

LEGISLATIVE COUNCIL**THURSDAY, 20th FEBRUARY, 1947.**

The Council met at 2 p.m., His Excellency the Officer Administering the Government, Mr. W. L. Heape, C.M.G., President, in the Chair.

PRESENT :

The President, His Excellency the Officer Administering the Government, Mr. W. L. Heape, C.M.G.

The Hon. the Colonial Secretary, Mr. D. J. Parkinson (acting).

The Hon. the Attorney-General, Mr. F. W. Holder, K.C.

The Hon. the Colonial Treasurer, Mr. E. F. McDavid, C.B.E.

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

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

The Hon. C. V. Wight, O.B.E. (Western Essequibo).

The Hon. H. N. Critchlow (Nominated).

The Hon. J. B. Singh, O.B.E. (Demerara-Essequibo).

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

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

The Hon. Peer Bacchus (Western Berbice).

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

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

The Hon. T. Lee (Essequibo River).

The Hon. V. Roth (Nominated).

The Hon. C. P. Ferreira (Berbice River).

The Hon. T. T. Thompson (Nominated).

The Hon. G. A.C. Farnum (Nominated).

The Clerk read prayers.

The minutes of the meeting of the Council held on the 14th February, 1947, as printed and circulated, were taken as read and confirmed.

ANNOUNCEMENTS**PROPOSED EARLY ADJOURNMENT**

The PRESIDENT: I would suggest that we deal first with item 3 on the Order Paper which, I think, is not controversial, and then move on to item 2 which, no doubt, hon. Members wish to speak on. Then, if Members agree, I would like to adjourn at 4 o'clock and deal with the matter which I discussed with them informally last Friday when there were just a few Members present—the question of bringing out an expert in connection with the telephone service.

STANDING FINANCE COMMITTEE

The COLONIAL TREASURER communicated the following Message to the Council:—

MESSAGE No. 13

Honourable Members of the Legislative Council,

I have the honour to invite the Council to approve of the establishment of a Standing Finance Committee of the Legislative Council to be constituted by the inclusion of appropriate rules in the Standing Rules and Orders of the Council.

2. Both Sir Gordon Lethem and I have on various occasions in Council emphasized the need for the creation of a Finance Committee to assist the Government in the consideration of matters of financial policy and in the detailed examination of proposals for the expenditure of public funds. In fact, under present conditions, it is scarcely possible for the machinery of Government to function efficiently and smoothly in the absence of some such permanent body as a Finance Committee to whom the many unforeseen questions which arise throughout the year involving expenditure from public funds and requiring immediate decision can be referred for detailed examination and advice. Such a Committee would also have the duty of making a preliminary examination of the annual estimates and of items proposed for inclusion in supplementary estimates before their formal presentation to the Legislative Council.

3. Subject to the approval of the Council it is proposed that the following additional Orders should be embodied in the Standing Rules and Orders of the Council:—

FINANCE COMMITTEE

- (1) There shall be a Standing Finance Committee of the Legislative Council (hereinafter referred to as "the Committee") the Members of which shall be the Colonial Treasurer and the Unofficial Members of the Council.
- (2) The Colonial Treasurer shall be the Chairman of the Committee.
- (3) The Committee shall sit at a time on a stated day each month to be fixed by the Committee and on such other occasions as the Committee may be convened by the Chairman. Not less than forty-eight hours' notice of each Meeting and of the Agenda to be discussed shall be given to the Members.
- (4) The Chairman and nine Unofficial Members of the Council shall constitute a quorum but only the Unofficial Members of the Council shall be entitled to vote; and all matters before the Committee shall be decided by a majority of the Members voting.
- (5) Except in the case of proposals which have been considered by any *ad hoc* committee of the Council all proposals involving expenditure from public funds for which the sanction of the Council is necessary shall be considered by the Committee before they are submitted to the Council for consideration and approval.
- (6) Every proposal involving expenditure from public funds which has been approved by the Committee shall be submitted for the consideration and approval of the Council and, where a proposal which has not been approved by the Committee is submitted to the Council for consideration, the Council shall be specifically notified of the fact that the Committee did not approve the proposal.
- (7) The Minutes of every Meeting of the Committee shall be presented to the Council by the Chairman and be laid on the Table.

4. A Motion in the sense of this Message will be proposed by the Col-

onial Treasurer, and I invite the Council to adopt the Resolution accordingly.

W. L. Heape,

Officer Administering the Government.

GOVERNMENT HOUSE,
British Guiana,
20th February, 1947.

PAPER LAID

The COLONIAL SECRETARY laid on the table the following document:—

The Report of the East Demerara Water Conservancy Board for the year ended 31st December, 1946.

BILLS—FIRST READING

The ATTORNEY-GENERAL gave notice of the introduction and first reading of the following Bills intituled —

"An Ordinance to amend the Legislative Council (Elections) Ordinance, 1945, with respect to the dates on which the registers of voters to be prepared under the Ordinance shall come into force."

"An Ordinance to appropriate the supplies granted in the current session of the Legislative Council."

ESTABLISHMENT OF STANDING FINANCE COMMITTEE

The COLONIAL TREASURER gave notice of the following motion:—

"That, with reference to Message No. 13 dated the 20th of February, 1947, from His Excellency the Officer Administering the Government, this Council approves of the establishment of a Standing Finance Committee of the Council and authorises with respect thereto the inclusion in the Standing Rules and Orders of the Council of the rules as set out in His Excellency's Message."

The PRESIDENT : Hon. Members will no doubt take this motion tomorrow. Mr. Treasurer will you be ready ?

