

LEGISLATIVE COUNCIL

(Constituted under the British Guiana
(Constitution) (Temporary Provisions)
Order in Council, 1953.)

THURSDAY, 4TH APRIL, 1957.

The Council met at 2 p.m.

PRESENT

His Honour the Speaker,

Sir Eustace Gordon Woolford,
O.B.E., Q.C.

Ex-Officio Members:

The Hon. the Chief Secretary,
Mr. F. D. Jakeway, C.M.G., O.B.E.

The Hon. the Attorney General,
Mr. A. M. I. Austin,

The Hon. the Financial Secretary,
Mr. F. W. Essex.

*Nominated Members of Executive
Council:*

The Hon. Sir Frank McDavid,
C.M.G., C.B.E., (Member for Agriculture,
Forests, Lands and Mines).

The Hon. P. A. Cummings (Member
for Labour, Health and Housing)

The Hon. W. O. R. Kendall (Member
for Communications and Works).

The Hon. G. A. C. Farnum, O.B.E.
(Member for Local Government,
Social Welfare and Co-operative De-
velopment).

The Hon. R. B. Gajraj

The Hon. R. C. Tello

Nominated Unofficials:

Mr. W. A. Phang

Mr. L. A. Luckhoo, Q.C.

Mr. C. A. Carter

Mr. E. F. Correia

Mr. H. Rahaman

Miss Gertie H. Collins

Mrs. Esther E. Dey

Dr. H. A. Fraser.

Mr. R. B. Jaïal

Mr. Sugrim Singh

Clerk of the Legislature

Mr. I. Crum Ewing.

Assistant Clerk of the Legislature

Mr. B. M. Viapree (Ag.)

Absent:

Mr. J. I. Ramphal

Mr. T. Lee — on leave.

Rev. D. C. J. Bobb — on leave.

Mr. W. T. Lord, I.S.O.

The Speaker read prayers.

The Minutes of the meeting of the
Council held on Thursday, 28th March,
1957, as printed and circulated, were
taken as read and confirmed.

ANNOUNCEMENTS

Thanks from Speaker in Ghana

Mr. Speaker: I have to announce that I have received a letter from the Speaker of the National Assembly of Ghana thanking the Members of this Council for the greetings and good wishes sent to the Parliament of Ghana on the attainment of Independence by that territory.

I have also to announce that the Rev. Mr. Bobb is unable to attend today's meeting of the Council and has therefore been granted leave to be absent.

PAPERS LAID

The Chief Secretary (Mr. Jake-way): I beg to lay on the table:

Report of the Government Information Services for 1956.

The Financial Secretary (Mr. Essex): I beg to lay on the table the following documents:

Minutes of Meetings of Finance Committee held on 5th, 6th, 7th, 10th, 11th, 12th, 13th, 14th, 17th and 18th December, 1956, and on 26th and 27th February, 1957

Report on the transactions and accounts of the British Guiana Credit Corporation for the two years ended 30th June, 1956, together with the report by the Auditors thereon.

Statement of Loans from voted expenditure written-off during 1956.

Sir Frank McDavid (Member for Agriculture, Forests, Lands and Mines): I beg to lay on the table:

The Thirty-Second Annual Report of the Imperial Forestry Institute, University of Oxford (1955-56).

REPLIES TO QUESTIONS

BARTICA—PURE WATER SUPPLY SCHEME

Mr. Correia asked the Member for Local Government, Social Welfare and Co-operative Development the following question:

In reply to questions tabled by me on the 9th of September, 1955, the Member for Local Government Social Welfare and Co-operative Development stated, in "Replies to Questions—No. 4" tabled in the Legislative Council on the 6th of October, 1955, that a Committee under the Chairmanship of the Commissioner of Local Government was investigating the question of a water supply for Bartica.

Will the Honourable Member state whether the report has been received and if so, how soon will steps be taken to provide the village of Bartica with a pure water supply scheme?

The Member for Local Government, Social Welfare and Co-operative Development gave the following reply:

The Committee has not yet concluded its deliberations as it is awaiting certain technical information.

Mr. Correia: I think this reply is very disappointing, Sir. This question was tabled some 15 months ago, and I am very disappointed.

LAND ACQUISITION BILL

Sir Frank McDavid: I have a statement to make and that is, with the permission of hon. Members I should like to proceed with the second reading of Bill No. 3—the Acquisition of Land (Land Settlement) Bill—the first thing tomorrow.

Mr. Speaker: Very well.

Mr. Phang resumes after illness

Before we proceed any further I shall like to extend a hearty welcome back to the Council of the hon. Member, Mr. Phang, after an absence of three and a half months, due to illness. I am glad that he has been able to resume his seat.

LABOUR (CONDITIONS OF EMPLOYMENT OF CERTAIN WORKERS) (AMENDMENT BILL

Mr. Cummings: I beg to move the second reading of the Bill intituled:

"An Ordinance to amend the Labour (Conditions of Employment of Certain Workers) Ordinance,"

In doing so, Sir, I do not think it is necessary to do any more than to invite the Council's attention to the Objects and Reasons of the Bill. It is there stated that the Minimum Wages (Restaurants, Hotels and Parlours) Advisory Committee which was appointed under Section 7 of the Labour Ordinance (Chapter 103) to investigate the conditions of employment of workers employed in restaurants, hotels and parlours and to make recommendations as to the minimum rates of wages which should be payable had submitted its report. That report was laid in this Council some time ago and I believe hon. Members have had an opportunity of reading it. The Committee has recommended that there should be an increase in the rates of wages payable to workers employed in restaurants, hotels and parlours and a differential between workers employed in hotels in Georgetown and those so employed in Bartica and New Amsterdam. It has been further recommended that certain additional categories of workers should be provided for,

This Bill seeks to give effect to those recommendations, and opportunity has also been taken to amend the Principal Ordinance so as to give the Governor in Council the power to add to or delete from the particulars contained in the Schedule. Hon. Members will, I am sure, recall that it is the policy of the Government of this Colony that where there is no machinery for workers who do not appear to be able to get together to represent themselves, Government should introduce the minimum rates that were recommended in 1954. The Committee has studied those recommendations realistically, in accordance with the existing minimum rates, particularly in regard to the fact that there was the civil servants' salaries revision. The Committee has reported, and it is proposed to deal with minimum wages for other categories of workers later. Hon. Members will observe that permission has been given to the Governor to add to the particulars contained in the Schedule to this Ordinance rather than permitting the Governor to do away with this particular piece of legislation.

Sir Frank McDavid: I beg to second the motion.

Mr. Speaker: Would any other Member like to speak?

Miss Collins: I am very happy that this Bill has been brought forward. In the absence of these provisions for years some employers have acted quite indiscriminately with their employees and I hope that employers will always remember the importance of good relations between them and those who have to work with them. I am sorry this Bill does not follow what is called a sliding

scale, and I do hope that in future a sliding scale would be introduced in order to prevent Government from setting up these Advisory Boards. I remember sitting on one of them in 1949 and it was two years before it made its recommendations. I congratulate Government on having put this forward.

Mr. Jailal: I wish to commend Government for this step in a generally good direction, and I seize this opportunity to exhort Government to further these steps. It is most desirable in the present age in which we live that we should adopt every bit of speed to conform to a certain pattern of things demanded by the rest of the world — I mean that we need to accelerate our programme of wage-fixing. I can only urge Government to do whatever it can to make wages a fixed thing so that the worker would know exactly what he can obtain for his labour. It is useless to continue the system where one employer gives him \$2.50 a day and another, \$3.50. It is most necessary to have a change from this and it is one of the things Government should direct its mind to as early as possible.

