring. I am not saying that there has not been improvement during the last 15 or 20 years, but the improvement has not

been commensurate with the expenditure on this Department. A good many of the employees are not giving full-time service; they are not fully employed the whole day. I speak with an intimate knowledge of the country and I am certain that more telephones could be used, more telegrams transmitted and more revenue stamps could be sold by Government. Your Excellency has been here only a short time. I have written several letters with regard to postal facilities but they have all been turned down in an abrupt manner. It is the duty of the Post Office to provide proper facilities so as to educate the people of the Colony. Government apparently does not want to spread culture throughout the country. It is time that a different outlook be adopted in regard to postal facilities. I consider that the Post Office can do a great deal to educate the people. I feel very strongly about the matter. Government is not earning sufficient revenue from this expenditure and the progress made is not commensurate with that expenditure. Some of the letters I have written concerning this Department should be put before Your Excellency for your perusal at your leisure.

**Mr. DEAGUIAR:** My sympathies are undoubtedly with this Department because I believe it tries to do the best it can in the circumstances. I use the word "circumstances" advisedly, because I have never been able to understand why it is that such an important Department, such a useful Department, is not permitted to put up a better show. I have been trying for some time to discover what is the reason for it, and I must confess that up to the present I am unable to offer any solution of the problem unless, of course, there is something wrong with the control of the internal administration of the Department as well as other Departments. The Council is not concerned at all with the administration of this or any other Department, but it does seem to me that some enquiry ought to be made into the system of control of internal administration of this and other similar large Departments of Government. It may be true that to afford postal facilities in certain remote districts is not a paying proposition, and I think on the whole we agree that the postal service generally can be regarded as fairly

satisfactory. Of course, it does not necessarily follow that improvements cannot be effected here and there, but that is just where the question of internal administration will come in, and it seems to me that if some attention is given to that matter some improvement might be effected and without any undue expenditure.

After all, I consider it is the duty of the Head of the Department, when representations are made to him with regard to increased postal facilities in a district, to enquire whether or not those facilities can be granted without additional cost to Government, or if there is additional cost, in what way that cost could be met. It seems to be that he should be the proper officer to advise Government on those matters. Whether he does or not I am not concerned at the moment, but in view of the complaints made from time to time it seems to me that some enquiry should be made.

On the whole, the postal facilities may be regarded as satisfactory. I am not going to advocate the opening of post offices for the distribution of seditious publications, because there is a law which deals with that sort of thing. Some proper scheme should be worked out for the consideration of Government.

With regard to the Telegraphic Branch I entirely agree with the hon. Member for North-Western District.

**THE CHAIRMAN:** We are not debating that section yet; we are discussing Post Office. Can you postpone your remarks on that subject?

**Mr. DEAGUIAR:** Very well, sir, I will.

**THE COLONIAL SECRETARY:** With regard to the hours at which the New Amsterdam Post Office opens, I am not quite sure what the hon. Member for Berbice River (Mr. Eleazar) really wants. The official hours are now from 7 to 4, and I understand that if a mail has to be despatched to Georgetown it opens at 6.30 a.m. I gather that the hon. Member wants the Post Office to remain open after 4 o'clock to enable a telegram to be sent in case somebody dies. If that is done for New Amsterdam it must be done for Georgetown and everywhere else. But what hour would you fix? A person

may die at night. It is quite impossible in this Colony to open the New Amsterdam Post Office for 24 hours' service on the chance of somebody dying, in which case a message could be sent by telephone through the Police Station. I think that is quite good enough service at this time when a war is on.

The hon. Member also said he considers that there are too many postal agents and that they should be superseded by postal clerks or postmasters. It seems that the explanatory memorandum has not been read or he would have seen that at Met-en-Meerzorg it is proposed to have a postal clerk. The Carmichael Street Post Office was a Postal Agency up to about two years ago, but there is now a postmaster. The postal agents are being replaced as and when it is considered that they should be replaced by either postal clerks or postmasters. It is not a fact that no changes are being made by the Postmaster-General in that connection.