The COLONIAL TREASURER : Yes, sir .

ORDER OF THE DAY

TRADES UNIONS (AMENDMENT) BILL,
1947.

The ATTORNEY-GENERAL : With the approval of hon. Members I ask leave to take item 3.

Question put, and agreed to.

The ATTORNEY-GENERAL: I therefore beg to move the second reading of the following Bill intituled:—

“An Ordinance to amend the Trades Unions Ordinance by providing that a Trustee of a Trade Union or of a branch thereof shall not at the same time hold any office in the Union or in any branch thereof and for purposes connected therewith.”

As hon. Members will see from the Objects and Reasons of this Bill, it is provided that “no person holding the appointment of trustee of a trade union or any branch thereof shall at the same time hold any office (including that of a member of the committee of management) in the trade union or in any branch thereof. It is considered that such a dual appointment is undesirable, as a person’s interest as an officer may conflict with his duty as a trustee.” I am sure hon. Members appreciate the desirability for a provision of this nature, and I beg to move that this Bill be read a second time.

Mr. CRITCHLOW seconded.

The PRESIDENT: Does any Member wish to speak on the principle of the Bill? I will therefore put the question that the Bill be read the second time.

Question put, and agreed to.

Bill read a second time.

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

Council resumed.

The ATTORNEY-GENERAL: With the approval of the Council I beg to move that this Bill be now read the third time and passed.

Mr. CRITCHLOW seconded.

Question put, and agreed to.

Bill read a third time and passed.

RENT RESTRICTION (AMENDMENT) BILL, 1947.

The ATTORNEY-GENERAL: I ask that we now take item 2.

Agreed to.

The ATTORNEY-GENERAL: I beg, therefore, to move the second reading of the following Bill intituled:—

“An Ordinance to amend the Rent Restriction Ordinance, 1941, by enlarging the application and the duration of the Ordinance, by making provision for the fixing of maximum rents, and for purposes connected with the matters aforesaid.”

I am sure that hon. Members will agree with the principles underlying this Bill. As they are aware, Ordinance No. 23 of 1941—the Rent Restriction Ordinance—has been in duration for some time, and since it came into operation certain Defence Regulations were made in relation to this matter of rent restriction. The main object of this Bill—

- (a) to enact, as parts of the Rent Restriction Ordinance, 1941, (No. 23), the modifications of that Ordinance which were effected by the Defence (Georgetown Rent Control) Regulations, 1944, (No. 6); the Defence (Georgetown Rent Control) (Amendment) Regulations, 1944 (No. 16); the Defence (Georgetown Premises Recovery Control) Regulations, 1944 (No. 17) and the Defence (Georgetown Rent Control) (Amendment No. 2) Regulations, 1945 (No. 44);”

Those four Defence Regulations have been incorporated substantially in this Bill.

- “(b) to provide that the Ordinance shall apply to all dwelling-houses which are let in good faith at a rent which includes payments in respect of board or attendance.”

It will be appreciated in that connection that the Ordinance as it stands provides in section 3 that it “shall apply to a house or part of a house, or a room or rooms let as a separate dwelling, where the annual amount of the standard rent does not exceed four hundred and eighty dollars.” One of the objects of this Bill is to remove that ceiling figure so that all premises and dwelling houses will come within the ambit of rent control. Another object is “to provide that the Ordinance shall apply to land let for the purpose

of erecting thereon a public or commercial building (in the Defence Regulations referred to as "business premises") in the same manner as it applies to land let for the purpose of erecting a dwelling house." Further, this Bill is intended "to extend the duration of the Ordinance to the 31st December, 1951." As hon. Members are aware, the Ordinance is an annual Ordinance and has to be carried on by a Resolution of the Legislative Council, but it is proposed by this Bill to carry it on until the 31st December, 1951. That, of course, does not preclude the Legislative Council from making any amendment thereto. Further, this Bill proposes "to extend and to regulate the grounds on which an Order of possession can be obtained by a landlord of premises to which the Ordinance applies." Hon. Members who have read the Bill will have seen the grounds of opposition and how it is proposed to regulate that matter.

It is considered that the time has arrived when provisions of the Defence Regulations to which I have referred should be enacted to form part of our legislation by way of an Ordinance. I wish to point out that where the annual rent of a dwelling house exceeds \$480 the Rent Restriction Ordinance does not apply to it, but "it is now considered that the Ordinance should apply to all dwelling-houses (except those which are let in good faith at a rent which includes payments in respect of board or attendance) whatever may be the annual amount of the standard rent." It is also considered that the Ordinance should be extended to land let for the purpose of the erection thereon of a public or commercial building. I may say that having regard to prevailing conditions I, personally, and hon. Members will agree that there is necessity for this Ordinance to be continued perhaps beyond 1951.

Clause 8 (1) enables possession of premises to be recovered where they are required for public purposes, or required by law to be demolished, or let to a tenant in the employment of the landlord. Clause 8 (1) provides that—

"(a) where possession of premises is obtained on the ground that they are required for the use of the

landlord, such premises shall not be used, occupied or let for any other purpose except with the permission of the Rent Assessor, and that if they are so used, occupied or let the landlord shall be liable to a fine of \$480 or to imprisonment for 6 months, or to both such fine and imprisonment and if the landlord is a corporation, to a fine of \$1,200,"

It is felt that this penalty provision is necessary in all the circumstances. I may add that I have received certain representations in connection with this Bill. The hon. Member (Mr. Gonsalves), who has just come in, sent me a letter this morning about it, referring on behalf of certain parties to certain points which he considered desirable. The points which have been raised—as I understand them—are: first of all, that they are not opposed to the principle of the Bill but regard it as desirable that certain comments should be made on certain clauses of the Bill. One point deals with the question of the extension of the Ordinance for five years, and the comment in one of the representations I have seen is that it seems there is a danger of having cumbersome legislation longer than is necessary, and another danger is that the clause is not in keeping with social reform. My comment on that is that one has to be an optimist to come to the conclusion that conditions are going to improve with such rapidity as to result in a marked improvement in the housing conditions in Georgetown particularly and other parts of this Colony by 1951.