Mr. Tello: While I actually support the Bill in its objects, I certainly cannot associate myself with the remarks of the last two speakers. I think provisions for a minimum wage are quite all right where they are not applicable to workers organised in the trade union movement. Nothing would tend to undermine the trade union movement more than Government's adopting a policy of wage-fixing. I think the labour union leaders are doing a very admirable job in organizing the workers and industrial relations are certainly improving.

While I support this Bill in all its objects, I disagree that the correct thing to do is to spread minimum wages to every industry where there is machinery for dealing with these matters.

Mr. Speaker: Would the hon. Mover like to reply?

Mr. Cummings: Very briefly, Sir. I am grateful to Mr. Tello for enunciating what I consider an elementary principle of industrial relations. As I said in moving this motion, it is the policy of Government to educate trade unionists so that they can bargain with reason and due consideration for the workers. Whenever the circumstances call for a review of conditions this can be done around the table. There are steps that can be taken from that point, to arbitration; and even further, for an Advisory Committee can be appointed by the Governor in Council. It would cut across all advice, and, from an empirical point of view, everything if we were merely to choose the line of least resistance and legislate for minimum wages throughout industry. I can well hear someone saying that in that case it is easy for a man to stay where he is and get a penny more, or that some workmen are in a position to get more than what the Government can legislate as the minimum wage. In fact, there are very few employers who pay above the minimum wage, but where there is machinery for negotiation people to some extent stand a better chance of getting their just merits.

I am grateful to the Member for his point of view, but it is one that has been often considered and it has been rejected as many times as it has been considered. The hon. Member,

Miss Collins, erroneously felt there has been some delay in this matter, but this Committee reported in April, 1956 and Members will remember the sad passing of its Chairman, Mr. Sharples, which resulted in the holding up of certain steps. This is a matter that had to be dealt with by the law officers. A draft Bill had to be put up and the Commissioner of Labour had to be consulted. In other words, it had to be processed, and I think it has been speedily processed in order to bring it here. I do hope we can be a little speedier with these things, but they need considerable care: we have to get the opinions of officials, the people who will administer these things.

I wish to remind the hon. Lady Member that we are telescoping into law the recommendations of a Committee which represented both sides. All aspects of the matter were considered and what we are working on is what this Committee recommended. I do not think I can add more except to move that the Bill be read a second time.

Mr. Jailal: May I correct the view the hon. Member seems to have taken from my inference about wages? What I inferred was, that in the trade world there is an accepted differential between the wages of various tradesmen: the carpenter would receive so much and the pipe-fitter would receive so much. In British Guiana the carpenter would get the same pay as the pipe-fitter and the pipe-fitter would get the same pay as the machinist, and this is a state that has been existing quite wrongly, despite the work of trade unionism.

COUNCIL IN COMMITTEE

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

Clauses 1 and 2 passed as printed

Clause 3.—*Repeal and re-enactment of schedule to Chapter 110.*

The Chairman: There is no definition of the category of worker referred to in the Schedule as "Maid-waitress". These expressions should have clear meanings; they have clear meanings in Europe. We have not reached the stage of having maid-waitresses in this Colony.

Mr. Correia: In some small hotels we have maid-waitresses.

The Chairman: There may be exceptions. The nature of the work a maid is called upon to do here is different from what a maid-waitress does in England. They are very useful if we can find them. The expression is not defined, and there may be some disagreement between such female employees and the management.

Mr. Cummings: We are merely providing for a category of worker which already exists here. We are really providing new rates of pay for categories of workers which have existed for some time. The Minimum Wages Order made under the Labour (Conditions of Employment of certain Workers) Ordinance which this Bill is amending, which was No. 2 of 1952, provided for the same category. It is well understood in the Ministry among the officers who administer the Ordinance, and among the categories of workers described. I think the term is well understood by everybody concerned.

The Chairman: Including the males?

Mr. Cummings: I think so, Sir.

The Chairman: The same thing applies to the category referred to

[The Chairman]

as 'charwoman.' We know what a charwoman is in England.

Mr. Cummings: I omitted to emphasize the fact sufficiently that we are at the moment telescoping into the law recommendations made by a Committee on which representatives of these categories and of the employers sat. When the term was used it was used by them as they use it in their business. That is how we have understood it, and I believe that Members of this Council all understand it. It has been going on for five years.

The Chairman: I am only the Speaker, but I can assure you that I am speaking on behalf of a good many people who would like to employ women. We all know there is much criticism of the low wages which are paid for female service in this Colony. I hope the category of workers concerned will take advantage of the opportunities offered.

Mr. Cummings: This applies to females employed in hotels and restaurants. We have just heard a hotel proprietor say that the term charwoman is understood in the trade.

The Chairman: Mr. Correia is only a proprietor. I am speaking on behalf of the public.

Mr. Cummings: I am grateful to Your Honour.

Mrs. Dey: I agree with what Your Honour has said. What is known as a charwoman abroad is regarded as a general servant in this Colony and she works from 6.30 in the morning until 8 o'clock at night for \$15 per month.

Mr. Cummings: Perhaps, if I had Your Honour's guidance I might have gone further into this, but I satisfied myself that the people who spoke on behalf of these people at Union meetings and on the Committee knew what they were talking about, and Government is satisfied that the term is proper. I cannot say anything else.

The Chairman: I do not question the propriety of the term but its application to the nature of the service.

Mr. Cummings: May I seek Your Honour's guidance as to what should be my next step?

The Chairman: A charwoman is a cleaner; she does the entire cleaning. I do not know of any such people in this community. I speak with full knowledge of conditions here.

Mr. Cummings: We are very grateful when Your Honour gives us the benefit of your wide experience. May I seek your guidance as to what should be my next step? This Schedule has been considered and has received the approbation of the Executive Council.

The Chairman: You should define "charwoman" if you can, so as to prevent a person seeking the wages which the proprietor of a restaurant may not be prepared to pay. Do you think a restaurant proprietor would pay a charwoman \$6 per week if she is not to work every day?

Mr. Cummings: I appreciate what Your Honour has in mind; I know you are trying to be helpful, but I find it a little difficult in view of the mandate I have from Government at this stage to defer it. I wish this to be clearly heard by all. We have

certain politicians speaking at street corners of delays in these matters, and making statements which are quite erroneous. If there is to be a deferment of the matter I should like it to come from the very people who speak outside of delays. I take my seat readily appreciating Your Honour's desire to guide us, but I have a mandate to put certain things before the Council. It is not for me to go beyond the decision of the Executive Council.

Mr. Carter: If the hon. Member would give us the definition of "charwoman" as envisaged by the Committee perhaps we would be able to help him.

Mr. Cummings: If the hon. Member, who seems to be in agreement with Your Honour's suggestion would move that the Bill be deferred, and the Council agreed, I would be quite prepared to take the matter to the Executive Council with the suggestion Your Honour has made.

Mr. Jaisal: I would suggest to the hon. Member that he allow the Bill to remain in the Committee stage in order to arrive at a definition of "charwoman."

The Chairman: We will go through with the Bill in Committee and defer the third reading.

Clause 3 agreed to.

Schedule (b) agreed to.

Title and enacting clause agreed to.

Council resumed.

Mr. Carter: I move that the third reading of the Bill be deferred.

Mr. Speaker: Has the hon. Member any objection?