With regard to Schepmoed the hon. Member referred to three unfortunate policemen. I am not sure whether they are still there,—not that they have been killed by tigers, but the place has been abandoned. Paucy spending money to buy 25 miles of wire for a telephone service there! If the Commissioner of Police considered it necessary I am sure he would have requisitioned a wireless set. There are many of them in the Colony and as far as I know he has not even asked for one. I am not sure that the policemen are there, perhaps the hon. Member will find out and let me know.

With regard to his being unable to buy stamps after 4 o'clock I may point out that the same condition obtains in Georgetown. There is a penny stamp machine outside the Georgetown Post Office and I have asked the Postmaster-General to consider whether one should be put up in New Amsterdam if there is not one already there. As regards postal orders I believe that they have to be bought before 2.30 p.m.,—an hour has to be fixed.

The remarks of the hon. Member for North-Western District (Mr. Jacob) about telephones come up every year. Two years ago Government got an estimate on the subject. The hon. Member is perfectly right that there is a demand for at least

200 telephones, but we have not got a switchboard. The existing switchboard is congested and party lines are being used now. Two years ago, just before the war, an estimate was prepared for \$300,000 for a switchboard, and I am told that if we can get it now the cost will be at least \$400,000, having regard to what the Trinidad Government has spent in connection with its telephone installation recently, plus the building to accommodate it. Is this the time to come forward with such a vote?

Mr. JACOB: It has been going on for 15 years.

THE COLONIAL SECRETARY: I can only refer back three years. I went into the matter with the Postmaster-General and Mr. Mackenzie and they prepared an estimate which got as far as the Executive Council. The war broke out before it came before the Council. It is a very expensive article to purchase now, and I do not think it is possible to get it.

With regard to increased revenue we could certainly increase it in one way or another. In a neighbouring Colony internal and external postage rates have been increased considerably. If the hon. Member is prepared to pay 2d more on his letters we could increase our revenue under that head. On the estimates in question the deficit is something like \$100,000. No charge is made against any Government Department for postage, telegrams or telephone calls. If every Department was charged that would increase the Post Office revenue. I believe that is done in other Colonies, but it merely means money going from one pocket into another.

Item as amended put, and agreed to.

POST OFFICE—TELECOMMUNICATIONS AND ELECTRICAL INSPECTORS' BRANCH.

THE COLONIAL SECRETARY: I move the insertion of a new sub-head (17)—Temporary Telegraph Clerk, \$480. That, I hope, will only be necessary for a very short time. The cable across the Essequibo river has been broken and we cannot get the correct cable to replace the missing part. It is necessary to have a telegraph repeater office at Suddie and to have someone to operate it.

Mr. DEAGUIAR: For years very little has been done apart from maintenance, and little, if anything at all, has been done in regard to extension, despite the demand that existed and still exists for increased telephone communication. Sometimes we do hear about a proposal that was on foot for a new switchboard which would cost a very large sum of money, and which at the time we could not afford, and so the matter was shelved, and is being shelved, year after year until now. I see no hope of embarking on such a very bold undertaking, much as I would like to see the service improved.

I am informed that a good measure of relief can be afforded if what was done not so many years at the Queenstown Exchange could be adopted in other sections of the City. When the Automatic Exchange was put up there it was intended primarily to serve the residents in that district, but since that time the adjoining village of Kitty has grown and, of course, increased demand there has sprung up, the result of which is that the Automatic Exchange has overlapped in the same way as the Central Exchange in Georgetown has more than overlapped. I am told that what was done in Queenstown can easily be done in Kingston or at Kitty at very little cost and with great relief to the Central Exchange in Georgetown. If that information is correct—and I charge the officers of the Department with not enquiring into it in the same way as I have done—it seems to me that somebody is shelving that issue and thereby depriving residents of those facilities.