We are very well aware of the fact that a good deal of raw material has to be brought from outside and, if one observes the conditions which obtain outside, one would readily realise the fact that we have to carry on for some time yet with what little materials we have in this Colony until materials become available from outside sources. No one can deny that housing conditions in this Colony are really acute. Consequently, those who own properties—with the law of supply and demand operating—can get what they ask for them. It is very often a case of Hobson's choice, and the idea behind all this legislation is to see that there is a fair and equitable return for the property which the land-

lord has. I venture to say that there are good landlords and bad landlords, but so far as the housing conditions are concerned a very substantial portion of the occupants are tenants. I do not know what the percentage is, but I can say a very substantial proportion—probably between 75 and 90 per cent.—of the people in Georgetown rent the houses which they occupy. Consequently it is increasingly difficult for those persons who are tenants to obtain houses at a fair and reasonable rent. That is my comment on the question of the extension of the period of time to 1951.

Another point as regards the representations made is that clause 8 of the Bill amends section 7 of the Principal Ordinance and it is felt that the introduction of the offer of alternative accommodation is a *sine qua non* of the bargaining power. It is known that similar legislation exists in England, but it is doubtful whether conditions in Georgetown warrant its introduction here. The result of the representation is that a landlord may get tenants out of his premises who do not pay their rent or are disorderly, or are otherwise bad tenants, such as tenants who do not use the premises in a proper way—as a brothel or for purposes of gambling and so on—but the object of this provision is to prevent a landlord from getting people out of premises under the guise that he wants them for himself and then renting them to somebody else at a much higher rent. In the present circumstances I think hon. Members will agree that this particular provision is desirable and very salutary.

A point has also been raised as regards the definition of "tenant" in this amending Bill. It appears that the view is that the definition is not quite clear where the Bill seeks to explain the operation and scope of the Ordinance. It does not really. What it seeks to do is to prevent the rent for houses over a certain figure — houses rented for over \$480 per annum—from being sky-rocketed. There is no control at present with regard to those houses. Clause 7 of the Bill amends section 6 of the Principal Ordinance, and as regards clause 7 (e) the point has been raised that the 25 per cent. increase on the standard rent should be a fixed per-

centage and not a maximum increase. The answer to that is that the Rent Assessor has the power to take all the facts into consideration — that is what he is there for. If the amount is fixed by the Ordinance it would mean that every landlord would have the right to add on 25 per cent. regardless of the circumstances connected with any possible increase. He might only be able to show that he should get an increase of 15 per cent., but according to the suggestion he would be in a position to add a straight 25 per cent. and that must be considered as something that would really be creating an inflationary condition.

Those seem to be the salient features of one of the representations put forward in connection with this Bill. I said the hon. Member for Georgetown South communicated some of the points, and I have dealt substantially with the points raised. I wish to point out that on page 11 of the Bill it will be seen in clause 6 (3) (c) that for the purposes of this section the expression "material date" means "the first day of January, nineteen hundred and forty-six, where the premises are any other premises to which this Ordinance applies." In effect that means that those premises, which did not come within the ambit of the operation of the Rent Restriction Ordinance before, will now come within the operation of the Ordinance with effect from January 1, 1946. The same thing applies to clause 10 (a) (c) on page 17, which reads:—

"(a) Where any such payment or consideration has been made or given—

(c) under an agreement made on or after the first day of January, nineteen hundred and forty-six, in respect of any other premises to which this Ordinance applies . . ."

Those two clauses are for the purpose of dealing with people who have thought it fit to go in for what I might call high class speculation. In other words, they buy premises and then immediately tell the tenants "you were paying \$60 per month before but now you have to pay \$100 or \$120 (as the case may be)." It is within my knowledge, that has occurred in several

cases. The answer that they give is "We have paid so much money for the house and consequently we expect to get a substantial or proper return on our money." Those two clauses are designed to discourage people from high class speculation to the detriment of a great and substantial majority of the people of Georgetown, and in fact of the people of this Colony. Those, sir, are the salient features of the Bill, and I hope hon. Members would appreciate the fact that it is a definite attempt to put on a proper footing this very vexed question of rent of the dwelling-house and also the business premises. Clause 3 which provides for business premises reads:

"(1) Subject to the provisions of this Ordinance, this Ordinance shall apply—

- (a) to all dwelling-houses whether let furnished or unfurnished;
- (b) to all public or commercial buildings whether let furnished or unfurnished the standard rent whereof is at the rate of not more than seven hundred and twenty dollars per annum; and

(c) to all building land, —
situate in the area described in sub-section (3) of this section."

I believe it is the view of some hon. Members that the limitation in respect of business premises should be removed and business premises should be placed on the same footing as dwelling-houses, but so far as Government is concerned Government is quite agreeable to the removal of this limitation of the amount in respect of business places.

There is another point raised which requires explanation. That is the question of a tenant sub-letting. A tenant can now under the provision of the Ordinance and the Defence Regulations which relate to the Ordinance sub-let various parts of a premises he is renting, and the suggestion has been made that such sub-letting should only be done with the permission of the landlord given in writing. I believe I have put forward all the points in favour of the Bill which, I feel, will be accepted in principle by hon. Members, and there are only those points to which I referred which will require clarification and consideration. With those comments I beg to move that this Bill be now read a second time.

