

LEGISLATIVE COUNCIL

TUESDAY, 31st DECEMBER, 1946.

The Council met at 10.30 a.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. E. M. Duke (acting).

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

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

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

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

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. W. J. Raatgever (Nominated).

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

The Hon. J. A. Veerasawmy (Nominated).

The Clerk read prayers.

MINUTES

Mr. ROTH : I think there is one slight mistake in the Minutes, as circulated. It is stated that this Council agreed to the recommendation for granting House Al-

lowances to the Magistrates in Georgetown, but I do not think that is correct.

The PRESIDENT : I thank the hon. Member; the Clerk has just pointed that out to me. I saw the Minutes, but did not notice it. Hon. Members will recollect that I said I was in sympathy with the recommendation but could not agree to it without going further into the matter. If Members agree I would see that an amendment is made later, otherwise I think we should turn to page 6 of the Minutes and delete Recommendation (iii). I do not know if any hon. Member would like to move the deletion of the recommendation. I certainly did not agree to it, and I warned Members at the time that I could not do so. Would hon. Members agree to the approval of the Minutes subject to an amendment to be drafted by myself and circulated for the next meeting ?

Mr. ROTH : Yes, sir; we will do that.

ANNOUNCEMENT

PURCHASE OF U.S.O. BUILDINGS

The PRESIDENT : I have one announcement to make. Hon. Members are aware that this Government has offered the United States Government the sum of \$38,000 for the purchase of the U.S.O. buildings. This matter has been under consideration for some 18 months. We have now received a telegram from the United States Authorities asking us to confirm today the offer of \$38,000 which they have accepted. I have sent a reply that I cannot confirm the offer without ratification of this Council and I will ask you to deal with this later on today.

WAREHOUSING CHARGES REGULATIONS

The COLONIAL TREASURER : Sir, may I be permitted to make an announcement also? It has come to the notice of Government that the Warehousing Charges Regulations, 1946, which were passed on December 20 last, contain a slight error. An amendment was moved in Council which was found to be unnecessary, and I shall ask leave of the Council during the course of the day or at some proper time to recommit these Regulations and make an amendment.

PAPERS LAID

The COLONIAL SECRETARY (Mr. Parkinson) laid on the table the following documents:—

The Report of the New Widows and Orphans Pension Fund for the year, 1945.

A Memorandum on the financial position of British Guiana, 1920-1946, with special reference to the financing of Development and Welfare Schemes, 1947-1956, by Lieutenant Colonel O. A. Spencer, Economic Adviser.

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

The Schedule of Additional Provision for the quarter ending 31st December, 1946.

GOVERNMENT NOTICES

SUPPLEMENTARY ESTIMATES, 1946

The COLONIAL TREASURER: I beg to give notice of the following motion:—

"That, this Council approves of the Schedule of Additional Provision for December, 1946, which has been laid on the table."

SEA DEFENCE LOAN (TRANSFER)
BILL, 1946

The COLONIAL TREASURER: I beg to give notice of the introduction and first reading of the following Bill:—

A Bill intituled "An Ordinance to provide for the transfer of the unexpended portion of the loan raised under the Sea Defence and Public Works (Loan) Ordinance, 1935, to the credit of the general revenue of the Colony."

It is proposed to take this very formal Bill through all its stages today, if the Council would agree to that procedure.

ORDER OF THE DAY

WAREHOUSING CHARGES REGULATIONS

The PRESIDENT: Now that the Order of the Day has been reached, will hon. Members agree that we should amend the Warehousing Charges Regulations, 1946, which, as the Treasurer has just explained,

contain a slight defect? Hon. Members will recollect that when we were passing those Regulations one Member pointed out something and I am afraid that Government Members were not quick enough to notice that the amendment which was proposed and eventually agreed to, was actually unnecessary. I therefore hope that hon. Members will allow the Treasurer to recommit these Regulations and have them amended, because it is desirable to have them properly passed before the end of the year.

Mr. RAATGEVER: We will agree to that, sir.

On a motion moved by the Colonial Treasurer and seconded by the Colonial Secretary, the Standing Rules and Orders were suspended and the Warehousing Charges Regulations, 1946, were recommitted.

The COLONIAL TREASURER: As you have yourself indicated, sir, an amendment to these Regulations was moved in this Council recently, the effect of which was not realised. The Schedule to the Regulations, as originally set out, contained just the simple word "rates" and the Council was persuaded to improve on that word by substituting therefor the words "rates per month or part thereof". In fact, the rates as set out in the Schedule are specific rates to be paid on the delivery of warehoused goods, and they have no application whatever to the time during which the goods are warehoused. Consequently, I think the Council will agree that the words "per month or part thereof" should be deleted, and that the Regulations be passed as originally presented to the Council. I move that they be so passed.

Mr. ROTH: Are we to understand explicitly then, that these rates are charged irrespective of time?

The COLONIAL TREASURER: That is so; that is a charge irrespective of warehousing — handling and so on.

The COLONIAL SECRETARY seconded.

Motion put and agreed to.

PUBLIC OFFICERS' GUARANTEE FUND
(REPEAL) BILL, 1946

The ATTORNEY GENERAL: I desire to move the second reading of a Bill intituled—

“An Ordinance to repeal the Public Officers' Guarantee Fund Ordinance, Chapter 202, and authorise refunds to certain contributors.”

The Public Officers' Guarantee Fund was established as far back as 1880, and that Fund was continued by an Ordinance which was passed in 1894 and which is the Ordinance under which the Fund at present operates. The object of the Fund was to provide for the faithful discharge and performance by Public Officers of their accounting duties, but that Ordinance did not provide a complete indemnity for Government. It only provided indemnity to the extent — and to the extent only — of the amount of security which the officer was required to provide, so that if an officer is required to provide security to the extent of \$500 and he committed defalcations to the extent of \$2,000 the Fund was only required to pay Government the sum of \$500 and the difference of \$1,500 was met by Government. Entrance fees are paid and have always been paid to this Fund by the officers who have contributed to it. I believe that the present entrance fee is \$1, but in 1894 those persons who were officers and contributors had to pay an entrance fee of \$5. Every officer is required to pay a contribution of one-half of one per cent on the amount of his security, so that if he is required to furnish security to the extent of \$5,000 he has to pay \$25 per annum and that sum of money is paid monthly in advance, but if an officer has paid for five years on the highest amount of security he is required to provide, he then pays one-tenth of one per cent, per annum. Therefore, if he is required to find security to the extent of \$5,000 he then pays \$5 per annum, but that only takes place after he has been contributing to the Fund for a period of five years.

It has been considered by Government that the time has arrived when Government should cease to make deductions from the salaries of Civil Servants

for the purpose of maintaining the Fund and ensuring in part the honesty of its own employees. That is in complete accord with the view of the British Guiana Civil Service Association. Four accounts are kept of the transactions relating to the Public Officers' Guarantee Fund. There is an Income Account, an Officers' Personal Account, a Reserve Fund Account, and a Depreciation and Investment Account. Into this Income Account was paid the entrance fees and also the interest on investments, and out of this Income Account there are paid, firstly, the management expenses of the Fund; secondly, any interest on contributions which are required to be paid to certain officers under section 49 of the Public Officers' Guarantee Fund Ordinance; and thirdly, the annual amount which is required by the Ordinance to be paid into the Depreciation and Investment Account. Then there is the Officers' Personal Account into which there are paid the contributions made by each contributor, and also the interest which may be credited to a contributor after he has been in the Fund for a period of five years and has fully paid his contributions for that period. Then there is the Reserve Account into which is paid one-tenth of the contributions made to the Fund by every officer, and where the officer leaves the Public Service and allows a period of five years to elapse without claiming what he is entitled to from the Fund, the amount to the officer's credit in the Personal Account is transferred to the credit of the Reserve Fund. But, it is only provisionally transferred there because if the officer claims the money at any subsequent time the Reserve Fund would pay it to him. Then there is the Depreciation and Investment Account to which I have already referred and into which there is a certain amount of the interest on the investments held by the Fund, but it is provided that after that account reaches a total of 25 per cent of the actual investments no further money should be paid into it.