I am told quite definitely that it is quite a simple matter to put up an Automatic Exchange at Kitty and another in Kingston, and if two of those Exchanges were put up immediately there would be facilities for 200 renters without any overlapping. I understand that the number of renters' connections that could be made at the Queenstown Exchange was for 100 telephones, but party lines were introduced and I believe the number of renters is 140 or 150. Therefore, for an expenditure of something like \$21,000 Government would be able to put up two of those Exchanges and would have at least 200 telephones. I cannot understand why that was not done.

Here I will again refer to what I said

in passing about the internal administration, I am wondering whether, if a proposal of that kind was put up before, it was blocked, and if it was blocked, by whom, because it seems to me that due regard was not paid to the demand that has been made year after year for these telephones. It is true that we are at war and it is extremely difficult to obtain the necessary materials, but I maintain that communication by telephone and telegraph is an essential service. It may not be considered essential perhaps around Georgetown, but I think it is essential when one has long distances to travel, and I do not think it is sufficient argument to say that nothing can be done in order to relieve the congestion that at present exists.

It is absolutely impossible to carry on the present service for any length of time unless something is done, and done very soon. I had the misfortune to go over the system not very long ago, because I intended to raise the question here to-day and I wanted to see things for myself. It is remarkable how they have been able to carry on a telephone service in this City in the way they have done. Renewals have been negligible. It is all a patch-work system and I am really at a loss to understand how it is possible for the service to be carried on. When it comes to the congestion on the switchboard the least I can do is to pay a compliment to those poor unfortunate operators who have to do the work. I was told when I visited the building that I came at a very dull time. Perhaps I did, but if that was a dull time I would not like to go there at a busy time, because I do not know how they make out at all. They work under conditions which, it seemed to me, cannot continue indefinitely. I am told, and I have every reason to believe it is true, that sometimes they have to be taken off their stools because the calls are so numerous that it is absolutely impossible for one human being to perform the duties satisfactorily. I pay them a compliment for the work they do.

I am not going to refer to what they get for it because I am really ashamed to do so. When I look at the estimate and see their salaries I am ashamed. I mention that *en passant*. When the telephone service was instituted a number of girls were put on the Fixed Establishment,

but owing to the change in the scale of salaries every time a vacancy arises the post is filled below the line. I know I will be told that a grade has been fixed now for members of the Unclassified Service, but I do not think that is a sufficient reason for giving those telephone operators this small rate of pay. There is also a shortage of staff. I see that provision is made to increase the number of operators in the service, but I would like to know whether this increase will relieve the shortage of staff that exists, unless it is proposed to carry on the work in the same way as it has been carried on in the past.

I know that the conditions are very bad. I speak with a certain amount of personal knowledge because, at the present moment, I have a switchboard on order through the Department for my firm. It has been on order for about two years, and I have strong reasons for suspecting that a Government Department pinched the one that was ordered for me. I think that if it is not possible to obtain materials required for proper maintenance of what we have, we are going to be in a very bad way indeed, and something must be done. I should like to see an extension of the service along the lines I have indicated, and I would really like to hear something on that score—whether it would be possible to increase the number of telephones by the construction of two more Automatic Exchanges.

MR. C. V. WIGHT: I think the Colonial Secretary suggested that the hon. Member for Berbice River (Mr. Eleazar) had not made a request for a wireless set.

THE COLONIAL SECRETARY: No, I said the Commissioner of Police had not done so.

MR. WIGHT: I will now ask whether it is not possible to have a wireless set at Suddie? I know that the cable service has broken down and I have been informed that they are searching for the cable. I do not think the provision of a telegraph clerk at \$480 per annum is going to alleviate the inconvenience being caused at the present moment. Communication on the Essequibo Coast has been sadly neglected, and I have knowledge that a proposal was put up for a new cable service at an expenditure in the vicinity of \$100,000. I have heard nothing more about it, and I suggest that the war has

caused the delay. I hope there will be no further delay after the war.