Mr. CRITCHLOW seconded.

Mr. GONSALVES: With regard to this Bill I came into Council in time to hear the hon. the Attorney-General acknowledging the receipt of a letter from me, wherein I made certain suggestions which had been passed on to me by certain people who are interested in this Bill. They cover five points in connection with the Bill, and at the conclusion of the suggestions I suggested that it may be very convenient, perhaps, for a small committee of Members to meet him and discuss those suggested amendments. I venture to make that suggestion today and in my letter also, because I remember on the last occasion when this Bill was being considered that was done.

The ATTORNEY-GENERAL: I do not think it was this Bill. Probably it was before I had the privilege to be here.

Mr. GONSALVES: The hon. the Attorney-General may be right. On that small committee which was appointed I came out ingloriously in the minority because there was a strong supporting majority against me. The report was put before this Council and those amendments recommended then were more or less accepted. Whether the suggestions put forward today will be accepted or rejected does not matter, so long as they are given careful and serious consideration. They involve points which, I think, are worthy of consideration. I do think, and I think the hon. the Attorney-General will agree with me, it is not his desire to rush this thing through, and he would see if those points have any merit in them. Before I proceed with the points I would like to make an observation, and that is, ever since last year when the other Bill was being considered the promise was made that the Landlord and Tenant Bill, which was in process of preparation, would have been ready this year. I agree that the period of the undertaking given has not yet expired, as it was suggested that it should be ready between March and June.

The ATTORNEY-GENERAL: May I point out, Your Excellency, that the Bill, in accordance with the undertaking given to the hon. Members of this Council, was prepared, considered by the Governor in

Council and sent to the Printers some time ago. We have proceeded along the lines of the undertaking.

Mr. GONSALVES : I have not made any charge against Government because I have said the period of the undertaking has not yet expired, as the promise was to have the Bill ready between March and June. If it is in the hands of the Printers, I am pleased to hear that from the hon. the Attorney-General. We are now seeing a little more daylight, and I hope shortly or as soon as the Printers are able to get through with the printing we will have full daylight in connection with that particular Bill.

With regard to the present Bill before us, it has been pointed out to me that a good deal of hardship and a good deal of inconvenience are caused by the free and indiscriminate way sub-letting is indulged in at the present time. It has also been suggested to me that sub-letting should not be refused altogether, but that all sub-letting or transferring of tenancy should be subjected to the approval in writing of the landlord. In other words, the suggestion is that landlords should know who are the sub-tenants who are going into the premises which are occupied by their immediate tenants. The law, as it stands, says if a man lets a place from another and he in turn sub-lets to someone else, if the original tenant removes off the premises the sub-tenant remains the tenant of the landlord. It has been pointed out that in many instances persons, perhaps, who are not desirable or who are not in the same position or category as the tenants, are left in the house and the landlord suffers thereby. The suggestion of retaining to the tenant the right to sub-let but affording the landlord the right to accept or otherwise the sub-tenant is to my mind a reasonable compromise as the position stands today, and that is the suggestion I have put up to the hon. the Attorney-General for his consideration.

The other point is, it has been pointed out to me that under the provisions of this Bill as regards standard rent there is to be no limit in so far as dwelling-houses are concerned, but in so far as business premises are concerned there is to be a

limit of \$60 per month. It has been suggested that both places should be on the same level; if there is to be a limit in respect of the increase of the rent it should apply to both dwelling-houses and business premises.

The third suggestion is in regard to the percentage which is allowed under clause 7 of the Bill. At the present time the percentage is between 10 and 25 per cent. It has been pointed out that having regard to the cost of maintenance, the cost of materials and labour, the percentage should be either a fixed one of 25 or on a sliding scale of 20 to 30. That is the suggestion which has been made in that respect. They contend that 10 per cent. on dwelling-houses is much too small. I see in the draft Bill there is a provision inserted, which is not in the original Bill, that the Rent Assessor has the right to take away the 25 per cent. which may have been given on representation being made to him that it be reduced or taken off.

The other question is with respect to the definition of standard rent. It has been suggested that in view of the restrictions in this Bill, perhaps, the period from which the standard rent should be counted should be March, 1941, instead of September, 1939. Then there is the proviso to clause 7 where it is provided to bring in the provision of the English Act that a landlord desiring the possession of a premises should be able to offer alternative premises for the tenant on removal. It has been suggested that where a man requires the place for his own use and that of his family the provision of alternative premises should not be required. Those are suggestions which have been made to me and which I have asked to be taken into consideration with this Bill.

Then the last one is that which the hon. the Attorney-General referred to, the period of the Bill. It is suggested that perhaps 1949 is more reasonable and, in the event of the Bill being still desirable as conditions have not improved by then, and it is considered necessary to extend the provisions for another year or some such period, it may be provided for so as to prevent legislation coming up too fre-

quently. It has been said that the five years' period is a little on the long side. That is a suggestion made to me which I pass on for consideration. As I have said, if the hon. the Attorney-General thinks it is advisable, and I am sure he does, then perhaps a small committee may go into these laws and make something concrete.

Mr. FARNUM : I beg to support the suggestion of the last speaker that a small committee be appointed. There are not many points in the Bill requiring clarification, just one or two, and the principal one is that in respect of sub-tenants. It is a matter that requires some discussion and clarification. I agree that there should be no limitation. Business places should be on all-fours with private places. As regards the period of the Ordinance, I do not think it is too long, but I do feel that a committee will be able to clear up the various points I have mentioned, and there are one or two others which may be cleared up and perhaps, inserted in the Bill.