Mr. Cummings: I would like the Council to decide. I am not going to oppose the motion. All I wish to do is to let the Council take the responsibility for deferment.

Mr. Correia: I beg to second Mr. Carter's motion.

Motion approved.

Third reading of the Bill deferred.

INCOME TAX (IN AID OF INDUSTRY) (AMENDMENT) BILL

The Financial Secretary: I had mentioned last week at the first reading of the Bill intitled :

"An Ordinance to amend the Income Tax (In Aid of Industry) Ordinance" that I had amendments to propose at the second reading. Those amendments have been found to be rather difficult and technical to draft. If hon. Members agree, I would like the second reading to be deferred to next week.

Question put, and agreed to.

Consideration of Bill deferred.

FACTORIES REGULATIONS (VALIDATION) (AMENDMENT) BILL

Mr. Cummings: I beg to move the second reading of a Bill intitled:

"An Ordinance further to amend the Factories Regulations (Validation) Ordinance."

It is a non-controversial matter. Under the principal Ordinance, the Factories Ordinance, all Regulations made by the Governor in Council must be laid in this Council within fourteen days after they are made if the Council is sitting, and if the Council is not sitting then fourteen days after the

[Mr. Cummings]

commencement of the next ensuing sitting. The Hours of work (Sawmill Workers) Regulations, No. 19 of 1956, which were made by the Governor in Council on the 19th of September, 1956, were not laid before this Legislative Council within the specified time. This Bill seeks to give validity to those Regulations for all purposes as if they had been laid within the prescribed time. I beg to move that this Bill be now read a second time.

I may say that in the Committee stage I propose, if hon. Members agree, to move an amendment in the form of a third paragraph providing for the amendment of the relevant section of the Ordinance changing the time from 14 to 40 days. It has been found that 14 days is much too short a time. Very often these things have to be vetted by the Law Officers and further processed by the Ministry concerned, and Government thinks 14 days is too short a period. If hon. Members agree, I would take this opportunity to proceed to make that further amendment. The hon. the Attorney General has just advised—I must agree with him—that I cannot get that amendment in this Bill and it will have to be done in the Ordinance itself. So that amendment will not be moved.

The Financial Secretary: I beg to second the motion.

Question put, and agreed to.

Bill read a second time.

COUNCIL IN COMMITTEE

Council resolved itself into Committee and considered the Bill clause by clause without discussion. Clauses passed as printed.

Council resumed.

Mr. Cummings: I beg to move that this Bill be now read a third time and passed.

The Financial Secretary: I beg to second the motion.

Question put and agreed to.

Bill read a third time and passed.

DANGEROUS DRUGS (AMENDMENT) BILL

Mr. Cummings: I beg to move the second reading of a Bill intituled: "An Ordinance to amend the Dangerous Drugs Ordinance."

The necessity for this Bill is clearly set out in the Objects and Reasons attached to the Bill. It has been found that tincture of iodine can be legally imported into the Colony under section 10 of the Dangerous Drugs Ordinance which prohibits the sale of any substance not less than one-fifth per cent. morphine or one-tenth per cent. cocaine or of ecgonine. It is found that tincture of iodine is purchased in large quantities by opium addicts and boiled down into a concentrated substance or opium.

The Principal Ordinance provides for the control of the importation, exportation, production, manufacture, sale and use of opium and certain other dangerous drugs. In view of this situation, Government seeks by this Bill to provide for the control of this substance. I beg to move that this Bill be now read a second time.

The Financial Secretary: I beg to second the motion.

Mr. Correia: The hon. Member remarked that the Bill is non-controversial. I do not know whether he meant non-vexatious, but to the layman it is puzzling. I hope the hon. Member would explain to us more than he has done, as to the ordinary layman it does not mean anything.

Mr. Speaker: What about the drug he referred to? Do you know what he referred to?

Mr. Correia: No, Sir.

Mr. Speaker: Nor do I.

Mr. Correia: I was hoping to get more explanation. I expect the hon. Member to be in a position to explain the Bill.

Mr. Cummings: The hon. Member must remember that I too am a layman. All I can do is to take the advice of the Medical Board, the Chairman of which is the Director of Medical Services, that this is one of the substances we ought to control in view of the fact that its use is being abused in a way inconsistent with the Dangerous Drugs Ordinance. To tell the hon. Member, Mr. Correia, what exactly this drug is giving the formula, even then I am afraid I cannot say that far.

Mr. Correia: What I am afraid of is that this Bill may affect the importation of some simple patent drug that the people use.

Mr. Cummings: I do not know if this would help. I am merely repeating what I said before. It was permissible and within the law to sell a substance with less than one-fifth per cent. of morphine. It has now been found that drug addicts are purchasing in small quantities this drug which

contains less than one-fifth per cent. of morphine and reducing it by some process of distillation or boiling to Opium, which is a prohibited drug. We are now advised that it is in the interest of the public to substitute for the words "not less than one-fifth per cent. of morphine or one-tenth per cent. of cocaine or of ecgonine" in section 10 of the Principal Ordinance the following words "any proportion of morphine or cocaine or ecgonine". I do not think I can take it further.

It has been pointed out that nearly every one of our patent drugs contains these things. If we can get something more suitable we would be sure about what we are passing; we might be trying to stop drug addicts, but there are dozens of persons in the rural districts who might want these drugs, and what about them?

Mr. Speaker: They might operate without the authority of the Bill, but ignorance of the law would be no excuse.

Mr. Cummings: For the benefit of my hon. Friend, Mr. Correia, I will read the advice from the D.M.S. (acting), and I have no reason to differ from the statement made as regards the reason for seeking these restrictions by way of a deterrent against addicts. The letter reads:—

"I have to inform you that recently a particular drug has been imported into the Colony without any restrictions. This drug is called *Tincture Anodyne*. It is purchased by Opium Addicts in large quantities and boiled down into a concentrated substance which is opium.

"According to Section 10 (e) of the Dangerous Drugs Ordinance, Chapter 142, *Tincture Anodyne* can be imported legally into the Colony as it contains 0.19% of

[The Chairman]

Anhydrous Morphine i.e. less than one-fifth per cent. of morphine.

"With a view of effecting some measure of control in respect of **Tincture Anodyne** and other similar preparations imported into the Colony, the Medical Board and Board of Examiners, Chemists and Druggists, have decided to recommend to Government that the Dangerous Drugs Ordinance should be amended to make it illegal for anyone to import dangerous drugs without first obtaining the approval of the Director of Medical Services.

"I shall be grateful if Section 10 (e) of the Ordinance be amended by the deletion of the words beginning from "Containing" in the seventh line and ending with 'ecgonine' in the last line."

I hope the hon. Mr. Correia is satisfied with the explanation.

Mr. Correia: I am satisfied with the explanation, Sir, but I thought the hon. Member (Mr. Cummings) would have brought the list of the drugs that would be affected. I think he should supply us with all such information.

Mr. Cummings: This is one of the usual methods of control relating to dangerous drugs. I have acted on the advice of the doctors and the chemists of the country, and I am satisfied that the Bill is a necessary measure.

Mr. Rahaman: As I see this Bill, it is really intended to control opium addicts who use these drugs with harmful results to their nervous system. Some of these drugs are taken in large quantities and the number of addicts might very well increase if control is not exercised.

Mr. Luckhoo: This ambiguous Bill leaves me in a state of absolute complexity, and I must state that I

am unable to support it unless there is some clarification of the points raised.