As regards claims against the Fund, these are met, firstly, out of the Income Account; secondly, out of the Reserve Fund Account and, thirdly, out of the Officers' Personal Account. It is provided in

the Ordinance that where an officer leaves the Public Service, or where an officer is appointed to a post in the Public Service for which no security is required to be furnished by him, the amount standing to his credit in his personal account is refunded to him. That is what the Ordinance provides today and the object of clause 3 of the Bill is to provide that now that it has been decided that the Fund should be liquidated and wound up, every officer who is at present a contributor to the Fund would receive the same amount he would have been entitled to if Government decided that it was not required to furnish security. No right or privilege which any contributor to this Fund has today is taken away from him by this Bill. He gets everything that he would have been entitled to under the Public Officers' Guarantee Fund Ordinance.

Now, a surplus will remain after all the claims of the contributors to this Fund have been met, and it is proposed under clause 4 of the Bill that that surplus should be paid into the general revenue of this Colony. I understand that there has been some difference of opinion among people as to whether that is a good thing—whether it should be done like that and whether the money really belongs to the Colony or not. It seems as if the money belongs to no person and if that is so, it is a well-known rule of law that the goods that belong to no one belong to the Crown. If that is so—that this money belongs to no one—it belongs to the Colony. It must not be forgotten that the balances standing at the credit of the Reserve Fund Account and the Depreciation and Investment Account have been greatly built up throughout the long number of years extending from 1880 to the present time, and that the present contributors can hardly be said to have any equitable claim to that money because it has been built up really through careful handling of the Fund in the early days of its operation.

Clause 4 of the Bill, I suggest to this Council, really carries out what is the law at the present time with respect to this surplus balance. If it is considered by hon. Members of this Council that Government should consider whether

they should utilize this surplus money in any specific way or ways, it would be quite open to Members at some later stage to move a resolution stating what are their views. I had forgotten to mention that we are not singular in this Colony with regard to this legislation. Similar legislation has been passed in Nigeria and in Mauritius, and in that legislation it was provided in each case that the surplus balance should accrue to the benefit of the general revenue of the Colony. I now formally move that the Public Officers' Guarantee Fund (Repeal) Bill, 1946, be read the second time.

Mr. WOOLFORD seconded.

Mr. LEE : It is regrettable, I think, that Government should deem it advisable not to have a Guarantee Fund for its Public Officers, and perhaps these officers would have to get guarantors to sign bonds for them in future. I suggest that further consideration of this Bill be postponed. The money which has accumulated should be spent for the benefit of the children of Civil Servants, or on a housing scheme for Civil Servants. At present, however, we are not in unanimous agreement as to the manner in which this surplus should be spent and that is why I am asking Government to defer further consideration of this Bill. The Unofficial Members of this Council do not agree with the principle for the abolition of this Fund and, further, we feel that even if the Fund is abolished the surplus should not be paid into the general revenue of the Colony. If Your Excellency gives us an opportunity we would consider the matter and come back with an amendment indicating the manner in which we would like to see the money spent.

Mr. JACOB : I would like to endorse in the main what has been stated by the hon Member who has just spoken. As he has mentioned, the Unofficial Members of this Council have not had an opportunity to go into this matter very fully. I am afraid I do not agree with the principle that officers of this Government should not give some guarantee as to their honesty, and I think we are not moving forward at all in this matter. In this Colony particularly—I do not know what hap-

pens in Nigeria, Mauritius and other places—we have had some very unfortunate experiences as regards officers of the Government. We have had them put before the Court, and we often hear a lot about disappearance and so on, of Government's money. It would be better from my point of view to open some sort of a Reserve Fund with this money.

I agree, however, that there is strong reason for paying it into general revenue, because general revenue has suffered in the past through these defalcations. My reason for not agreeing that it should be paid into general revenue is that it might be frittered away, but I think the time has come when this money should be put to the use of the general taxpayers. Here, I differ from my hon. Friend (Mr. Lee) who has suggested that the money should not be used for the benefit of the general taxpayers. It is not right to say that if an officer perpetrates defalcations to the extent of \$2,000 and had contributed only \$500 to the Fund then the general revenue of the Colony should bear the remaining \$1,500. I would ask that the matter be deferred until we have had an opportunity to consider it fully, and it may be argued that the Unofficial Members of this Council would like to make certain recommendations to the Executive Council, whether the Executive Council approves of them or not. This Bill was first published on December 7 and it may be argued that the Unofficial Members had sufficient time to consider it but, as Your Excellency knows, we were very busy otherwise and did not have sufficient time to go into it. I think the matter should be deferred until some time next year, so that we could go into it and make recommendations.

Mr. de AGUIAR : I regret I find myself—and I use the word “regret” advisedly—in agreement with those Members who have just spoken, but I agree with them on the ground that I do not think it is the proper thing to appropriate this surplus balance and credit it to Government's working account for the current year and just leave the future in doubt. I am glad for the opportunity of speaking on this Bill, and it seems to me that what we have to consider now is whether the operation of the Fund in the

past was one of the best means of protecting public money. The hon. Member for North Western District referred to the fact that in the past it was sometimes found that the amount payable by the Fund was inadequate to cover the amount by which a particular officer was in default. There is also another side of the picture, and that is the reason why I have risen to speak on this Bill.

It may be found on examination that perhaps the system under which the Fund operated is not at fault. Maybe the fault is that Government imposes responsibility of a very great nature on officers who are in the lower branch of the Service. In other words, if you have an officer, a very junior officer in the Service, being wholly responsible for large sums of money and there is anything wrong, the Fund would hardly be able to meet any deficit. I think that is a distinct reason, and whether this Bill passes the Council today or next year it is a matter which Government should consider. I do not think we should allow this Fund to disappear altogether. If Government feels it is *infra dig*—I use the word advisedly—that Civil Servants as such should be made to contribute to a Fund which in effect protects public revenue, it seems to me now that there is a surplus balance to the credit of this Fund, that the Fund should go on though further contribution by Civil Servants should cease, for the purpose of meeting any future defalcations.

I am one of those who are becoming very anxious as to the disposal of these reserve funds of the Colony. I have sat here for a number of years and have found these reserves gradually being absorbed into the current revenue. We know that as far as 1946 is concerned this Colony is in for a substantial deficit. All that is going to happen to this amount if this Bill becomes law, is that whatever the figure is it would just fall into the drain. It would reduce our deficit and after that we would hear nothing more about it. I think we should give this matter some more thought. I do not accept the view that it is being rushed, but I do feel we should give it more thought. It is a very controversial point and Government would be well advised not to pro-

ceed with the Bill today so as to be sure that whatever decision is reached it would be in the interest of all Civil Servants as well as the public.

The COLONIAL TREASURER : I would like to intervene just shortly in this debate. I want to say this: All the points made by hon. Members are very logical. There are certain criticisms one will expect on a Bill of this nature. I must also apologize for the fact that the annual reports of this fund have not come to this Council since the war years. I have looked at the files and found that the reports submitted by the Directors are not printed because of the difficulties obtaining during the war years and consequently those reports which by law should be presented to this Council have not been presented for the last few years. I would like to give the figures because they are of some interest. The hon. Mover of the motion told the Council of the various accounts kept. I find from the Balance Sheet at the end of 1945 that the Reserve Fund had \$22,298 to its credit. The Income Account had a surplus credit of \$71,866. The Depreciation of Investment Fund that, as the hon. the Attorney-General has explained, is a separate account kept to provide for depreciation of investments was \$34,029, and the amount at the credit of the various personal accounts of Officers was another \$24,589. The total funds, therefore, comprised a sum of \$152,783 approximately. It seems therefore that the effect of this Bill will be to permit the Public Officers who are contributors to get back the amount of money that stands at their credit, which is about \$25,000, and also to permit the Government to appropriate the total balance of the other funds amounting to \$128,000. That is the first point.