Mr. CRITCHLOW : As regards the Rent Assessor, the tenants in New Amsterdam say that when they apply to have their rent assessed, the Magistrate tells them he cannot do it. I have discussed the matter with the hon. the Attorney-General and I have promised to show him a letter which I have received, so that the tenants in New Amsterdam may be able to go to the Magistrate and get their rent assessed instead of sending the matter to me to have it assessed for them. I do not want to oppose the appointment of a committee, but I shall oppose any delay in the passing of this Bill. I hope that the committee will have a limited time within which to report, as the tenants in general are suffering from exorbitant rents.

Mr. GONSALVES : I think the hon. Member will recall, as he was on the last committee, that the hon. the Attorney-General moved very expeditiously.

Mr. LEE : I would like also that Government should consider the question of a Rent Assessor for Bartica. Representations have been made to me that the Magistrate there has said he has not been appointed a Rent Assessor, and that

is an area which was declared by the Defence Regulations. As regards the hardship occurring in Georgetown, there are faults on both sides. There are some landlords who are trying their utmost to get tenants out of their premises in order to increase the rents by carrying out little repairs, and some tenants are so harassed by some landlords that they are quite willing to go to some other place so as to be as quiet as possible and to pay increased rental on account of the difficulty to obtain houses. But there are also tenants who, because the Ordinance protects them to a certain extent in respect of dispossession, are getting away with the landlords' rents. They are encouraged by Government to a certain extent, because the claim for a distress warrant has also to go to the Rent Assessor and is put down until the case for possession is heard. I feel certain that if Government does not try its utmost to obtain building materials and hurry up as much as possible the Settlement Schemes, many of the people in Georgetown would be compelled to go to the country districts to live and the landlords would then find it difficult to get their premises rented. So long as Government does not carry out the Settlement Schemes and the improvement of houses, the people in the country districts will flock to Georgetown and remain in Georgetown and be harassed by unscrupulous landlords. Therefore, when some of the landlords are hit by the tenants and some of the tenants are hit by the landlords, we have to stand aside.

But there is one question which is very difficult, and I agree with certain Members of this Council who have spoken, that in the case of sub-tenants the clause should be amended so that any tenant who desires to sub-let a part or the whole building rented by him should obtain either the consent of the Rent Assessor as he is in a measure an arbiter, or the consent of the landlord, so that the landlord at all times can be cognizant of those who are occupying the premises which he had let to a tenant. What I find has occurred is that when certain landlords obtain an order for possession against a tenant, application is sent in by someone occupying the premises as a sub-tenant resisting it. The landlord then loses his rent as the

sub-tenant is only paying a portion of the rent for the part of the premises he is occupying, and that is very hard on the honest landlord.

I feel that in respect of the requirement of an alternative premises, landlords should not be so restricted. If a person can find alternative accommodation for a tenant and the increase of the rental is not so high, the Rent Assessor should be compelled to make an order of possession. But Your Excellency will see from the Ordinance that the circumstances of distance from one's workplace are involved, and that provision of the English Act applied here will place a hardship on some landlords and it will give the tenants a benefit. I do admit that some landlords are bad, but at the same time do not give the tenants more than what is reasonable. I feel certain amendments should be made to this clause of this Bill. I do agree that we want this Ordinance passed as early as possible, and it is not necessary to have a committee to consider it, provided this clause is amended in the Committee stage.

Mr. PERCY C. WIGHT: I am not going to oppose the appointment of a committee, but I think this matter should be considered with very great haste. There is no doubt that there is a tremendous amount of abuses in this property question, due mainly to the fact that a selected few, who can afford to pay the purchase price for properties in order to give their employees houses to live in, have created a very serious situation in this Colony. People are purchasing properties for \$14,000 and charging exorbitant rents for them. As the hon. the Attorney-General rightly said, they expect returns on the money they have invested, but those people who are buying places now can afford to throw money away; they do not mind the cost because they are making it back in another direction. We bought a place for the learned Chief Justice and paid \$20,000 for it; we spent money on it, and the rent which is being paid for it is \$55 per month. We have set the example to everybody who wants a residence for a relative or a member of his firm. I certainly think this thing should be attended to immediately. I know a case

which is before me now. A man bought a property for \$18,000 which was bringing \$100 per month rent, and the poor woman who is occupying it has now to pay \$300 per month rent for it. The thing is beyond reasonable thought. I can give as many instances as you can want.

I regret that I have not had the opportunity to go minutely into this matter. I am a sick man at the present moment and expect to take a holiday shortly, but I want to impress upon you, as President of this Council, to see that this matter is attended to, or you are going to have very serious consequences. I know perfectly well that the question has been raised about preferent claim in regard to property. This is only a method of putting a check on that kind of thing. A man naturally buys a property at an enhanced value and wants to get a return on his investment; he has to increase his rent if he wants to get something more than the Post Office Savings Bank gives as interest. I have advised people regularly that instead of buying property they should put their money on the Post Office Savings Bank. That is better than paying a tremendous price for a property and letting it out at a small sum and then to be at the mercy of the tenant who sub-lets the rooms. I am strongly opposed to that. Naturally the man who sub-lets is not responsible to the landlord for anything; he can do anything he likes. If a board in the floor is bad and he falls through and breaks his leg an action, however, can be brought against the landlord who gets no redress. I think that a clause should be inserted in this Bill for the protection of the landlord. I am not pleading for myself, though I am a large property-holder. Latterly I have only retained dwelling-houses worth retaining, but I have never put one penny on the rent of my places. The position is getting very serious. People who can afford it are paying any price for properties and are forcing the poor underdogs who cannot do otherwise to pay high rents. Eventually they will lose the money they have invested in properties, and the people who hold the mortgages will be the owners of those properties in a short time. The Bill should be passed with haste.