Mr. Cummings: Maybe there are some opium addicts here. I would have thought that in a civilised community like this one would have found support for a Bill like this. I am hoping to satisfy hon. Members that this is the sort of legislation we must leave to experts. I think that when a Member of the Government is charged with introducing a Bill like this, it should not be criticised in this manner if he has consulted the persons who have been appointed in accordance with our laws to advise on a question like this. But having been satisfied with the Board of Examiners, the Medical Board and the Board of Chemists and Druggists, are we going to substitute ours now as experts? All I can say is, I am satisfied with the advice received, Executive Council is, and what appears to me to be the next reasonable thing to do if we wish to protect our weaker brethren from addiction to drugs, is to pass this Bill as revised.

Mr. Correia: I am not satisfied: we should have a list of the drugs that will be affected.

Mr. Speaker: I am afraid it would have to wait. I have not put the question for the second reading yet. I will put Mr. Correia's motion first to regularize this discussion.

Question put, the Council divided and voted as follows:

For

Against

Mr. Sugrim Singh	Dr. Fraser
Mr. Jailal	Miss Collins
Mrs. Dey	Mr. Rahaman
Mr. Correia	Mr. Carter
Mr. Luckhoo.—5	Mr. Tello

Against

Mr. Gajraj
 Mr. Farnum
 Mr. Kendall
 Mr. Cummings
 The Financial Secretary
 The Attorney General
 The Chief Secretary.—12

Motion lost.

Question put, and agreed to.

Bill read a second time.

COUNCIL IN COMMITTEE

Council resolved itself into committee to consider the Bill clause by clause.

Clause 1. — *Short title.*

Mr. Correia: Sir, I beg to move that this Bill be deferred until more information is given to this Council.

The Chairman: You cannot move it like that, but you can move that the clause be deleted.

Mr. Correia: I beg to move the deletion of this clause.

Question put, and rejected.

Motion lost.

Clause 1 passed as printed.

Clause 2. — *Amendment of section 10 of Chapter 142.*

Mr. Correia: I beg to move that this clause be deleted.

Question put, the Committee divided and voted as follows:

<i>For</i>	<i>Against</i>
Mrs. Dey	Mr. Jailal
Mr. Correia	Dr. Fraser
Mr. Luckhoo.—3	Mr. Rahaman

Against

Mr. Carter
 Mr. Tello
 Mr. Gajraj
 Mr. Farnum
 Mr. Kendall
 Mr. Cummings
 The Financial Secretary
 The Attorney General
 The Chief Secretary.—12

Did not vote

Mr. Sugrim Singh
 Miss Collins.—2

Motion lost.

Clause 2 passed as printed.

Title and Enacting clause passed as printed.

Council resumed.

Mr. Cummings: I beg to move that the Bill be read a third time and passed.

Mr. Correia: I am appealing to the hon. Member to defer this Bill until we can be supplied with more information. After all, we are about to pass something here which will affect all the people in the country and the hon. Member himself cannot tell us how many drugs are affected by this Bill. I think that is unfair to the public.

Mr. Cummings: I was under the impression I had made my position perfectly clear. This is a measure in connection with which I feel Government must depend on the advice of our experts unless, of course, they are patently wrong and Mr. Correia is unable to convince me that they are. Mr. Correia has had his opportunity again within the last three minutes to obtain a deferment, but he must not expect me to agree to that merely because he does not understand the measure. It is the

duty of this Council to go by the wishes of its majority — it is not what appeals to me but what appeals to this Council.

Mr. Correia: I beg to move that the third reading of this Bill be deferred.

Mr. Sugrim Singh: I beg to second that. No argument of any convincing nature has been adduced for this Bill being hurried through this Council, and all the hon. Member (Mr. Correia) is requesting is, some explanation. I cannot too strongly deprecate — I cannot find another word — the practice that when simple information is asked for by Members they are told to rely on experts. I do not question the integrity of experts and I cast no aspersion on them, but there are times when we have to do without experts.

Mr. Luckhoo: No one is really against this Bill, but surely as legislators it is our bounden duty to be aware to what we acquiesce to or refuse to accept. The proposition of the hon. Member (Mr. Correia) is merely one of seeking information on a point and the hon. Member in charge of the Bill is not in a position to supply that information. Well, one does not expect him to be informed on all subjects, and consequently one would expect him to return to this Council bringing the information sought. I feel there is no pressing need for this Bill to be rushed through today, and I therefore ask Members of the Council to support this motion which Mr. Correia has moved.

Mr. Speaker: Does any other Member wish to speak?

Mr. Cummings: I should like to get more information about this Bill and I may be able to bring it here tomorrow. I have consulted with Executive Council Members and I feel there is no harm in deferring it.

Agreed to.

Third reading deferred.

NEW AMSTERDAM ELECTRIC LIGHTING ORDER (EXTENSION) BILL

Mr. Farnum: I beg to move the second reading of the Bill intituled:

“An Ordinance further to extend the duration of the New Amsterdam Electric Lighting Order, 1900.”

This Order, which authorizes the Mayor and Town Council of New Amsterdam to supply electricity within the area defined in the Order as extended by the New Amsterdam Electric Lighting Order (Extension) Ordinance, 1951 (No. 15), ceased to have effect on the 31st. of December, 1951. This Bill is really to validate the actions from that date to now and extend the Bill to the end of 1957. By that time it is hoped a new Bill will be brought forward in connection with the new plant being erected in New Amsterdam.

Mr. Gajraj: I beg to second the motion.

Question put, and agreed to.

Bill read a second time.

COUNCIL IN COMMITTEE

Council resolved itself into Committee to consider the Bill clause by clause and passed it without amendment.

Council resumed.

Mr. Farnum: I beg to move that the Bill be read a third time and passed.

Question put, and agreed to.

Bill read a third time and passed.

HOSPITAL FEES (AMENDMENT)
REGULATIONS, 1957

The Chief Secretary: I beg to move the motion standing in my name which reads:

"Be it resolved: That this Council approves of the Hospital Fees (Amendment) Regulations, 1957, made by His Excellency the Governor on the 14th of March, 1957, which have been laid on the table."

The Hospital Fees Regulations provide for charges to be made for treatment and attention both for in and out-patients at Government medical institutions in this country. Pensionable Government officers are at present allowed certain concessions, such as reduced hospital charges. The intention of these amending Regulations is that those concessions to Government officers shall be extended somewhat to cover free X-ray examinations, operative treatment and Laboratory services, such as vaccinations, blood tests, etc. It derives from a recommendation by the Professional and Administrative Officers Whitley Council, a consultative body consisting of representatives on the Staff side of staff associations, and on the Official side of Government nominated members. It is a conciliatory machinery for considering conditions of service for Government officers in this country.

The Council has put up what I think is a reasonable case for these concessions, which follow what is in fact already the practice in Trinidad.

They are put forward, not because it is considered that civil servants should be a privileged class and should receive favoured treatment in relation to other members of the community, but because of their relationship to Government as an employer. Government tries to be a model employer. Free hospital treatment, including free medical attention or medical attention at reduced fees, is a common condition of service of the larger and better employers in this country and elsewhere, and it is the contention of the Civil Service that there is really no reason why in this respect civil servants should be less well treated than persons in private employment.

The ideal is a National Health Service which we are aiming at but have not yet reached, by which all members of the community would be covered and have free medical treatment in return for an insurance scheme. When that stage is reached the need for special arrangements such as these would no longer exist. Government recognizes its obligation to its employees, and for that reason the Governor in Council has approved of these Regulations, but the law requires that they should also be approved by the Legislative Council. I beg to move the motion.