It has been stressed that Government had to meet the excess of any defalcation which was not covered by the amount guaranteed. That is true. In any activity the employer is only guaranteed or only takes out security for an amount which is reasonable, and that happens in the Government Service. For instance, in my case I am guaranteed for about \$15,000. No security is expected to cover tremendous defalcations such as what took place in 1944. That was an extraordinary oc-

currence and no one would suggest that the individuals concerned could have been guaranteed for the amount which was eventually proved to be lost. I think myself that the amount of security claimed is reasonable having regard to the Officers' position and salary, but sometimes it does happen also that cases of defalcation may arise and not covered by the security which is claimed, and in those cases it seems that Government funds have to bear the excess. The real purpose of the transfer of the balance of these funds to revenue is because Government or public funds will meet the losses which may be incurred in future. It is quite obvious that if Government is going to undertake the liability to meet future loss, then this surplus must go into Government funds.

There may be some question as to whether it should go into Revenue or be kept in a separate fund. Members have always held out for a specific fund against a specific liability, but I would suggest that as we know the financial affairs of this Government a specific fund for what is really a slight liability of this nature is really not necessary. Members know that very much larger risk of fire insurance on all Government property is carried by Government. We have not a separate fund for fire insurance. We take it that if there is any loss in a year the amount of the loss would be provided. It has happened that in this particular case we have met with a calamity. We had one in 1945 when we lost the Post Office. But that is an extraordinary occurrence. Each year carries its own liability, and that is why Government scarcely provides a specific reserve fund for what I may call minor liabilities.

This is comparatively a small sum and I would prefer to see the money taken into Revenue and we maintain our surplus. We can visualize always having a surplus, and in that way Government will have funds to meet liabilities as they arise. I do not think we should have a specific fund. It does look foolish to have \$120,000 put aside to meet possible defalcations by Civil Servants when the liability which is greater for fire insurance in respect of Government property is not

kept in a separate fund. There is another point about it. If you put the money into a specific fund and you invest it, what are you doing? You are taking your money and lending it to other Colonies. All this money is invested in gilt edged securities. You are taking your own money and lending it out. We want money, therefore why not put it in our own till and use it? I confess I cannot see the point.

Mr. ROTH : What about the interest earned?

The COLONIAL TREASURER : I ask Members to direct their minds to the fact that it is desirable in respect of small sums to carry your own risk and not give the money to people to hold for you. The hon. Member for Essequibo River referred to the question of a housing scheme. That is a very desirable project in itself, but I cannot see how that comes into the picture. Here is this small sum of money, as the hon. the Attorney-General pointed out, which does not belong to anybody. If it belongs to anybody, it belongs to the past members of the Civil Service who contributed to the fund since 1880.

Mr. LEE : Future Civil Servants should benefit from it !

The COLONIAL TREASURER : Why should future Civil Servants who have not contributed at all benefit from this particular sum? If there is to be a housing scheme for Civil Servants it should be taken on its own merits. It is in a different position. That matter has been considered from time to time and the last report on it, I remember, was when we were told that we can if we wish, allocate a sum of money from our own resources for that purpose. That has been done in Trinidad, but Members of the Executive Council at the time it was considered felt that we had very many larger calls on our funds and we could not afford to set aside a specific sum of money for a Civil Servants' Housing Scheme. I feel sure that Members realize that if they do not pass this Bill they would be depriving the Civil Servants who are now contributing of the advantage of getting their insurance free. That is what it amounts to. It means that Government has arrived at the decision that the amount of money in

the fund is sufficient to carry the security of the Civil Servants who are now engaged on public duty. If the Bill is not passed that very great advantage would be lost to the Civil Servants and, consequently, I would ask Members to accept the Bill as it stands. If they feel that the balance should be reserved in a special fund, I think that may be considered, but it would mean that we have to go back to the Secretary of State as the demolition of this fund is being done on a uniform basis in the Colonies. I have no doubt if it is desired to put it in a special fund that would be accepted.

The PRESIDENT : I am not quite sure about your suggestion. Is it to pass the Bill and use the money, or to amend the clause?

The COLONIAL TREASURER : I think we should proceed to the Committee stage and if there is any resolution we may arrive at a decision in Committee. I think that point is clarified.

Mr. RAATGEVER : Members have requested that this Bill be postponed, and I am sorry to inform you that if you put it to the vote we would reject the entire Bill if it is not postponed.

The PRESIDENT : The actual question is whether we should proceed with the Bill as recommended by the hon. the Colonial Treasurer or whether I should withdraw the Bill. The Bill has been presented at the request of the Civil Service Association and, I think, it is the general wish that it should be passed; but if hon. Members feel that they do not want to consider it they must take the responsibility of throwing it out. I will not withdraw it. I cannot see any objection to its going into the Committee stage. You do not commit yourselves at all, and it gives an opportunity for Members to give consideration to the Bill. I am perfectly prepared to appoint a Committee on it when we get into the Committee stage. I think that would be better than to postpone it altogether. I would like Members to meet me as far as that. If it is necessary we would appoint a Committee under the chairmanship of the Colonial Treasurer to go into it.

Mr. LEE : Is there any harm, sir, if we go into Committee and you appoint a select committee? It will only mean a deferment of the Bill.

The PRESIDENT : We would like to get into the Committee stage and so get a step forward.

Mr. LEE : The wish of the majority of Unofficial Members is that this Bill be deferred so as to give them time to consider it.

The PRESIDENT : You will have time to consider it. We will not go further than the Committee stage.

Mr. WOOLFORD : I think it is rather unfortunate that some Unofficial Members should consider that there is advantage to be gained by a refusal to debate the second reading of this Bill today. Most of the reasons that have been advanced by Unofficial Members have been completely answered by the hon. the Colonial Treasurer and, I think, completely understood. I think it is a matter for regret that any Member should say to the Government with a consciousness of being successful that if this Bill is proceeded with on division it would be defeated. My estimation of the position of the Council is that such a Member would be sadly disappointed at the result of the vote. For his own reputation I suggest that he accedes to the wish of the Chair. I believe an answer as to the Fund itself or any suggestion of investing it or placing it into a reserve fund which is the prerequisite to its being invested has been given, and I am against any idea of our money being invested for the development of other Colonies when our own Colony so greatly needs it.

The hon. Member for Essequibo River says that Public Officers would not be bonded by the abolition of that fund. There again he is labouring under a misapprehension. Government proposes to take the risk of any defalcation by Public Officers with other risks. The hon. Member for Central Demerara has disapproved of the disappearance of the Reserve Fund. There is a Reserve Fund at the present moment, a vested fund, and that is \$120,000 which is to be kept in reserve. Why deprive the present contributors to the Fund of this

money and make our Civil Servants continue to contribute to a fund which we all agree is useless? You are depriving these Civil Servants who are not very well off of the opportunity of getting something solid at the moment with an additional 5 per cent. which is more than the average investor gets. I do not think Members really appreciate the harm that will be done.

Unity of action on the part of the Unofficial Members is something to be proud of, but I fear it will be very shortlived. You can never have it in a public assembly. Unanimity to such an extent is not even seen in the House of Commons that a Member dares to get up and say "If you don't postpone this measure and put it to the vote it would be defeated." They do not talk that way. I do suggest that we allow the second reading to go to the vote and leave the Bill in Committee in the hope and expectancy, as some Member said, of finding some better object to which this money can be applied. Government remains the guarantor of the honesty of the Public Servants, and you cannot get a better guarantor.