Mr. JACOB: It is not possible for me to make comparison of the estimate in regard to this Department because the services have been improved very little while the expenditure has increased. I was very keenly interested in the remarks of the hon. Member for Central Demerara (Mr. de Aguiar) in regard to telephones. The hon. Member was at pains to point out how the service could be improved, and suggested that letters with seditious matter may be sent through the post. I wonder if he has ever thought of seditious matter being spoken over the telephone. The written word can be seen in a letter, but over the telephone one cannot be certain who is speaking. I was wondering why the hon. Member took up that attitude. I think I have been able to discover something. The hon. Member's interests are not very much affected by the postal service but they are affected by the telephone service. That is the kind of debate we get in the Legislature each day.

I was also very much interested in the remarks of the Colonial Secretary who said that three years ago when he investigated the matter an estimate was prepared but it was a prohibitive estimate and could not be gone into. I want to say—and this may be an opportune time to say it—that there must be some policy somewhere, some record somewhere in the Colonial Secretary's Office to show what has been going on in the last 20 years. I do suggest that that policy of one person going and another coming has been very costly to British Guiana. I hope it is going to be put down forever. I feel that if the telegraphic service had been improved we would have been very much better off and more revenue would have been collected.

Mr. LEE: I would like to ask Government whether it is not possible to instal a wireless set at Leguan. It has been done in the past. When the cable was broken, and it was known that it would take some weeks to repair, the Department installed a wireless set. It is now several weeks, and as far as I have ascertained from one of the officers of the Department, it has not yet been found. The inconvenience suffered by the people is incalculable. I am asking Government whether it is not possible to instal a wireless set on the island,

Mr. ELEAZAR: I have complained about the telephone service for five or six years but the Colonial Secretary tells me that he has been here three years.

The COLONIAL SECRETARY: I can only account for what action has been taken in the last three years.

Mr. ELEAZAR: When a Member comes here and makes certain remarks, hoping that some information would be given as to when the inconvenience would be removed, he is told "Let it go on." I am complaining that hitherto, if I came to Georgetown and telephoned to New Amsterdam from a friend's house the call was charged to me, but to-day it is charged against my friend. What is the public paying taxes for? I have not heard a word of explanation on that point.

THE CHAIRMAN: It seems to me that the question is whether the telegraph service should not be made to pay for itself. It seems to be very unsound that we should spend \$121,000 on it and only get back \$83,000 or \$95,000. The proper thing might be to hand it over to a private company and let it be run as an economic proposition, in which Government and everybody else would have to pay for telegrams according to rates which would enable the service to pay for itself. As it is, Government tries to handle it and we have all these complaints. There would be an improved service and increased rates at the expense of the taxpayer. It may not be possible for us to turn it over now, but that seems to me to be the way this matter should be looked at. It does not seem satisfactory as it stands.

THE COLONIAL SECRETARY: I object to the hon. Member for Berbice River (Mr. Eleazar) juggling with my remarks. The hon. Member said that the Post Office in New Amsterdam was formerly opened up to 5 o'clock. Overtime was paid from 4 to 5.30. The Postmaster-General went very carefully into the number of telegrams despatched between 4 and 5.30 p.m. over a period, and he considered it was throwing money away to pay overtime day after day because somebody might die between 4 and 5.30 p.m. He therefore cut it out and I consider he was right. Why should it

be done in New Amsterdam and not in Georgetown?

The Post Office is not to be blamed for not having a larger Exchange to-day. The Department has time and time again pointed out that it is necessary to have a new switchboard, and I have already dealt with that matter. I will turn up the files and put the matter before Your Excellency.

As regards the question raised by the hon. Member for Central Demerara (Mr. deAguiar) I can say definitely that an Automatic Exchange at Kitty and Kingston would help the situation, and I will make a point of going into it. I repeat that the fact that we have not a new switchboard is not due to any fault of the Post Office. The Department has made recommendations regularly for some years past, but Government has not seen its way to come forward with proposals for such a large outlay of money.