Mr. Cummings: I beg to second the motion so ably moved by the hon. the Chief Secretary. When I was asked as the member for Health whether I would support these Regulations I took the same view on the spur of the moment that some people have taken in the Press—why should civil servants enjoy a privilege which other members of the community do not enjoy? I was persuaded, however, when I went into the matter, and, as the Member for Labour, I can well appreciate that Government, if not a model employer, should aim at being a model employer.

[Mr. Cummings]

I have learnt that this practice prevails in Trinidad, and knowing as a fact that all the leading firms in British Guiana, and many small ones too do provide medical treatment for all their employees, it did appear to me that people in similar positions in Government employment were not getting from their employer a necessary condition of employment which people employed by private firms were getting.

I wish to go a little further. It has been suggested that when we get a National Health Service by means of a contributory insurance scheme this sort of arrangement might not be necessary, but we do have a quasi-National Health Service because, in accordance with the proposals I submitted to Government this Council approved of free medical treatment for all persons within the income group of \$16 per week, and for police constables and their wives, prisoners and all persons taken to hospital by the police. The Medical Department has the discretion to extend that facility in deserving cases, if a person is able to persuade the Medical Administration that his is a case for free treatment. Consequently, the view taken by people writing to the Press is a view based on inaccurate information. In other words I feel that we are merely filling in a gap, and in order to be fair it is necessary to do so. Therefore, without any reluctance at all I very heartily second the motion.

Mr. Sugrim Singh: I have listened with rapt attention to the opening remarks of the hon. the Chief Secretary on this motion. I agree that the ideal would be a well planned, modern and up to date National Health Service, but I must oppose this motion, coming as it does at this period of the history of this country. We unhesitatingly

agree that criticisms have been levelled at this Council and even at the Ministry of Health and Housing in respect of quite a number of desirable improvements in the Medical Service of this Colony. In the Press and every other forum a common target is the inadequacy and inefficiency of the Colony's Medical Service. At this time when the Report of the Medical Enquiry Committee is to be implemented and there is an architect in the Colony in connection with the erection of a new hospital, we cannot neglect the large mass of people in the country to protect a small few. I may be a lone voice in the wilderness but I am accustomed to thinking that help must be given the weak and not the strong.

Government has erred from time immemorial in providing the bright lights and all the conveniences of modern civilization for the people in the cities, and completely ignoring the people in the countryside. I am a rustic, and it has been said that God made the country while man made the towns. To give priority to the proposal in the motion is, in my opinion, an inflation of values. I shall strongly oppose the motion, laudable as it is, because although it is a good motion it should follow in the usual course of things at the proper time. How can we do this when there are complaints about inadequate medical services? I have many friends in the Civil Service, and they will appreciate my stand in the matter.

We have been told that this concession operates in Trinidad. If we are to follow what is done there we must do so in all things. Trinidad is a country with oil, and we cannot do things here at the same pace. Instead of trying to assist the people in our countryside by providing cottage hos-

pitals and dispensaries in remote areas, Government is thinking of streamlining an already well fortified Civil Service. We are beginning at the wrong end. Those at the top are able to stand the vicissitudes of life; the poor people in the country must be taken care of first. It is a breach of faith with the masses of the country. I oppose the motion.

Mr. Jaiial: I wish to join the hon. Member in opposing this motion. I feel it is wrong in its basic idea. Civil servants are already a privileged group. I do not regard it as merely a concession of free treatment at the Georgetown and New Amsterdam hospitals, but there is the further implication that when civil servants find it necessary to go to the U.S.A. for medical treatment they are going to make approaches to Government. There is already provision for specialist treatment in this Colony, but where it is not available it may be available in London or Geneva. When a poor man's child needs specialist treatment which our hospital cannot provide we have to resort to Tag Days and street collections.

I think it is because of the enjoyment and real plans offered that every lad seeks to get into the Civil Service. He does not care to go anywhere else because he will not enjoy the same privileges. I think, like the hon. Member, Mr. Sugrim Singh, that we are starting at the wrong end. I agree that if this was a motion for the introduction of a full scale National Health Scheme, but I cannot agree to any poor Government offering all these special privileges to civil servants. Like the hon. Member, Mr. Sugrim Singh, I have strong connections with the Civil Service, but that does not hinder me from saying what my feeling is in a matter like this. I feel we will be doing the country a wrong in setting ourselves up as a

tribunal. When it comes out in the wash we will be more and more hated. I feel it is totally impolitic — I say so without fear of contradiction — that within recent times the most iniquitous things as enactments have been brought into this Council — things that make us ashamed and cannot stand the light of day. I believe that in the closing scenes of this Government, the closing period, we should be rounding off the work that we have done, we should be consolidating our work. I do not think any past Legislature has passed as many Bills as we have passed in the few years we have been here, all of them savouring of favours for a particular group. I think that is wrong.

I exhort Government seriously that if they hope to win the goodwill of the people to cease bringing these iniquitous and wrong and poor basic thoughts to this Council. This is an Interim Government. It is not the choice of the people. We are not speaking with the voice of the people, and it is, therefore, quite wrong for us to accept things that do not tend to secure the goodwill of the people. The moment the Editors start to put forward a counter-opinion we should look at it and examine it, because at most times the newspapers of a country reflect the opinion of that country. I want to say that in an issue like this, I have only one vote and I realize fully that the numbers are definitely against us, but I will admonish Government with all the power of speech I have that this is a step in the wrong direction. Government is only adding more fuel to a fury that has already been existing. My advice is to put this matter in cold storage. If Government wants to deal with this matter, let it be dealt with at a time when the people's representatives are here.

Dr. Fraser: Your Honour, I regret I cannot support these Regulations. I consider that they have been brought forward at a most inopportune time. Our hospitals are under-equipped, and understaffed and, I am sure, require much more money to be spent on them. I cannot support these Regulations at all.

Mrs. Esther Dey: I am not a civil servant, but as a Member of this Legislature in spite of the fact that I am not entitled to this free treatment. I rise to support this motion. Much has been said about this time and the closing date of this Government. I, as a unit of this Interim Government, am not ashamed of any Bill or motion I have supported or opposed. Whether I support or oppose I am proud to say to any electorate that I acted in accordance with the dictates of my conscience. I was not lobbied for my decision, and as long as that decision was made I am proud of it. I fail to see why we must not try to help our civil servants.

Government is supposed to be at the highest level of employers. Therefore, if the employers of the lower levels are providing such services for their employees, not only those in one particular branch but from the highest to the lowest strata of wage-earner, providing a doctor to attend to them in cases of accidents or other illness and to decide whether the case is serious enough as to require hospitalization for which the firm pays, what wrong is there in Government making an attempt to get somewhere in respect of the health of its employees? Government's new hospital is going to be built, but that should have no bearing on the health of our civil servants.

Mention has been made about providing for the rich and not for the poor. In all my years of life I have not known of sickness or disease choosing an individual's salary to decide whether he or she must be ill for the sake of treatment. Right now I know a case of an individual who owns hundreds of thousands of dollars and not a penny of that fortune can buy him health. I do not see why because the civil servants get high salaries, they should not get health services. Have we not provided for the poor by way of pauper treatment at the hospitals? Is it considered that we are trying to help the civil servants who are rich?