Mr. ROTH : The matter is really quite simple and does not need so much debating. The section of the Council to which I am at the moment attached is against the passing of this Bill that is doing away with the Public Officers' Guarantee Fund, but we do consider the surplus should be spent in some way for the benefit of Civil Servants and their families.

The COLONIAL TREASURER : It is vital and imperative that the money which is being kept for the future should go to public funds, because Government is going to take the risk. So I am suggesting to this Council, if the point over which there is controversy is that the money should go somewhere else, that that is a vital issue to the whole object of the Bill. Government will guarantee its Civil Servants, and in order to compensate Government for that the money should go into the public till.

The PRESIDENT : I would like to clear this point. As I understand the position, Members want the Bill in so far

as they do not want Public Officers to contribute towards the Guarantee Fund. There we are in agreement. Where we differ is that they do not want to decide today by any measure that the money should be put into revenue. That is quite distinct. Members have said that they would like time to think it over. It is a matter which I am very willing to give Members time to think over. Government has said very clearly that in its opinion the money should either be put into a separate fund or remain with Government's money. The hon. the Colonial Treasurer has explained that and so has the hon. the Attorney-General. I suggest again for your consideration, as I think when we meet around a table we should be open to each other's point of view that you allow the second reading of the Bill and then get into the Committee stage when you would have ample chance to think out what you want to do. I would appoint a Select Committee of this Council to go into the matter if that is the wish of hon. Members. I think hon. Members should meet me in having the second reading, and then you would have time to consider what you want to do with the money. Government is quite straightforward in the matter.

Government thinks the money should be placed under its control in some form or other. The hon. Member for Central Demerara said he did not like to see it going into general revenue as he thought it would be wasted. I listened with interest to his argument. I myself would be opposed to putting it into a fund, but I appeal to the commonsense of Members to let us discuss that in Committee and, if necessary, by a Select Committee.

Mr. PEER BACCHUS : For the life of me I cannot see why Government is opposing a postponement of the second reading of this Bill when it is prepared to appoint a Select Committee to consider the issues raised on which hon. Members are in complete agreement. The second reading of the Bill will not hasten the passing one moment earlier, and if that is so, then I think there is no harm our postponing the second reading so that the issues on which there is disagreement can be considered and a decision arrived at. We

will save a whole lot of time in discussing the details after. I think Government would be well advised to postpone the second reading of the Bill in view of the fact that it would not be enacted one day earlier if it is taken now.

The PRESIDENT : I would like to explain my reason to the hon Member. I want to consolidate the ground on which we do agree.

Mr. PEER BACCHUS : I think if there is less suspicion between Government and Unofficial Members the business of this Council would get on faster.

Mr. VEERASAWMY : I did not come here to speak today because it is a day that we have not much to do. After listening to everything that has been said by the hon. the Deputy President and the hon. the Colonial Treasurer, I am asking you, sir, to put the second reading of the Bill to the Council, and I am sure it will be carried despite any threats.

Mr. RAATGEVER : I want to make it quite clear that no threat has been used. I simply gave the unanimous opinion of the Members who met yesterday and discussed this matter. One is not here today and there are many other Members who are not able to attend this meeting but who expressed their opinions to me *personally* over the telephone, that this money should not be put into general revenue.

The COLONIAL TREASURER : I think the hon. Member has spoken already.

The PRESIDENT : I am allowing very much latitude because I want to get a decision.

Mr. RAATGEVER : I would ask that a Select Committee be appointed to go into this matter before any further consideration is given to the Bill.

The PRESIDENT : I am sorry I cannot give that undertaking. All I am asking hon. Members to do is to go through with the second reading and, subject to what the hon. Member for Demerara-Essequibo has to say, I think it should be put to the vote. When we get into Committee and hon. Members express the opinion that a Select Committee should be appointed, then it would be done.

Mr. RAATGEVER : Very well, sir.

Dr. SINGH : I was just going to make an appeal to hon. Members, but since the hon. Mr. Raatgever has given in I would not go any further.

Motion for second reading put and agreed to.

Bill read a second time.

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

COUNCIL IN COMMITTEE

Mr. LEE : I think the request of certain Unofficial Members for the appointment of a Select Committee should be dealt with at this stage.

The COLONIAL TREASURER : I think it would be very much more advisable for us to proceed in order that Government should get more completely what exactly is the point. It would be advisable to know what are the exact points in issue so that we should know where we stand.

Mr. LEE : The issue is that this money should not be put into the general revenue of the Colony, and it is desired that a Committee be appointed to consider what should be done with it—whether it should be used for a housing scheme, or for settlers or else.

Dr. SINGH : The money is not only Civil Servants' money; Government money is in it also. It is mixed money and what are we going to do with it ?

Mr. WOOLFORD : I suggest that when clause 4 is reached the hon. Members concerned could move their proposed amendment. The proper procedure is that the Bill is in the Committee stage and an amendment should be moved.

The CHAIRMAN : I am not against the appointment of a Select Committee and if hon. Members desire to have one I will appoint it.

Mr. LEE : We do request it, sir.

Clause 1—Short Title.

Mr. JACOB : If there is going to be a Select Committee, I think this is the

clause under which it should be appointed. I was exceedingly disappointed to hear what the Deputy President said just now. The Deputy President had an opportunity to assist in this matter at a meeting held yesterday; he did not, and yet he has had the barefacedness to come here this morning and tell us that an amendment should be moved.

The CHAIRMAN : Order, please.

Mr. WOOLFORD : I rise to a point of order and I challenge the hon. Member to say whether that was my attitude at the meeting. I challenge him to say it now or withdraw his remark.

Mr. JACOB : I repeat the statement that the Deputy President—the hon. Member for New Amsterdam—did not assist at our meeting. I am referring to yesterday afternoon.

The CHAIRMAN : I must ask you not to be personal.

Mr. WOOLFORD : Again I have to rise to a point of order, to challenge the accuracy of the statement by the hon. Member and to invite him to say whether at yesterday's meeting or at any other meeting I gave him the faintest impression that this particular Fund should not go into the general revenue of the Colony. That is the gist of the whole matter.

Mr. JACOB : I am not referring to this particular Fund.

The CHAIRMAN : That is the point and I must ask you to withdraw the remark about "barefacedness". It is not Parliamentary and I think you should have the decency to withdraw it.

Mr. JACOB : Then I withdraw it.

The CHAIRMAN : That is all right.

Mr. JACOB : The Deputy President was present at the meeting held yesterday and this matter is one in which there was unity of feeling among certain Members. We do not want to go through all the details again today, but if it becomes necessary we would have to do so. I would not suggest as was done at the meeting we had yesterday—that this Bill should be thrown

out,—but I would say that I am not in agreement with the argument that because this money was contributed by Civil Servants it should remain for the benefit of Civil Servants all the time. Neither do I subscribe to the view as stated by the Colonial Treasurer—that we should put this money into the general revenue of the Colony and that there would be a surplus amount.

The Government and the Colonial Treasurer during the last few years have frittered away all the surplus we accumulated in this Colony, and there is now a great increase in taxation. The Colonial Treasurer is the great adviser on taxation, but I submit with all confidence that he should practise a little more commercial accounting before he begins to speak in the way he spoke here this morning. If not, let us have our public debt repudiated and do our own financing. The whole system of Government expenditure is being controlled from Great Britain. We have complained about it, and I have complained about it within the last week or so. All I would say on the point before us now is that this money should be put to a Reserve Fund and invested. If there is no law by which the money could be invested in this Colony, then such a law should be made. I should not like to see this money frittered away. I see certain hon. Members smiling at that, but they have never been able to manage their own affairs successfully or the affairs of Government for that matter. I suggest that a Select Committee be appointed to go into the whole matter and to recommend what should be done.