The hon. Member for Essequibo River (Mr. C. V. Wight) did see me a few days ago, just after the telegraph cable was broken, and I think in his presence I rang up the Head of the Department and asked whether it would take a long time to put it right, and if so, whether he would consider putting a wireless set at Suddie. I was told that the work would probably be done by the end of the year. I am afraid that they have had great difficulty in finding the end of the cable, and if it is going to take some time I will ask the Postmaster-General to consider the suggestion of having some sort of wireless telephone service in the meantime. I think the hon. Member was satisfied with the explanation I gave him.

Item put and agreed to.

Item—Purchase of a Motor Lorry, \$1,395.

THE COLONIAL SECRETARY: I beg to move the insertion of a new item—“Purchase of a Motor Lorry, \$1,395.” I am sorry the provision was not made in the Estimate. It is only within the last three days that the lorry attached to the Post Office has been condemned by the Police.

THE CHAIRMAN: Will not that be an extraordinary expenditure?

THE COLONIAL SECRETARY: It will be.

THE CHAIRMAN: You have extraordinary expenditure under Head XLV—Post Office—Extraordinary. Will not that be better?

Mr. McDAVID (Colonial Treasurer): This is more in the nature of a renewal.

THE CHAIRMAN: I would put it under “Extraordinary,” otherwise it is intended to have a new lorry every year. Put it under “Extraordinary.”

#### POST OFFICE—SAVINGS BANK.

Head passed without amendment.

THE CHAIRMAN: Personally, I feel the Colony is very well off. It just reminds me of what I said about champagne and ginger beer. There is a plethora of postal and telecommunication services in this Colony, more than you can pay for.

Mr. ELEAZAR: We can pay for more if we can get it.

#### POST OFFICE—EXTRAORDINARY.

Item 3—Additional trunk lines between Georgetown and New Amsterdam including a submarine cable across the Berbice River, \$24,000.

Mr. JACOB: I would just like to say that when the telephone rents were increased by 25 per cent. I believe the public paid it very cheerfully. I think the public will pay cheerfully in the future for any additional rent charge. I say without any fear of contradiction that the onus for providing these services rests on the Government. Hon. Members after listening to complaints made to them by the public should have an opportunity of ventilating them here, but when that is done practically no notice is taken of their representation. Our object in ventilating complaints by the public is that notice should be taken of them and steps taken to minimise those complaints and to rectify the faults that are there. I do not think the public would object to paying more for their telephones provided they get a better service.

Mr. McDAVID (Colonial Treasurer): I may point out that our telephone rents are probably the cheapest in the West Indies if not in the Empire. My personal knowledge of telephone services is that ours compares very favourably indeed with that of the West Indies despite the cheap rent charged.

Mr. C. V. WIGHT: I would like to add to what the hon. Colonial Treasurer has stated that the Postmaster-General in his very last report issued on his department has shown that Government has benefited over \$40,000, so that the Post Office is really paying for itself.

Mr. JACOB: No one is disputing the fact that the rents are cheap. Why are they so cheap? Who has been benefited? That is a matter for Government to consider. I have a clear idea of who had benefited in the past and is benefiting now.

Mr. ELEAZAR: Government must carry on public utility services and charge commensurately for them.

THE CHAIRMAN: I am grateful for your suggestion that we put up the rents.

Item passed.

Item—Purchase of a motor lorry, \$1,395.

THE COLONIAL SECRETARY: I move the insertion of the following new sub-head "7—Purchase of a Motor Lorry—\$1,395"

THE CHAIRMAN: Is this really necessary?

THE COLONIAL SECRETARY: Yes, sir.

Question put, and agreed to.

Item passed.