There are civil servants in this Colony with a family of 8 — a wife and six children — and when his salary is divided by 8 you can see that he is hard put to provide specialised health service for himself and family. I see no reason why I should oppose this motion. One speaker said it is impolitic but I say it is playing politics to oppose this motion. Because of the closing life of this Interim Government, I consider it the duty of this Government to the Civil Service to provide these services. I am proud to support this motion.

Mr. Correia: I rise to oppose this motion, which is only for the benefit of a privileged few. The recent revision of salaries of civil servants made ample provision for these fees. I definitely oppose the motion.

Miss Collins: I rise to oppose this motion. If this motion was in respect of all Government employees irrespective of their salaries I would support it. I feel that consideration of this motion

should be deferred. I quite appreciate what the hon. the Chief Secretary has said as regards Trinidad and other places, but we have been looking forward here for a long time to the implementation of the Richardson Report on National Health Service, which is engaging the attention of Mr. Robinson, and of other social Bills. This is not the time to introduce a motion of this kind. I think the hon. the Chief Secretary should pigeon-hole it until we have industrialization.

Mr. Carter : Mr. Speaker, in 1953 I tabled or gave notice of a motion in the House of Assembly to the effect that Government should bring down an Actuary from the United Kingdom to investigate the possibility of establishing National Health Insurance in British Guiana. The expert came and made his survey, which was not a very good one because most of the Government Departments could not supply him with the information relative to the people who were employed, under employed and unemployed, the basis on which he may have been able to suggest what was possible. I had a chat with that gentleman and he was actually invited to meet Finance Committee and discuss a few points. There, I said that despite his inability to get all the information he wanted I still felt that National Health Insurance should be introduced regardless of what the unemployment situation was. In the first place it could be launched by the employers and employees or by the employees themselves. If that scheme had been launched by the Government, employers and employees on a one-third basis, it would have eventually reduced the amount spent by Govern-

ment in supporting the poor. Eventually Government would find that instead of most people being dependent upon only Old Age Pension they would be qualified by their contributions to receive a pension in proportion to the amount subscribed.

I am not concerned whether it is an Interim Government in supporting or opposing any measure, or whether it is one in which the people's representatives run the Government. I would ask the hon. the Chief Secretary to withdraw this motion because I do not think the limited few, who it is supposed to help, should get help of that nature. If I were able to pay for special medical services I would be only too glad to do so, rather than to receive such services free gratis and for nothing from Government.

Some Members have stated that certain employers provide their employees with free medical services, but I know that those services are not free. If one compares the salaries of these employees with those of civil servants today one would find that the salaries of the civil servants are far higher and although the medical attention referred to appears to be free, the of it comes out of the pay packets of the workers somewhere or somehow.

I cannot support this motion on the recommendation of the Chief Secretary and I beg to move that it be withdrawn.

Mr. Speaker : I am now about to ask the mover of the motion to reply.

The Chief Secretary : I have listened with interest to the reasons given for opposing this motion. Some

[The Chief Secretary]

hon. Members seem to think that although this motion has been approved by the Executive Council this is the wrong time to produce it. Other Members seem to think that it is too generous in itself because we have not got a National Health Service and that it gives the civil servants an undue economic advantage. It is true that we have not got a National Health Insurance Scheme but, as my hon. Friend, the Member for Health and Housing (Mr. Cummings) pointed out when he was seconding the motion, we have got a very extensive free medical system in the White Paper—Sessional Paper No. 8 of 1955, which this Council has adopted and which, I presume, is one of the “shameful” motions that have been adopted by this Council.

In that Paper it has been agreed that all persons who are earning less than \$16 per week, and the dependants of such persons, may receive free medical treatment. Certain other people get it also, such as police constables and their families, and such other persons considered at the discretion of the Medical Authorities to be deserving of free medical attention. What this motion is recommending is not free medical attention for Government pensionable officers and their dependants, but certain concessions—X-ray and Laboratory service tests — to see whether an officer is healthy or not. I should point out that a young man starting in the Clerical Service receives a salary of \$912 a year—\$76 per month and this is not very much over the level at which an officer is entitled to enjoy free medical treatment for himself and his family, so I would scarcely regard

them as being in a high and privileged category.

I maintain, as I have stated before, that there is a large number of employers in this country who offer much wider benefits to their employees than the concessions which exist at present, or those proposed in this motion. This offer of medical treatment by Government to its employees is not a question of an extra privilege being granted. Some civil servants in the country districts live under arduous conditions, as some hon. Members are aware, and these people as well as those who live in the city would certainly benefit from the concessions being granted by Government with respect to medical attention. As regards the suggestion that the motion should be deferred, I do not see why that should be done. The matter has been carefully considered over the past 10 months and I think this is a timely, right and proper motion. I shall be very sorry if the Legislature turns it down, just because it is in favour of civil servants.

Question put, the Council divided and voted as follows:

For—

Against—

Mrs. Dey
Mr. Rahaman
Mr. Tello
Mr. Gajraj
Mr. Farnum
Mr. Kendall
Mr. Cummings
The Financial

Mr. Singh
Mr. Jaisal
Dr. Fraser
Miss Collins
Mr. Correia
Mr. Carter—6.

Secretary

The Attorney

General

The Chief

Secretary—10.

Motion affirmed.

FIXED SUBSIDY FOR B.G.
BROADCASTING COMPANY

The Chief Secretary: I beg to move the following motion standing in my name (as item No. 7) on the Order Paper:

"Whereas Clause 5(a) of the Agreement dated 20th March, 1950, between the Government and the British Guiana United Broadcasting Company, Limited requires—

- (i) that Government should subsidise the Company by paying them 90 % of the annual receipts from radio licences for the first five years of the Company's operation;
- (ii) that on the expiration of the above-mentioned five-year period the subsidy shall be subjected to review and may be discontinued or reduced to such sum annually as may from time to time be determined by the Government with the approval of the Legislative Council; and

Whereas by agreement between the Government and the Company the above-mentioned percentage was reduced to 80 % from the year 1952 when Government accepted a proposal by the Company that the latter should relinquish 10% of this subsidy on condition that Government assumed responsibility for the salary of an investigation officer hitherto paid by the Company, and for the employment of another officer to assist in the arrangements to enforce payment of radio licence fees:

"Resolved, that this Council approves of action being taken under Clause 5 of the Agreement to—

- (i) substitute for the payment of a percentage of radio licence fees the payment to the Company of a fixed subsidy of \$30,000 per annum for the years 1957 to 1959, inclusive;
- (ii) discontinue the payment of the subsidy completely after the year 1959".

The existing Agreement, dated March 20, 1950, between Government and the Company required that Government should subsidise the Company

by paying them 90 per cent. of the annual receipts from radio licences for the first five years of the Company's operation. The Agreement also provides that on the expiration of a five-year period the subsidy shall be subject to review and may be discontinued or reduced to such sum annually as may from time to time be determined by Government with the approval of the Legislative Council. The Agreement is now seven years old and it has already been decided, by mutual agreement (between the Government and the Company) that the subsidy be reduced from 90 per cent. to 80 per cent. from the year 1952 when Government accepted the proposal by the Company that it (the Company) should relinquish 10 per cent. of this subsidy on condition that Government assumed responsibility for the salaries of investigation officers to enforce payment of radio licence fees. In 1955 and 1956, the amount paid out by Government in salaries for these officers amounted to more than the share of revenue which Government received.