Mr. SEAFORD: There is just one point on which I would like to ask the hon. Member a question. If the hon. Member has a limited liability company which invests in buildings and it buys a building and the Government of this Colony proposes to take 40 per cent. of its profits, does it not mean that the Government is paying 60 per cent. of the value of that house?

Mr. PERCY C. WIGHT: I must admit it is much too complicated a proposition for me to decide and answer at the moment. I cannot see that myself. You are allowed depreciation on the price fixed by the Municipality of 3 per cent. of the assessed value. There is no such value now. Taxes are imposed on a rental basis. If you get \$55 per month as rent you will have only \$60 a year to pay insurance, taxes and all that kind of thing. If the hon. Member who has just taken his seat had referred to the lending companies I would have said that they are the people who get the benefit. They rope in 6 per cent. interest every year. It must also be borne in mind that landlords cannot do much by way of repairs at present because they cannot get nails and other materials. They are still allowed 3 per cent. on the valuation.

Mr. HUMPHRYS: I cannot see what this Bill has to do with what anybody chooses to pay for a property. If an intended owner chooses to pay such a price that he cannot get a reasonable return, that would be his trouble. I would say, however, that if this Bill is intended to prevent a tenant from paying more rent than he ought to pay that is all very well, but I think Government should appoint a Committee to go into this question or postpone consideration of this Bill in Committee for a couple of days.

Mr. PERCY C. WIGHT: My statement is due to the fact that the learned Attorney-General said that everybody desires a return on his investment. I have received a letter from Messrs. Cameron and Shepherd relating to this matter. The hon. Member who has just spoken has been retained by certain people to do certain things.

Mr. HUMPHRYS: To a point of order! Is the hon. Member entitled to

speak again? If so, I will speak again also.

The PRESIDENT: I am prepared to take the second reading of the Bill and then appoint a Committee, if necessary, to go into the matter. I do not want to postpone the second reading, and I will therefore put the question.

Question put, and agreed to.

Bill read a second time.

The PRESIDENT: I have consulted with the Attorney-General and he agrees to sit on a Committee along with Mr. C. V. Wight (who is not here but who is Mayor of Georgetown and should be on it), Mr. Critchlow, Mr. Gonsalves, Mr. Jacob and Mr. Farnum. The Attorney-General has a great reputation of getting through with these Committees quickly and, I hope, he will get through quickly with this one also.

With the consent of hon. Members I would like to close this debate early in order to deal with a motion which is not on the Order Paper. It is entirely up to Members; if they feel we should not deal with it this afternoon then we will deal with it tomorrow.

Further consideration deferred.

TELEPHONE AND TELEGRAPH SYSTEM

The PRESIDENT: I explained to hon. Members last week that we have had an offer for a consulting engineer to come out and examine our telephone system and to report and advise thereon as a result of Government's plan for the complete renovation and extension of the system. Government, as you know, had been told some months ago to send the full plan to the Crown Agents, and the Crown Agents have suggested that their consulting engineer should come out and look at the plan on the spot and consult with Government. That will cost 1,000 guineas and the question is whether this Council is prepared to meet an expenditure of 1,000 guineas. The cost of replacing, renewing and extending our system would probably be well over \$1,000,000 and what hon. Members have to decide is whether it is

worth while spending 1,000 guineas for advice on a scheme which will cost over \$1,000,000, because there is no single person in the Colony now who can offer Government advice on this subject. Government has gone as far as it could with its own officers and there are other considerations as well. If we get this expert we would be in a position to bring a decision to this Council, but without an expert we would be working in the dark. For six years or more we have done practically nothing with our telephone system. Everyone knows we have to do something and everyone knows it would cost a considerable sum of money. With the permission of Council therefore I would ask the Colonial Secretary to move the motion which I have prepared. If hon. Members are prepared we will consider it tomorrow, and if you give me authority to bring out the expert he will fly out here in three weeks time and fly back, but it will cost 1,000 guineas.

Mr. LEE : There was a current rumour that some Company had made an offer to Government for the purchase of the telephone service. I would like to find out if that report is true. Secondly, Your Excellency has stated that it will cost 1,000 guineas to bring out an expert, but I would like to know what sort of offer, if any, was made by the Company.

The PRESIDENT : So far as I know, a company which operates telephone services in Trinidad, Barbados, Jamaica, Venezuela and, I think, in Portugal, has offered to purchase our telephone service. For all the buildings and lines a total of \$51,000 was offered to Government by the Company. The estimate of over \$1,000,000 for the improvement of the service is on a scheme put forward by Government officers.

Mr. LEE : Is that the scheme in which we are to get a new switchboard and so on ?

The PRESIDENT : Yes. We sent forward the scheme to the Crown Agents for advice as it included a new switchboard and a complete renovation of the telephone system—extension of the service and so on. That scheme was worked out by Government officers, and the Crown

Agents suggested that they should send out their own consulting engineer to review the scheme on the spot with the Government officers who prepared it.

The COLONIAL SECRETARY : I do not know whether we are in order, sir. I think I should move the suspension of Standing Rule and Order No. 11 so that the motion can be put.

Standing Rule and Order No. 11 suspended.