#### POOR.

Mr. C. V. WIGHT: I have already spoken on the question of Old Age Pension under Head XXIII—Miscellaneous. Why does not Government put it in? Charities and charitable institutions in this Colony are all run on a voluntary basis and are at their extremities. They do not benefit from Sweeps as those in Trinidad do, and that is because there is

not the same patronage. They are suffering badly and the Poor Law allowance is not sufficient. How can you ask people to exist on 36c. per week? I know from my knowledge of the people that it is going to relieve certain homes where there is one bread-winner in six or seven, but a great number of people start to work at \$20 per month and on that are supporting aged mothers, aunts and other dependents. What is the use of talking when a young fellow is being burdened at the beginning of his life when he should be getting some assistance? The Commission which was set up to investigate the matter also suggested that a number of other committees should be set up to investigate certain aspects of the Poor and the distribution of aid. I do not know if Government has considered that, but no committees have been set up and I suppose it is objectionable.

There is another question I am going to raise under this Head. It is the question of "farming" out of orphans and paying \$4 a month. They are very much neglected and do not receive the full benefit of that \$4 per month. From knowledge gained I do not think the officials themselves feel satisfied. Some provision will have to be made other than allowing this "farming." There was once a Girls' Orphanage. It has been abandoned and nothing has taken its place. The Salvation Army has come to their help in some way, and there is also an orphanage at the Ursuline Convent. Government will have to seriously consider the question of the Poor. While Government does not appreciate the fact, I think it is one of the most urgent needs of the City at the present moment. Those who come in contact with it daily know that there is a considerable amount of poverty in certain centres, many of whom are too proud to beg. There is such a lot of misery and suffering that one has to go back to Dickens and read some of his works to reiterate the plea of the City.

Mr. JACOB: I am one of the members of the Committee on Old Age Pension, and I am a little disappointed that nothing has been done up to the present time. I think the scheme is in operation in Trinidad and Barbados and, I understand, Barbados is considered very much poorer than this Colony. In regard to the

allowances to the Poor, during the debate on the Budget Speech I recommended that the allowances should be increased by 100 per cent. While that may look a little bit high, when it is considered that a person who is unable to work and that some have no one to help them at all and some of them have to live on 1/6 per week, I think if it is increased to 3/- that should not be considered too much for this Colony to do for aged and infirm people who have for some time served this Colony in the past. I think something more ought to be done if 100 per cent. increase cannot be given. The vote has been increased by \$39,158 this year, having risen from \$149,211 in 1941 to \$188,369. While that is good and I commend Government for it, I still urge that something more be done for these unfortunate people.

Mr. LEE: I do not see why Old Age Pension cannot be introduced and made a contributory scheme and an allowance given to orphans.

Mr. ELEAZAR: I think the Poor we always have with us. I am a great pleader for charity. It all comes back to the fact that the standard of living is too low, and the people are not getting sufficient remuneration to look after their own responsibility to their aged and infirm relatives. If something is done to raise the standard one would not have to plead for charity. I see an item here "Unemployed Food Centre". I did not know there was such a centre in Georgetown. I should like to be informed about that.

THE COLONIAL SECRETARY: With regard to the Unemployed Food Centre, I think the hon. Member is referring to the meals supplied to unemployed persons and their wives at the Poor House. In 1940 the figure for November was 3,763 meals and the same month in 1941, 2,197 meals were supplied. That is, I take it, the item the hon. Member is referring to.

With regard to the dole, I would remind the hon. Member for North-Western District (Mr. Jacob) that in the 1941 Estimates the dole was increased. I would like to read from the explanatory memorandum dealing with the Estimates for 1941:

Sub-heads 12, 13 and 14—The number of paupers has been steadily increasing and, resulting from the acceptance by Council of a motion moved by the Hon. C. V. Wight, a Committee was appointed to go into the possibility of adopting an Old Age Pension Scheme. It recommended *inter alia*, that doles in Georgetown be increased by 25% and that the minimum dole in country districts should not be less than \$1 a month. The necessary provision for payment at the increased rates for part of 1940 was voted in the first Schedule of Additional Provision.