The CHAIRMAN : I suggest that we wait until we get to clause 4. I do not want to be disappointed, but let us wait and hear the views of other hon. Members.

Clause 3—Refunds to officers.

Mr. JACOB : I am entirely opposed to this money being refunded to the officers who have contributed to this Fund, and I am opposed also to the decision that there should be no guarantee from Public Officers, especially in this Colony where our experience has been so unfortunate. I think one of the reasons why certain hon. Members are not anxious to oppose this Bill is to

have this money paid out. The Civil Service Association has thought it necessary to change the system so that the bulk of this money would go to them, but I think the whole thing is immoral and that other arrangements should be made.

The CHAIRMAN : Actually, it is the Civil Servants and the Government who have contributed to this Fund. Government pays interest and it has to pay claims from time to time.

Mr. JACOB : But you do not guarantee the officer's honesty until he leaves the Service. Certain officers can do what they like. We have all heard what happened at the Public Works Department; money was being thrown into the sea there. We have also heard what happened at the Post Office Department, and what is to prevent officers from doing that kind of thing on a larger scale. It is unfair to say that only Public Officers—they and their wives and their children yet unborn—must benefit from this Fund, and not the taxpayers who have suffered day after day. In commercial undertakings that would not be done and it is definitely wrong to refund this money in this way.

Mr. VEEARSAWMY : I would like to make this clear as an ex-Civil Servant : I have no interest at all in this Public Officers' Guarantee Fund so that I am perfectly free to express my mind today.

Clause 4—Balance to be paid into revenue.

The CHAIRMAN : Certain hon. Members were very doubtful as to the wisdom in appointing a Committee to deal with this matter, but we were asked by others to postpone consideration of this point. We should now like to know where we are.

The COLONIAL TREASURER : I should like to emphasize again that the fundamental point is that Government are now going to undertake the insurance risk. Surely hon. Members would not imply that the general taxpayers—call it what you like—should undertake that risk for nothing? We are not going to take any more of these small contributions from anybody and, surely, the general taxpayers

are entitled to this money which, as the Attorney-General has stated, belongs to no one. It belonged to Civil Servants since 1880. Surely, the general taxpayer is the person who should be protected and, therefore, this sum of \$130,000 should go into the public till so as to help in meeting future risks. It is a simple matter. I have heard about a housing scheme for Civil Servants and so on, but hon. Members must not overlook the point that the taxpayers have got to be protected and that the best way is to put this money where it belongs—into the general revenue—to meet any future liability. The issues are very fundamental and the whole principle is that Government undertakes a liability so Government should take the funds.

Mr. LEE: According to the Colonial Treasurer, Government is going to employ Civil Servants and put them in places where it was necessary to have guarantees in respect of loss, but take no such guarantee from them. That is a principle which I do not agree with. Civil Servants in responsible positions should be made to furnish bonds or securities, so that if any misappropriation takes place the person who gave the bond or security would have to pay. If Government thinks it desirable to run the risk then it is a matter for the Administration as to whether it is fair and equitable to the people of the Colony. As an Elected Member of this Council, I would say I do not think so. I know that there are several places, commercial and otherwise, which require bonds from employees put in responsible positions. This surplus has accumulated from year to year through the manipulation of the stocks and since some of the Civil Servants who contributed to the Fund are now dead and gone, it is well that those relatives who survive them should benefit from it. Suppose a bond was given by Mr. "A" who is now dead; should not his children reap the benefit? I repeat that if Civil Servants are put in responsible positions where they have to handle money and so on, bonds should be demanded from them. I submit also that in equity this money belongs to the children of Civil Servants in this Colony and that it should be invested in their interest. Government should make the necessary enquiries and find out whether it is possible to pay to the

children of deceased Civil Servants the amounts which they would have had to pay to their parents if they were alive. We desire that this money should be spent in a particular way and we would like to submit our recommendations to Government. We do not agree that the money should be appropriated and put into the general revenue of the Colony.

Mr. de AGUIAR: I have not been able to follow the logic of the hon. Member who has just taken his seat. He talks of equity to the Civil Servants but as I understand it, those Civil Servants who have contributed to this Fund would be refunded the amount they contributed along with 5 per cent. on their money. If that is so, I am satisfied that Government would not be doing any injustice to them. As regards the appropriation of the Fund, that is a very different matter. As the Colonial Treasurer rightly said, it is very difficult to find out whom the money belongs to. The Fund was provided to meet defalcations from time to time and some interest has been made on the investments, and to my mind that money does not belong to any Civil Servant. I do not agree, however, that this money should be carried to the general revenue of the Colony, because it may mean that it would be "going down the drain." The Colonial Treasurer states that Government has now decided to underwrite this insurance, and if that is so it is a matter for Government's policy. It is an uncertain risk, but if we have this Fund we should do something with it. I intend to move an amendment and hon. Members may reject it if they wish. I suggest that the words "part of the general revenue of the Colony" which are at the end of this clause be deleted and that the words "shall be incorporated in the General Reserve of the Colony" be substituted therefor. What is in my mind is that we have a General Reserve of \$2,000,000 already.

Mr. JACOB: May I ask where is this Reserve of \$2,000,000? What the hon. Member is saying is a set of words which mean nothing.

Mr. de AGUIAR: My hon. friend never seems to be able to understand.

What I meant was that we have lent \$2,000,000 to the Imperial Government and we can treat that as a Reserve.

Mr. JACOB : There is a note here which speaks of \$2,000,000 as a surplus balance. There is nothing here about Reserve at all. My hon. friend is confusing the issue.

Mr. de AGUIAR : The hon. Member may repeat that we have \$2,000,000 at the Imperial Treasury and that it can be treated as a Reserve. If he does not understand that, I can only express a certain amount of regret. What I want to emphasize is that I do not agree that this surplus amount should be absorbed in the manner suggested in this Bill. If it goes through we would only be throwing this money "down the drain", and this would be the last we would hear about it. It is true to say that it would reduce our deficit for 1946, but that would be the last thing we would hear about it.

Mr. WOOLFORD : Before this proposed amendment is discussed I should like to have a bit of information, but I do not think it would be quite fair to the Attorney-General to ask him at this moment. I would like to know whether in case of one or several defalcations exceeding \$130,000 the person defrauded or any other person would be paid the amount. I ask that question because the object of a Reserve Fund is to meet any possible contingency and if that amount is not likely to do there would be no advantage in keeping a Reserve. If the hon. Member wishes to absorb this \$130,000 into whatever amount there may be at our surplus balance, I would like to say that that would be committing this Colony to a greater liability than that which it has today. I think the hon. Member would admit that it would be better to put the amount into general revenue, in view of all the circumstances. I would also like to know what would be the liability in case of defalcations exceeding \$130,000 and the Fund becomes exceeded. Maybe it is provided for in the Ordinance, but I would like to know whether there is any such provision.

The ATTORNEY-GENERAL : The funds which it is proposed to place into the general revenue of the Colony will come

largely from the Depreciation and Investment Account of this Fund. It has been found that the Depreciation and Investment Account cannot be used in relation to claims against the Fund. This is a special Account which was created in the year 1922. It was then considered advisable to have a Depreciation and Investment Account, but this Account cannot be used to meet claims against the Fund. Sections 39 and 40 of the Public Officers' Guarantee Fund show, in the first instance, that claims against the Fund are met out of the Income Account. If that is not sufficient then you proceed against the Reserve Account, and if that account is also insufficient you then go to the Officers' Personal Accounts, and if that is also insufficient, although it is not stated in the Ordinance, then the necessary corollary must be that Government will have to bear the loss in the last resort.

Mr. WOOLFORD : That is what I had hoped the answer would be. It is perfectly clear that Government is under the liability of insuring the officers, and if that is the present position of Government that is the object of this Bill.