The period in which the subsidy was to be paid has now passed and this Government has to consider whether or not the subsidy at the present rate of 80 per cent. of the annual licence revenue should continue to be paid to the Broadcasting Station. Now, that was really initially a method of fostering the Company in its early stages so that it could get on its feet and become a going concern. It is quite definite now, I think, that the Company is a going and a prosperous concern and it does not need for its continued functioning financial assistance from Government.

On the other hand, the duties which Government performs in re-

[The Chief Secretary]

lation to licence collection and inspection in fact cost more, in paying out wages and so on, than Government's share of the revenue, 20 per cent., in 1955 and 1956. The revenue, I might say, has gone up very noticeably: the number of licences taken out has increased tremendously, from the total of \$8,104 in 1947 to over \$45,600 in 1956, which means that the Company's share of revenue was \$7,294 in 1947 and \$36,480 up to the middle of December, 1956—not quite a full year. The total in respect of the Company's share in 1955 was \$32,917.

It is felt at any rate that Government should cover its expenditure in inspection, etc. For that purpose, it is thought that the retention of assistance for a period of three years should be made by way of a fixed subsidy of \$30,000, this substituting for the payment of a percentage of radio licence fees, on the assumption that the number of licences taken out will continue to rise. It is also felt that after due notice is given — three years' notice — the subsidy should be withdrawn because, in fact, the Company would no longer need it. I beg to move the motion.

The Attorney General: I beg to second the motion.

Mr. Correia: I gather from the hon. Mover that the Company is now fairly prosperous, but it strikes me that there is no reduction of the subsidy; and if the company is prosperous I cannot see why we should "fork out" \$30,000 a year as proposed. I gathered that we were paying for one investigation officer and one collecting officer. I feel we should continue by giving a subsidy of \$20,000 then \$10,000 and so on. It seems we are

paying money to a prosperous company which does not deserve it. I do not know whether Government has taken the trouble to examine their books to see whether they can do without the proposed \$30,000. I do not see why we should pay this sum. Whatever we pay, we understand it will be cut off at the end of 1959, but what guarantee do we have that they would not ask us in that year for continued help with the argument that they could not balance their budget? Those are the things which are worrying me a bit.

Mr. Carter: I have consulted the Estimates for 1957 and I see that the revenue estimated from radio licences is \$50,000. If this estimate is nearly correct, and if the Government can be assured that the B.G. United Broadcasting Company is not as prosperous or successful as is claimed, then I see no harm in Government continuing the subsidy until 1959.

The Chief Secretary: The suggestion of Mr. Correia that we should taper off the subsidy was first considered by Government, but on the other hand, it was felt it would be a sizeable reduction. The estimate of revenue to which Mr. Carter referred is probably a realistic one because if we made \$45,000 last year we expect to make \$50,000 this year. On the other hand, the Company will be getting much less than what they were getting in the last year or two. But at least we are giving them what nobody could say is short notice. They have plenty of time to see that they must allow for the disappearance of this subsidy when making out their estimates of working cost and so on.

Question put, and agreed to.

Motion carried.

MONEYLENDERS BILL

The Financial Secretary: I beg to move that the Bill intituled

"An Ordinance to consolidate and amend the Law relating to Moneylenders".

be read a second time.

It is a long time since a Select Committee of this Council was appointed to investigate and report on a motion which was passed in this Chamber asking that the Moneylenders Ordinance should be amended. The Committee was in fact appointed in July, 1949, and three years later, almost to the day, it reported, in July, 1952. Since then there have been three amending Bills actually published, and this is the first time that a motion for the second reading of any of them has been moved. The reasons are varied why the previous Bills have been consigned to limbo.

The gist of the Select Committee's report was that the Moneylenders Ordinance, Chapter 335, was outdated. It was in fact passed in 1907 based on the United Kingdom Act of 1900 and the Committee recommended that the Ordinance should be repealed and a new Ordinance based on the 1927 Act of the United Kingdom brought in.

Perhaps the main thing which is wrong with the existing Ordinance here is that it does not prescribe any maximum rate of interest which a moneylender can charge. The law does in fact say that if in any case before the court the judge or magistrate finds that the rate of interest charged is harsh and unconscionable he can alter it, but obviously that puts the borrow-

er at great disadvantage because he does not know what will be the outcome of an application to the Courts, and he has to accept the rate of interest that is charged to him if he wants to get the loan.

The existing legislation has other defects. For instance, it does not require moneylenders to keep books in any specified form, or to back loan agreements with memoranda setting out the terms and conditions of the loan in such a way as given by the moneylenders to distinguish the principal of the loan from the interest. The evidence before the Select Committee of 1949 showed quite clearly that some of the rates charged were quite formidable; it was put before the Committee that the rate of 120 per cent. per annum interest was not at all uncommon. Another point made before the Select Committee was that there was no limitation clause in the law which made it necessary for a moneylender to bring an action to recover an unpaid debt within any specified time, so what happened, and I would say still happens, is that an accumulation of interest goes on until it is quite out of proportion to the original loan. It was also stressed before the Select Committee that there was no statutory provision for inspection or audit of moneylenders books.

As I have indicated, as a result of the Committee's investigations they recommended that the present Ordinance should be completely repealed and replaced by a new one based on the more up-to-date provisions of the United Kingdom law. Stress was laid on the need for the keeping of

[The Financial Secretary]
books of an approved standard type, for proper memoranda to be issued to borrowers, the limitation of one year on the accumulation of interest without securing for an annual audit, the prohibition of *in absentia* lending and the proper registration of moneylenders. All these points have been incorporated in the Bill which is now before the Council.

As regards the question of fixing maximum interest rates, the 1949 Select Committee recommended that the rate of interest on secured loans should not exceed 12 per cent. per annum, secured loans to include mortgages and all forms of collateral security, while interest on unsecured loans should not exceed 24 per cent. per annum.

One member of the Select Committee, Mr. Lee, who, unfortunately, is not here today, considered, however, that the interest charge should be 16 per cent., and he also suggested that on second and third mortgages interest should be charged up to 24 per cent. But Members will see that in clause 12 of the Bill the rates of 12 and 24 per cent., as recommended by the majority of the 1949 Select Committee are used.

As hon. Members will be aware from the note circulated, I propose to move in the Committee stage an amendment which would preserve the rate of 12 per cent. interest for secured loans other than those secured by bill of sale; to introduce a new rate of 18 per cent. interest for loans secured by bill of sale, and to make the maximum rate for unsecured loans 32 per cent. instead of 24 per cent. which is in the published Bill, and which followed the recommenda-

tion of the majority of the Select Committee.

These alterations are proposed by the Government after careful consideration of the reactions of the public to the Bill which was published in April, 1956. There were certain representations to me and in the Press that the rate proposed for unsecured loans was too low. Those representations came not only, as one might have expected, from the moneylenders but also from potential borrowers particularly the small. There was quite a strong feeling that if the rate of interest on unsecured loans was fixed too low people who had been accommodated with small, short-term loans in the past would not get such accommodation in the future, and I think there is the danger that if it is too low a man who wants to borrow a comparatively small sum of money for a short time would be turned down by the registered moneylender, and would be driven to somebody else who might lend him the money at an even greater, illegal rate of interest rates because of the greater risk.

I know that the question of interest raises strong emotions in some people. One is the purely Aristotelian view that it is quite wrong that money of itself should beget money. That is the view which is held in many primitive societies—that interest is wrong because it is not a productive use of money, and that it is only people who want something for their current needs who are really in want who have to borrow. But in more sophisticated societies one has to face up to the fact that moneylenders have to exist, and that they do fulfil a useful social function. It is also an unescapable fact that in a community

where the amount of money is limited compared with the things that people want to do, the rates of interest are going to be comparatively high, and this applies particularly when one is dealing with small loans and short periods. For example 50 cents interest on a \$10 loan for one month does not seem really very high or usurious, but it is really 60 per cent. per annum.