The COLONIAL SECRETARY : As your Excellency has already explained the matter I will only move formally —

“That, this Council approves of the engagement of a qualified Consulting Engineer to examine and report on the telephone and telegraph system and undertakes to provide the necessary funds to cover the cost.”

The fee is 1,000 guineas for a visit of one month. When we calculate the cost of air passages out and back along with a fee of 12 guineas a day for about a month, we will find that this fee of 1,000 guineas is not high. 1,000 guineas is \$5,040.

The PRESIDENT : I would like to state that I have been dealing with a lot of expert. and this is the most business-like offer we have received. They say “We want 1,000 guineas and no more.” They do not ask for the cost of passages or anything else; they say “If you pay 1,000 guineas we will supply an expert for one month.”

Mr. FERREIRA : Some hon. Members might think it is no use spending 1,000 guineas for the advice of an expert but, personally, I would like to vote it. I am against the disposal of this service by Government to any private enterprise. If private enterprise can invest money and make the service pay, I do not see why we cannot do likewise. A fee of 1,000 guineas is quite a lot, but if we can afford it we should pay it and be sure whether we have to spend \$1,000,000 or \$1½ million.

Mr. GONSALVES : I am sure everybody would like to see an improved telephone service, and if \$1,000,000 is to be the cost then we would have to spend it because we cannot cry and say we want

a proper service and be not prepared to pay for it. I have not heard, however, how it is proposed to raise this \$1,000,000—whether it is one of those things we have to apply for or whether we will have to assist the hon. the Colonial Treasurer in his efforts to raise money, perhaps by carrying up income tax 25 or 40 per cent., but there are other ways. I am inclined to think that the motion would get much more ready support if there is some indication as to how the \$1,000,000 could be found. It is no use paying the 1,000 guineas now unless we are going to find the \$1,000,000 to spend later. Another question is whether the expert will go into the question of site for the new telephone exchange.

The PRESIDENT : The second question which the hon. Member has asked is easier to answer than the first. The Colonial Treasurer may be able to give some idea as to how it is proposed to raise the money. Before he does that, however, the hon. Member for North Western District will speak.

Mr. JACOB : I intend to support the motion for the bringing out of an expert at a cost of 1,000 guineas. This question of the telephone service has been raised over and over again, and I do not think any Member of this Council would be opposed to raising the telephone rents if the Colony's finances cannot afford to pay for an efficient service at present. For years I have been complaining from my seat here that the telephone service is very rotten and that it wants remodelling and reorganising, and that the rents are far too low. I do not want an expert to come here and tell me that the telephone service should be made to pay, or that the Transport Department should be made to pay. This Government is responsible for the telephone service and also for the Transport Department, and I think we should do things in a businesslike manner so that these services could be made to pay. I do not understand the question of site, however.

The PRESIDENT : It is for the new telephone exchange.

Mr. JACOB : What is wrong with the present site ? If we have to acquire premises nearby, that can be arranged.

The PRESIDENT : The present site is dangerous as regards fire.

Mr. JACOB : I do not know that we can control fires. We have had fires where we never expected them. If Alberttown is good enough for a telephone exchange, I think, Stabroek is just as good. The question of money is very important as far as I am concerned. I am in favour of an up to date service and also in favour of its being run on a proper basis. I think the Economic Adviser has made certain recommendations as regards the Customs Department and the improvement of other services. I think that is the proper view to take of things. I support this idea and I hope Government will instal a proper telephone service as soon as the necessary materials are obtainable.

Mr. SEAFORD : There have been many complaints in this Council as regards the telephone service and other things. We frequently hear how badly they are run and that business people can run them very much better. I have heard it said that a private company will be able to run this telephone service very much better, but I support the motion because I think we should get someone out who will be able to advise us on the subject. We might have to spend \$1,000,000 or \$2,000,000 and I would like to see an estimate put up as to how much we would have to spend. If it is proposed that Government would subsidize the service, we should also be told what would be the cost for doing so and whether it would be run as a business firm or as a private concern. I do not care tuppence who runs it, providing we get an efficient service. We should get someone who knows the work to put it on a proper footing.

Mr. LEE : I think if we get the services of an expert for a month for 1,000 guineas it would be very reasonable, but the question asked by the hon. Member for Berbice River is very important. Is Government prepared to stand the capital expenditure ? If Government is not, I cannot see my way to consent to 1,000 guineas of the Colony's money being thrown away in this manner. I am not saying that the expert would not make recommendations which would benefit the Colony, but is Government going to find

the money to improve the service which is deficient in many ways? My hon. friend on my left has reminded me that the Transport Department wants \$4,000,000 and if the telephone service wants \$1½ million that would mean a total of \$5½ million for those two services only. Then we have our roads which require several million dollars also. If Government can give an undertaking that we will receive a reasonable grant from the Colonial Development and Welfare funds towards the improvement of our telephone service, I will vote for this motion..

The PRESIDENT: I think I can clear the air somewhat. Hon. Members should realise that somebody has to run the telephone service and to renew it. The expert will advise Government what is the sensible thing to do—whether to sell out—in which case the purchasing company will have to do all the replacements and renewals—or whether Government should renew the service and run it at higher rates. We would have to increase the rates if Government is to run the service at a profit, but whatever is to be the final position Government will not be in a position to put up anything to the Council until we get expert advice. A considerable sum of money has to be spent on the service in order to bring it up to date, and if the expert comes out Government would find out what is the best proposition to put up to the Council—what is the best thing to do — and I do think hon. Members would be asked to decide finally who should operate the service. Many of us are in favour of Government doing so for many reasons, but if Government is to continue to operate it we will have to spend a considerable sum of money. Government is putting up a concrete proposal to this Council, but we cannot say definitely what the position is until we get the expert.