Mr. JACOB : I suggest to the hon. Member to move the amendment and to accept these words "shall form part of the Reserve Fund to be created". I think it would be more appropriate. I think the hon. Member has in mind that a Reserve Fund should be created but he is yet to state it here specifically. I do not know whether a Select Committee would be appointed, but once the money remains separately this Council can always recommend how it should be used. I do not follow the hon. the Deputy President. What is the object of putting an amount of money aside when Government ordinarily —

Mr. WOOLFORD : I said it would appear that Government is still liable in the end for defalcations of public officers. If the present Fund would not be sufficient to meet it the final position is that Government is in the position of insurer of public officers.

Mr. JACOB : That is something for the future officers. Government seems to want to take the Fund now so that there

should be some further guarantees. Government wants to do it like its fire insurance. If one building is destroyed by fire or goods coming to the Colony for Government are lost, Government just votes the money again to replace the building or the goods. But to say that Government carries its own insurance, I do not think that is correct. Government prefers not to insure its buildings or merchandise. Following a loss there is no compensating premium paid. Government says it is not going to bond any officer, but will put him on his own honesty. There would be no compensation if officers are bonded because, as has been stated, the loss that the Colony suffers thereby will not be covered by the total of the Fund created, but just by what the officer will have contributed. As I said just now that is all wrong, but I am not going into that now. That is something for the future.

This fund has \$128,193 which had been accumulated, and it is the view of hon. Members of this Council that a Reserve Fund should be created so that at a later stage we may decide what is to be done with this money which has come as a wind-fall to Government. The view is, if it goes into the bulk of revenue there would be no control over it. I am strongly in favour of a Reserve Fund being created. This is a move so that later on when there may be a transfer of \$1,000,000 or \$2,000,000 to be used for development works of various kinds it may be utilized. My object now is to safeguard this money by not putting it into general revenue. Whether a Select Committee is appointed or not, this clause should be amended to read "A reserve fund shall be created." I think at a later stage something will have to be done to bring Government's attention to this matter. The Officers should have some personal responsibility themselves. Government wants to shift liability from the officers themselves on to itself as a whole. The thing is not right. A man in charge of money should be bonded. If Government does not want to carry it, get a bonding company to do so. I think this Council should agree to pay these officers \$24,589 and let the remaining \$128,193 be put to a Reserve Fund to be created.

Mr. FARNUM : I move at this stage that a Select Committee be appointed to go into this matter further. It does not seem that we are making much progress and, perhaps, we may go on like this for the balance of the day. I therefore move that a Select Committee be appointed to go into this matter.

Mr. ROTH : The hon. Member has stolen my thunder!

Mr. RAATGEVER : I was going to move the same thing.

Dr. SINGH : I think the amount should go into general revenue and the officers who contribute to the Fund should receive their amount plus 5 per cent. interest. Who administered this scheme and looked after it? Government did, and therefore if there is any surplus it should go to Government as if the amount of defalcation exceeded the amount of the Fund that difference had to be paid by Government. I feel that the amount now in reserve should go to Government.

Question "That a Select Committee of the Council be appointed" put, and agreed to.

The CHAIRMAN : I appoint the Colonial Treasurer as Chairman, Mr. Woolford, Mr. de Aguiar, Mr. Lee and Mr. Raatgever to be members of that Committee.

The Council resumed.

The PRESIDENT : If hon Members have no objection I would like the hon. the Colonial Treasurer to move the Sea Defence Bill which, I hope, is not controversial and then adjourn at 12.30. If hon. Members wish to speak on the Bill I would adjourn straightway.

SEA DEFENCE AND PUBLIC WORKS (LOAN) (TRANSFER TO GENERAL REVENUE) BILL, 1946.

The COLONIAL TREASURER : I beg to move that the Standing Rules and Orders be suspended in order to take the following Bill through all its stages today:—

A Bill intituled "An Ordinance to provide for the transfer of the

unexpended portion of the Loan raised under the Sea Defence and Public Works (Loan) Ordinance, 1935, to the credit of the General Revenue of the Colony”.

The COLONIAL SECRETARY seconded.

Question put, and agreed to.

Standing Rules and Orders suspended.

The COLONIAL TREASURER : With the consent of Council I beg to move that the Bill be now read a first time.

The COLONIAL SECRETARY seconded.

Question put, and agreed to.

Bill read the first time.

The COLONIAL TREASURER : It happened that in 1935 Government raised a loan under Ordinance No. 22 of 1935 and in the Schedule to that Ordinance it was set out precisely and specifically how the money was to be expended. There were two items—under Sea Defences in respect of which \$890,407 was to be spent. One was under Other Public Works, \$10,140, to reimburse the East Demerara Water Supply Commissioners and the other \$308,506 for Drainage Works in the Canals Polder area, East Demerara Conservancy and Mahaica District. Now that we know that \$12,311.30 remains unexpended we have to come back to this Council in order to have this money, the particular services having long been completed and there are no other means of using this money except we obtain further authority from this Council. The object of the Bill is to authorize the transfer of this money into general revenue for use in the ordinary course. I beg to move that the Bill be now read a second time.

The COLONIAL SECRETARY seconded.

Question put, and agreed to.

Bill read a second time.

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

Council resumed.

The COLONIAL TREASURER : As the Bill is non-controversial I move that it be now read a third time and passed.

The COLONIAL SECRETARY seconded.

Bill read a third time and passed.

The PRESIDENT : I suggest that we now adjourn until 2 p.m.

Council adjourned accordingly.

Council resumed.

SUPPLEMENTARY ESTIMATES, 1946

The COLONIAL TREASURER : Sir, the Schedule of Additional Provision for December, 1946, which I laid on the table this morning is not on the Order Paper today, but it is very desirable that it should be taken this afternoon. Consequently, I move the suspension of the Standing Rules and Orders in order that it should be taken now.

The COLONIAL SECRETARY seconded.

The PRESIDENT : I understand that hon. Members have had copies of the Schedule; is it your wish that we move into Committee to consider it now?

Question put, and agreed to.

Council in Committee.

MAGISTRATES

Item 2—Transport and Travelling, \$4,197.

Mr. RAATGEVER : Sir, Members desire to ask Government to appoint a Committee to consider the question of travelling expenses generally, because they are not satisfied that the Colony is getting benefit for the huge sum of money being expended in this direction.

The COLONIAL TREASURER : I can understand the hon. Member's concern over this increase in the travelling bill, particularly as regards expenditure by Members who travel by motor car and also for cars which Government have to hire. The position is not free from difficulty. Cars are very difficult to maintain or to buy at present and there is a great deal of

reluctance on the part of Government Officers to do what they were doing in the past, and that is to use their own cars for public duty. I agree that a Committee should sit in the matter, but I should like to have some time to examine the situation and then I would ask for the appointment of a Committee of myself and other Members of this Council to go into it. I think the suggestion for the appointment of a Committee is a very good one.

The CHAIRMAN : I think there is a suggestion before Government that all transport should be done by Government.

The COLONIAL TREASURER : We have had that before Government from time to time, and I think during my leave the suggestion was crystallised, but there again it is not easy to decide whether public officers who have their own cars should use them for public service. Both propositions have difficulties in them and that is why I would like to have Members of this Council on the Committee, but I would ask that it should not be appointed immediately.