That was the 1940 Additional Provision provided in 1941.

Mr. ELEAZAR: I am not going to move a reduction. I did not know there was one. I look upon it as very demoralizing. I think, when it comes to people getting dole and food because they are unemployed, that it shows a state of things that cannot be worse. A father and mother getting food at the Poor House and the children getting some of that too, what do you expect from those children?

Mr. JACOB: I said the minimum is 1/6 per week but I find it is \$1 a month, as stated by the hon. Colonial Secretary. While an increase of 25 per cent. was granted the amount to-day is \$1 a month. Surely no one can live on that. The highest in Georgetown is 2/- per week and for someone blind and infirm 2/6 per week. If 25 per cent. even is added to \$1 per month, which is \$1.25, I consider that extremely small.

THE COLONIAL SECRETARY: I think the hon. Member was a member of the Committee and I ask, for my information, was not that the recommendation of the Committee?

Mr. JACOB: I think the Committee recommended \$3 per month for Old Age Pension.

THE COLONIAL SECRETARY: That is different!

Item 20—Grant to Dharam Sala, \$1,000.

Mr. DEAGUIAR: The marginal note states "Increased grant towards cost of maintaining the Dharam Salas in George-

town and New Amsterdam." My question is whether the increase of \$600 is in respect of the maintenance of the building in New Amsterdam or whether it is spread over the two centres.

**THE COLONIAL SECRETARY:** Government is not tying them down to spend that on any particular building.

**Mr. DE AGUIAR:** The vote to this institution when there was one building was \$400. A new building was put up in New Amsterdam since then. I do not know if it is larger than the one in Georgetown, but nevertheless one would have expected that they would have a similar grant of \$400 for that building unless it is a bigger building and is housing more paupers there. I was wondering if similar consideration is not given to other similar institutions.

**Mr. ELEAZAR:** This institution is worthy of three times the amount if we can afford it. I do not think there is a single individual who is against this poor house.

**Mr. DE AGUIAR:** To a point of order! I am not opposing this item. I was only asking a question for information.

**Mr. ELEAZAR:** I am not charging the hon. Member. I was only saying what are facts. I do not like to see poor houses about the place, but to see how that man did it and the success it achieved I think he should be commended, and if it comes that we have to give him more, I would support it.

**THE CHAIRMAN:** I think everybody agrees with you.

Item passed.

#### PRISONS.

**Mr. JACOB:** I wish to make a few observations under this Head. I was a little surprised recently to see the alarming lack of knowledge in this Colony. I am sorry the hon. Member for New Amsterdam (Mr. Woolford) is not in his seat. I looked at the report of the Superintendent of Prisons, dated for the year 1940 and came across some figures which make very interesting reading to those interested in the Prisons of this Colony. I found that the total number of male persons in the Prisons was Blacks—1,084, East Indians

—523, Aboriginal Indians—14, Chinese—10 and Whites—80. When it came to females I found there were Blacks—101, East Indians—13, Chinese—1 and Whites 1. I think if those figures are studied, the stigma on one or two races in the Colony would be greatly minimised and not repeated in influential quarters. I am not referring to any particular race nor calling names but, I think, if official records are taken into account those who have been libelling one or two races in the Colony would have to change their ideas. I was particularly struck, when talking to a Canadian lady who came to this Colony a year ago to be told some startling things about a particular race. I listened to her and said the best things I could do was to send her some official documents of Government—the Reports on Education, Prisons and Onderneeming School. I learnt in unofficial quarters that a Member of the Executive was making statements which were a studied libel on one or two races here. Sometimes it is impossible to correct them, but I do hope when statements are made in this Legislative Council and other important places that due regard will be taken of the facts and figures which can support those statements.

**Mr. LEE:** I would like to find out the item where a charge is made in respect of prisoners being given passes on discharge. I do not see it here.