The COLONIAL TREASURER: The point Your Excellency has just made is one which I intended to emphasize. The telephone exchange and the whole service is in a position where some repairs have to be done if they are to be carried on. Some parts of the service are still of some use but other parts—especially the trunk-line service — are giving out and, naturally, the engineers feel that rather

than patching them up they would like to see a complete rehabilitation of the system. It is therefore necessary to have expert advice as to whether the whole thing should be done now or whether we should postpone it and, in any case, whether it would be better to pass the service over to private hands.

As regards the question of operation under private management as against Government management, there is no doubt that when a public utility service is being operated by Government it is subject to certain rates which do not apply in the case of private management. I know myself that proposals have been put forward for increasing the rates of our telephone service in order that they may become economic rates. I am told that our rates are the lowest in the world, but I am sure that if the proposals were put forward to increase those rates from some quarters at least they would have been opposed. Under private management, however, that is not possible. A franchise would be granted on the condition that a company operating a public utility service would be entitled to a certain percentage on its capital, and as long as the company is unable to make that percentage it is usually allowed a free hand. In other words, the rent has got to meet the actual cost of running the telephone service and that is the difficulty in running it by Government—you are not free to make it an economic proposition. Criticisms are always levelled against public utility services run by Government, but several considerations have to be taken into account. I have heard congratulations offered to those responsible for the running of the telephone service, and I join those who have offered them. The service is being very well run now with the equipment they have on hand, and it is not their fault that the service does not pay.

To go back to my point, however, I would say that we have to spend a considerable sum of money and we also have to decide whether there should be a wholesale restoration of the service. As regards finance, it is very difficult for me to say if Government is going to spend \$1½ million, where the money

is going to come from. We have three sources; we have our Surplus, we have the Development and Welfare allocation — we have still got a balance at the credit of our loan account—and we have got the possibilities of raising a new loan. Those are the sources from which we can find money. What we are doing now is putting together a programme of the various schemes and plans of works that are contemplated and, having looked at them, we will decide on priorities and how we are going to finance them. It may be that we may have to cut out one thing in favour of another. It may be that we may have to get out this new telephone service, but we may find that something else has to be given better priority. So I cannot say definitely that Government will find \$1,000,000 from loans or surplus. It has to be weighed up with all other schemes and plans which are now being considered.

Then there is the question of site. I was told that the site is important. If you are going to have a new telephone service, you ~~must~~ have a new telephone exchange. The best and most efficient for an exchange is one central in relation to its service in the country, and this particular site of McInroy's Building is about the worst. I am told that the best site is somewhere in the vicinity of Bourda or the old Water Works, in the centre of the city. If you are going to renew the service with underground lines and cables, the best thing is to take the opportunity of getting out of the bad site which may be a good site from another point of view and can be used for some other purpose.

The PRESIDENT: I would like to add to what the hon. the Colonial Treasurer has said. One Member has said it is a rotten service, but in fact I have used the telephone in Barbados, Trinidad and in Georgetown and I must say that the service in Georgetown is good, though in the country it must be awful. It is not the fault of the Officers. The fact is, it is worn out. Government considers that the existing system is properly operated, and in its present condition it is well operated indeed. It must be renewed and expanded and, I hope, Members will support the motion to bring out the expert.

Mr. PERCY C. WIGHT: I would like to join you in those remarks. I think our telephone service is superior to anything like that in Trinidad and Barbados. I would be the last person to agree to sell it unless you are going to offer it to me.

The PRESIDENT: What are you going to offer?

Mr. PERCY C. WIGHT: £1,000 to my mind is not a fee that any real expert will want to come here and discuss this proposition. Personally I would say, the service should be renewed, cost it what it may. We can easily raise the money for it. I have had experience in this Colony of experts and I have always looked upon such expenditure as a waste of money. The last was Mr. Rooke. I cannot help saying so. What his report did was to make us spend a lot of money and incur liability for a tremendous sum. I am not going to oppose the motion, but I want to record my views against this expert that is being brought down here. I do not know where we get them from. I do not know whether he is a person employed in a telephone service or a man who builds telephone services. What we do want is to start operation and bring out a competent person to do the work, regardless of the cost. This £1,000 will only be for a weighty document which we cannot follow accurately. The expert we want is a man to come and build the service for us.

The COLONIAL SECRETARY: While I am not claiming paternity for the baby I move formally —

"That, this Council approves of the engagement of a qualified Consulting Engineer to examine and report on the telephone and telegraph system and undertakes to provide the necessary funds to cover the cost."

Motion put, and adopted.

BILLS — FIRST READING.

The ATTORNEY-GENERAL: I move the suspension of the Standing Rules and Orders to enable me to move the first reading of Bills.

Mr. CRITCHLOW seconded.

Question put, and agreed to.

Standing Rules and Orders suspended.

On a motion by the ATTORNEY-GENERAL seconded by Mr. CRITCHLOW the following Bills were read a first time :—

- (a) A Bill intituled An Ordinance to amend the Legislative Council (Elections) Ordinance, 1945, with respect to the dates on which the registers of voters to be prepared under the Ordinance shall come into force.
- (b) A Bill intituled An Ordinance to appropriate the supplies granted

in the current session of the Legislative Council.

The PRESIDENT : There is no further business for today.

The ATTORNEY-GENERAL : Only the Spirit Shop Bill. I think we will take the second reading tomorrow.

The PRESIDENT : I would like to adjourn the Council until 2 o'clock tomorrow.

The Council adjourned to 2 p.m. on the following day.