Mr. JACOB : The position is very, very unsatisfactory. The Unofficial Members understand that Government has already signed the contract for travelling next year at the existing rates which are exceedingly high. It seems unfortunate having regard to the position relating to cars and tyres, etc., that Government should have signed the contract for next year already. I do not know whether my information to that effect is true. What we are concerned with is that the taxpayers' money is being spent all the time and that there is wastage. If a Government officer wants to go from the City to the West Coast, Demerara,—say to Parika—he should hire a car on the West Coast. Why should he hire one in Georgetown and then take it across the River with him and keep it there all day? There should be some revision of the present system since far too much money is being wasted on waiting fees. Then there are other arrangements such as out-of-pocket allowances for officers, rate per mile and waiting fees for chauffeurs, and in some cases the officers benefit tremendously. I hope the Committee would be appointed and

would report immediately. I believe in things being done expeditiously, especially in this case since money is being wasted. The Committee should be appointed immediately and should strive to send in its report within a short time.

Mr. ROTH : I do not know whether the hon. Member has been approached by any one in this matter, but at the meeting of the Finance Committee held yesterday it was decided not to pass any votes for travelling until such time as Government took steps to investigate the present position.

Mr. HUMPHRYS : I am not issuing any threat, but I would like to remind Your Excellency that from year to year within the last 14 years this question has been engaging our attention and Government has always been promising to do something, but up to the present nothing has been done. Whether it is proposed to give Officers cars and let them use these cars in the course of their duties I do not know, but I think there is some wastage at present as pointed out by the hon. Member for North Western District. I know that some investigation is necessary, but I am not blaming the present Administration for the present state of things because it was going on since I became a Member of this Council in 1926.

The CHAIRMAN : When we started the debate on the Estimates I put up a suggestion that Government should appoint a standing *ad hoc* Committee—a Standing Committee like that in the House of Commons. I do not want too many Committees but I hope hon. Members would agree to my appointing an *ad hoc* Committee to sit throughout the year—a strong representative Committee under the Chairmanship of the Treasurer—to deal with all matters of this kind where Members consider that money is being wasted. I am not very much concerned with having a whole set of Committees to deal with all sorts of subjects. I would rather have one Committee to deal with them.

Mr. RAATGEVER : I am opposed to that; I think the Committee we would like to see appointed should be under the chairmanship of an Unofficial Member of this Council

The CHAIRMAN: I think hon. Members would agree that whenever Government appoints a Committee it is always the custom to have a Government Officer as the Chairman. I do not think it is an unreasonable suggestion to have the Colonial Treasurer as Chairman of this Committee, but I would not press it further now. Hon. Members have asked for urgency in this matter, but I do not know when the Colonial Treasurer would be prepared to have the Committee.

The COLONIAL TREASURER: I am not suggesting any unreasonable delay, but we must have about three months. In 1932 we had a Committee of which I was Chairman and we put forward a report which was adopted by this Council. There were recommendations which were very satisfactory to both sides, but what has happened is that the War has changed the whole situation and we could not keep pace with what was happening. Lack of spare parts for cars, etc., has thrown the whole situation out of gear. First I thought an increased cost of 33 1/3 per cent in the item was bad, but now it is up by about 50 per cent. What has happened is that the outlay on a car has increased to such an extent—and I make no secret of this—that it paid a Government Officer to get rid of his car. It is a very difficult matter and I welcome the offer of the Council to go into the problem which is extremely difficult. I do not think if we wait for three months there would be any additional expenditure. I would like to collect a lot of data before we go into the matter.

The CHAIRMAN: I will undertake to appoint an *ad hoc* Committee as soon as possible.

Mr. VEERASAWMY: We feel that this matter should be considered much earlier than three months from now. It is all right for the Colonial Treasurer to say he wants to collect data but we can collect it within a month. I have just heard about an officer who was getting just over \$60 per month; something went wrong and the next thing was his expenses were \$16.96 per month for travelling. He had his own car but would not use it. I think that delay for three months in this matter would mean further expenditure.

The COLONIAL TREASURER: I thought the hon. Member was going to supply me with suggestions. What we want is something to help the situation.

Mr. JACOB: The supplementary provision under Magistrates alone is about \$7,000. It would be well to compile from the Estimates the various amounts paid for travelling and see what total they would make. The Colonial Treasurer said that certain Government officers had to sell their cars and I think that was very unfortunate since some of them had good tyres. The whole thing is unfortunate and should have been stopped long ago. The Elected section of this Council feel that this matter should be gone into urgently. These Committees have not worked well in the past under Official chairmen and I am strongly opposed to Official chairmen from now on. I have had experience of them on the Land Settlement Committee and other things and I know they do not work satisfactorily.

The CHAIRMAN: I am sorry if hon. Members feel that an Official Chairman would be in any way obstructive to them. We have often heard from the other side that when you have an Official Chairman we get action. Sometimes when we put an Unofficial Chairman—a busy man—you do not get things done very quickly.

Mr. JACOB: What we find is that there are certain men who are hand-picked by Government for this sort of thing. We want an Unofficial Chairman and with the Clerk of the Council work would be done. We do not want any Officer of the Government to do things at his own sweet will. We are attempting to have progress. We find that certain Members are just looking after themselves and their friends and we cannot allow Unofficial Members to be hampered by Official Members. The time has come when Unofficial Members who are not getting paid and are giving free service should be given an opportunity to give that free service. I see the Colonial Treasurer smiling and we all know why he is smiling.

The CHAIRMAN: I must be given some discretion. Hon. Members cannot

tell me exactly whom to appoint and why to appoint them. What I think is that the Committee should be appointed as soon as possible. It has been put to me what hon. Members want and the best answer I can give is that when the Colonial Treasurer agrees that there should be a Committee, which you want, I will appoint it. I must, however, have some little time to go into the matter.

Mr. RAATGEVER : We have given you warning, sir, because we feel disappointed over this question of travelling, and I would like this Committee to be appointed within 30 days at any rate. Travelling for Officers has cost over \$120,000 and we are very much concerned about it. We have been told by some of the people themselves that they are spending the money out of spite because Government would not give them better allowances.

The CHAIRMAN : The position is very unsatisfactory, but I must be given a little opportunity and I will appoint a Committee as soon as possible.

Item passed.

POLICE

Mr. VEERASAWMY : I regret that I have to say something with respect to the Police. At the last meeting of this Council when the 1947 Estimates were being considered I mentioned that this Council had not reduced any part of the Police vote and I know, sir, from personal contacts for some days now that if publicity is given to that fact it would be of great assistance to Government. Your Excellency very kindly stated from the Chair that you would repeat that we had not reduced it, but I would like it to be known throughout the Colony as many of the policemen are perhaps not aware of it. I, personally, have heard a lot of grumbling and I would like it to be known that we have not reduced one ha' penny of the Police vote. I said—and I say it again—that if more policemen are necessary my vote would be given in favour of it. I would like the Police to know that Government has given every consideration to their case.

The CHAIRMAN : I know that what the hon. Member has said is quite true and I think the Press should publish it very clearly that the Legislative Council has not reduced any part of the Police vote.

Mr. VEERASAWMY : Thank you, sir,

PUBLIC WORKS DEPARTMENT

Item 3—Upkeep of motor car, \$500.

Mr. JACOB : Here we have the upkeep of a motor car costing \$500 more. The original estimate was \$500 and then there was a previous additional provision of \$300. Then there is a note here which says that "the station waggon provided for on the estimate has not yet been obtained, and the old car has had to be kept on the road at a high cost." I think that if there was *some* better system of doing things all this money would not have been lost. On this Budget alone there is \$1,200 for travelling allowances apart from other provision for travelling expenses. Again I say that Members of this Council are not going to allow additional expenditure for travelling next year. All these are reasons why Your Excellency should get a move on in this matter.

The CHAIRMAN : Would hon. Members give me the assurance that they would pass the vote for a new station waggon if I get one? I believe there is one on the way at Bermuda.

Mr. JACOB : It is stated in the note here that the waggon has not yet been obtained.

The CHAIRMAN : I do not know what is the position; it was damaged in a gale off Bermuda. Perhaps this one is intended for use in the North West District. Those hon. Members in business would know that it is not very easy to get a station waggon now

Mr. JACOB : I understand that the contract for travelling is such that you have to sign it a year ahead. I think that if Members of this Council were taken into Government's confidence it would be possible for the Transport Department to get a fleet of cars and handle all the travelling.