I think that the rates which Government now proposes, that is 12 per cent. for secured loans other than those secured by bill of sale, 18 per cent. for those secured by bill of sale, and 22 per cent. for unsecured loans, that is loans purely on promissory notes, are as fair as one can fix at the present time. One must admit, of course, that they are to a large extent arbitrary. The difference between the two sorts of secured loans is, I think, justifiable, having regard to the difference in security between a mortgage on property which is fixed, and a mortgage on moveable chattels, which is of course what a bill of sale is. We do not consider it practicable or desirable to graduate the strength of securities still further, as was suggested by Mr. Lee in respect of second and third mortgages, but I do hope Members will agree that the rates now proposed are fair both to the borrowers and the lenders. I feel quite strongly that the 24 per cent. interest recommended by the Select Committee is too low for unsecured loans in the local circumstances.

Other points in the Select Committee's report are very closely followed in the Bill. Clause 3 provides for the licensing of moneylenders and is not really new in principle. Clauses

4 to 8 introduce an important new principle in seeking to ensure that anyone applying for a moneylender's licence must first of all obtain from the Magistrate of the district a certificate to the effect that he is a person of good character and a fit and proper person to carry on the business of a moneylender. This follows the United Kingdom practice and was recommended by the Select Committee. It will, however, be noted that anyone who is refused a certificate by a magistrate for this purpose can appeal to the Full Court.

The next important clause is clause 11. This again follows the recommendation of the Select Committee and is designed to ensure that at the time a loan is made the borrower is provided with a memorandum showing exactly how much the loan is, what are the terms, and when it is to be repaid. If such a memorandum is not issued the contract is void. The desirability of this provision is quite obvious.

I should perhaps mention the proposed substitution for subclause (4) of clause 12 to provide a definition of "bill of sale". Members will note that it is not proposed to define degrees of security with second and third mortgages; it will be up to the lender to decide whether they provide sufficient security in any particular case. But if he does accept a second or third mortgage as security then he must only charge the rate of interest for secured loans. His remedy, of course, if he finds his security is not adequate, is not to give a secured loan.

The next clause I might mention is clause 20(2) which seeks to restrict the method of advertising. The Bill as printed contained in subclause (2)

[The Financial Secretary]
certain restrictions on advertising in newspapers. It was suggested that those were too restrictive, and as hon. Members have been informed, I propose to delete this particular subclause in the Committee stage.

The rest of the clauses deal with technical points and, if necessary, these can be dealt with in the Committee stage. I would like to say, however, with reference to clause 26, which is the one dealing with auditors, that representations have been made that the Bill contains no specific minimum qualifications for auditors. In other words, that the power of a District Commissioner to appoint auditors was too wide. We have carefully considered these points and decided that it would not be practicable to amend the law to insist that every auditor appointed for this Ordinance should be professionally qualified. That would be all right in Georgetown, but in other parts of the country it would be very difficult to find the required number of people qualified. What we propose to do is to arrange by administrative act that in Georgetown the auditors should be chosen from those qualified to be appointed auditors under the Companies Ordinance.

To sum up, this Bill does follow very closely the recommendations of the Select Committee of this Council. The only deviation really made is that regarding the rates of interest, and for that deviation I think we have given good and sufficient reasons. No one can dispute the desirability of this Bill, and I hope that hon. Members will accept it as it stands. I formally beg to move its second reading.

The Attorney General: I beg to second the motion.

Mr. Correia: I rise to support this Bill. Moneylending business is as old as money itself. One borrows money through want and circumstances. If this Bill was presented to this Council years earlier it would have saved a lot of suffering by people who are forced to borrow money from some of these unscrupulous moneylenders in our midst. I know that the honest moneylenders will welcome this Bill. As far as those shylocks, those vampires, those blood-suckers, of whom you read in the newspapers so often, are concerned, they only create suffering. I deem them as nuisances. There are lots of people who are the unfortunate victims of these vampires of our society. It is unfortunate that this Bill was not brought to this Council before now. The hon. Member mentioned a proposed amendment to the Bill. I am afraid I will not be able to support that amendment. I think the Bill should be passed as presented.

With regard to the rates of interest allowed in the Bill, I think 24 per cent. is a reasonable rate of interest for unsecured loans. The hon. Member mentioned about the usefulness of the moneylenders in making small short term loans. While that may be true, it is fortunate that we have the Credit Corporation which has saved untold suffering in this country at the hands of these shylocks. I hope that institution will continue to function and keep the people away from those blood-suckers.

Mr. Jailal: I join with the hon. Member, Mr. Correia, I feel that this

[Mr. Jailal] .

Bill is very timely and should have been done earlier. What Government is doing now is a blessing to the people. But there is one thing I beg to differ with the hon. Member, Mr. Correia, on and to agree to some extent with the hon. Mover, and that is with respect to unsecured loans. In the distant past I seem to recall days when friends of mine used to want to borrow \$10 to \$15. I mention this because I know there is a large group of working people — people in the middle and lower classes — who have certain peculiar difficulties only known to themselves and wish to make a small loan in order to be able to carry on or rather to save their faces.

There is a group of moneylenders who deal with this particular section of the people. If you were to fix 32 per cent. all through the line for unsecured loans it would mean we would be permitting a large portion of people who borrow for purposes other than these small tide-over loans to take advantage of it. That is the serious form it would take. I suggest to the hon. Mover instead of making the rate 24 per cent. up to 32 per cent. to make that rate to a limited sum. I would suggest up to \$100 for 32 per cent. and above that 24 per cent. I feel that would meet the circumstances.

I feel that a measure of security, at least mental security, should be given to a chap willing to lend his money, but at the same time we should also protect the person who has need to borrow. I feel that the small loans are the real trouble-makers. They

present a difficulty. If I lend \$10 to get a return of 20 cents per month, it is not attractive enough. Therefore, I, feel the attraction should assist these small people, so we should put a limit. I propose to raise this when we are dealing with the Bill clause by clause and try to amplify as much as possible what I am advocating so as not to go over it twice.

There is to my mind one other question, if the amendment is put, that arises which I have been asked and could not answer, and so I am seeking the answer now. What is going to happen in terms of secured loans where we have a law for one group and another law for another group of moneylenders? I refer to the pawnbrokers. In actual fact the security of the pawnbrokers is in gold in this Colony in most cases. Are we going to control them too? Are we going to see that we have a consolidation of the law in this matter in respect of the licensed pawnbroker and the moneylender? I feel in terms of secured loans by any lending group, whether pawnbrokers or moneylenders, the rates of interest should be the same. They should be on the same level.

Those are comments I want to bring before the hon. Mover. I trust we will have another session on this Bill so that he will have time to think over what I have said. Again I commend the hon. Mover for bringing this Bill forward, because I feel it is something which will materially assist the rice farmers, as it is well known that a small farmer has to borrow money in

[Mr. Jailal]

order to plant or reap his crop. if he cannot get it through the various credit societies, he usually turns around to the man who is in his area and from whom he can get small loans unsecured. I know lots of cases

where people have lost a lot of money through the activities of what the hon. Member, Mr. Correia, terms the shylocks of this country.

At this stage the Council, adjourned to the next day Friday, 5th April, 1957, at 2 p.m.