**Mr. ELEAZAR:** The number of persons in the Prisons do not convey the number of persons convicted. You must find out the number convicted, and when it comes to that there are certain people out of prison who ought to be there. The Alms House and Hospital will tell who and who.

**Mr. McDAVID:** Speaking subject to correction, item 13—Miscellaneous.

**Mr. LEE:** Why I ask is because it has been brought to my knowledge and on more than one occasion I had to see the Salvation Army Officer in order to give those men money to get to their homes. If I remember rightly I have raised it either in this Council or privately with Government and I was told that no prisoner if convicted in the same County is given any return pass or passage money to get back to his home.

THE CHAIRMAN: I think he should.

Mr. LEE: That is why I have raised the question.

THE CHAIRMAN: I would refer it to the Prisons Authority and see if it is covered or not.

Item 1b—Assistant Clerk and Schoolmaster, \$470.

THE COLONIAL SECRETARY: I move that sub-head "1h. Assistant Clerk and Schoolmaster—\$470" be deleted and in place of it the following be inserted "1h. Clerical Establishment—\$360." The position is this. The post is now vacant. The Schoolmaster's post was created when Mazaruni was a large Convict Settlement; and there was a scheme to teach the children of officers resident there. When that settlement was closed the schoolmaster was removed to Georgetown. There is very little work for him to do as schoolmaster and he has been made use of now and then to teach the prisoners, but his main duties are to assist as a clerk in the office. As the post is now vacant the Head of the Department would like a Probationer appointed at the ordinary Probationer's salary. Whatever little teaching there is to be done at the Prison will be carried out by the Warders. I therefore move that \$360 be inserted in the place of \$470.

Item passed.

#### PUBLIC DEBT.

Mr. McDAVID (Colonial Treasurer): Redemption in respect of the Sterling Loan does not apply until the following year.

Head passed with amendment.

The Council resumed.

#### MOTION—HOURS OF SITTING.

THE PRESIDENT: Before we adjourn the hon. Colonial Secretary has a motion touching the hours of the Council which he would like to move. Certain Members are not here but they have been already consulted. We can see what the feelings of this meeting are.

THE COLONIAL SECRETARY: With the leave of the Council I beg to move the following motion:—

That this Council desires that the hours of sitting for the rest of the present Session be from 12 noon to 4 p.m.

Some days ago Your Excellency sounded the Members of the Council as to what hours would suit them best and said you hoped to hear their views in the near future. I do not think any views have been submitted. I suggest that this is the best way to find out exactly what hours will suit the majority of the Members of Council.

Mr. McDAVID seconded.

Mr. ELEAZAR: I do not think this is an opportune moment to bring this motion, because hon. Members who will be affected like myself are not here. I cannot conceive being asked to come from New Amsterdam and waste a whole half-day.

THE PRESIDENT: What I am thinking of is that Government Members' work is being seriously interrupted. They should be in a position to get some work done.

Mr. ELEAZAR: Why do you not begin earlier? 12 noon to 4 p.m. is quite unwise if you want to do more work. If you want more time begin earlier.

Mr. de AGUIAR: Four hours is the normal sitting time of the Council. It is proposed not to divide it into two parts. Personally, I do not like it, but I do not mind if it meets the wish of the Council.

Mr. WOOD (Conservator of Forests): I think the hon. Member for Berbice River (Mr. Eleazar) has overlooked this other advantage. To suit the convenience of the hon. Member for Berbice River the Council does not sit on Tuesdays until 11 o'clock, whereas if the sitting is at 10 o'clock half an hour would be saved or gained every week. Allowance is made for all that.

Mr. LEE: I think that sitting from 12 to 4 is very convenient, because in the mornings we can do a little bit of work.

THE PRESIDENT: We can sit on later as we like.

Motion put, and agreed to.

The Council adjourned at 5 p.m. until the following day at 12 noon.