The CHAIRMAN: I think that has been suggested—a pool to handle all the travelling.

TRANSPORT AND HARBOURS
DEPARTMENT

Item 14—Purchase of Motor Car, \$1,000.

Mr. PEER BACCHUS: Not too long ago this item was before this Council and as a result of the strong opposition it received from Members here Your Excellency withdrew it from the Schedule. Now, we see it reappearing on this Supplementary Estimate. Unofficial Members who met in Committee yesterday have decided again to move the deletion of this item. I think, among the reasons given for the opposition was that even a Commissioner of the Transport and Harbours Board was not aware that a car was being requisitioned for that Department. I may be told that the matter has been considered since by the Board and, by a majority no doubt, it was carried. I am not taking tales out of school when I say that in that majority vote—I am speaking subject to correction—only one Member of this Council was present. Three Commissioners of that Board who are Members of this Council did not give their approval to that item. Members of this Council do not wish it to be understood that they intend to restrict the activities of the General Manager, but one of the reasons given why this Department should have a car was that it is the intention of the General Manager to pay surprise visits throughout the lines on which the railways run. That does not justify giving this Department a car altogether for that purpose. If the General Manager thinks that such visits are necessary I think he has sufficient power to hire a car in order to make them.

A moment ago Members of the Council and Your Excellency decided to appoint a Committee to consider the entire question of travelling, and I believe the Transport Department can be included in whatever travelling arrangement is decided upon by the Committee. This particular car in question might be earmarked if that Committee recommends it and Government approves of a fleet of cars being kept by Government to be hired to

Officers. We are definitely opposing this item as it appears on the Estimates. The car can remain in the possession of Government until such time as the Committee is able to make a decision and report to Government.

The COLONIAL TREASURER: I ask the permission of the Council to leave out this item. As the hon. Member said, the car is already owned by Government and it will be used to the best advantage possible.

Mr. JACOB: Discretion is the better part of valour on this occasion. It seems strange that Government should have put this item on the Supplementary Estimate and is withdrawing it. From the Official point of view and from what I gleaned yesterday, Government intended to press it. I think it suits us that the item is withdrawn.

The CHAIRMAN: I am perfectly prepared to accede to it. It does not mean any expenditure. It is just a transfer from one Government Department to another. I am sure it does seem slightly inconsistent that one Member is complaining of Officers using hire cars instead of Government having its own cars for their use, and now by your action you are going to expect the General Manager of this Department to travel by hire cars.

Mr. JACOB: We do not interpret it like that. This car is going to cost a lot of money. The General Manager is going to use it in paying surprise visits and possibly for his own use. It is not good enough.

The CHAIRMAN: I am quite prepared to delete it as you say so. What about using it instead of the old car used by the Paymaster?

Mr. RAATGEVER: We want this car held for this purpose: Government should have its own fleet of cars under the control of the Transport and Harbours Department and not that Colonel Teare should have one for his own personal use, although Members have remarked that Colonel Teare has done very good work since he took control of the Department. We appreciate that and we made it public, but we still feel there is no necessity for

him to have a car for his personal use. When we mentioned about Government Officers not using their own cars but hire cars, we referred to those Officers whose work compelled them to travel about much. It is an entirely different case.

Mr. JACOB : If Colonel Teare wants to go to Mahaicony he can just get on the train. He can arrange his surprise visits to suit the schedule of the train. I think that would appeal to Colonel Teare as he is definitely against the running of the two things in competition with each other and the train not paying.

Item deleted.

COLONIAL DEVELOPMENT AND WELFARE SCHEMES.—EDUCATIONAL

Mr. LEE : I take this opportunity to mention something about education. There is a Master of Queen's College, Mr. Leighton, who from what I gather from my son and other boys, is a very good master. I understand he will be leaving the Colony because he feels the salary paid him cannot meet his expenses in this Colony. I am appealing to Government, as he is a very good master and has done excellent work at Queen's College, if it is possible that something be done for him so as to retain his services at Queen's College. It would be of advantage to the boys who attend Queen's College. I ask Government to consider that.

The CHAIRMAN : I note your remarks. I have already addressed a despatch to the Secretary of State in the matter.

PURCHASE OF U.S.O. BUILDING, \$38,000

The COLONIAL TREASURER : Before we adjourn it is very desirable that we should complete this transaction in connection with the purchase of the U.S.O. building. I propose to move as we are in Committee now that a new item 36—"Purchase of U.S.O. Building, \$38,000"—be inserted under Head XLIV—Public Works Extraordinary. I am informed that the price covers the main building, but there are two new flats which, I think, are called "huts" and are not embraced in this particular purchase but which may be offered

to Government when they are finished with by the Army authorities. I am told they are valued at about \$2,000 by our own Department, and so the total purchase will not involve a considerable increase on the \$38,000 to be now voted.

Mr. LEE : Your Excellency, I personally do not object to the purchase of the U.S.O. building because it can be very useful to the Colony, but I would ask whether it is not possible for a Committee to be comprised of Unofficial Members of this Council to go into the question of the best use it can be put to. The replies given to my questions were not satisfactory. I feel we can put this building to better use than that anticipated by Government. I know Government had formed a Committee of Official Members to go into this matter, but we feel that they can come along with us and go into this matter together. As far as providing residence for Public Officers is concerned, we revert back to the same question. If we are contracting these Officials from abroad and under the contract are to provide them with residence I would agree, but if we are not to provide them with residence, why should the Colony go to the expense of purchasing buildings for that purpose when we can use them for a better purpose? They should hire the houses out of their salary. This money can be used for other purposes in respect of which we are in great need, especially in welfare work, and Public Officers know that.

The CHAIRMAN : We must use the U.S.O. building for offices. We are badly in need of offices. Government has been accused over and over again by Members of Council of using residences for Government Offices, and we are trying to get out of that.

Mr. LEE : May I suggest to Government that we recently bought the Main Street property and there is behind that property a large area of land with a few tenement rooms. A building can be erected there for offices.

Mr. RAATGEVER : Can you tell us, sir, what offices you propose to house in this building?

The CHAIRMAN : We have a Committee to go into that and when they have reported I will let you know.

Mr. RAATGEVER : We are going to put up a building on the right side of the Post Office. The whole site will be Government offices at the tremendous cost of \$600,000 odd.

The CHAIRMAN : We want them now. It will be some years before that building is completed.

Mr. RAATGEVER : If you start early next year it will be finished by the end of the year.

The CHAIRMAN : I would like Members to approve of the purchase.

The COLONIAL TREASURER : We are being pressed for a decision.

Mr. JACOB : I do not think there is any opposition to the purchase. The only thing is the use of it.

The CHAIRMAN : It is a very useful building for which we are getting value. We may have to come back and ask for \$2,000 to purchase the huts which belong to the Army.

Question "That the item stand part of the Schedule" put, and agreed to.

Schedule passed with a total of \$581,493.09.

Council resumed.

ADDITIONAL PROVISION, DEC. 1946.

The COLONIAL TREASURER : I move —

"That this Council approves of the Schedule of Additional Provision for December, 1946, which has been laid on the table".

The COLONIAL SECRETARY seconded.

Motion put and agreed to.

The PRESIDENT : We have come to the end of our business for the day, unless Members wish to continue on the Estimates.

Mr. RAATGEVER : You promised to leave the whole thing over until next week, and I have told hon. Members that.

The PRESIDENT : I suggest that we adjourn to Thursday.

Mr. RAATGEVER : We are meeting on Monday and possibly on Tuesday and then we would like to have some time to go over our decisions. You may make it Friday.

The PRESIDENT : I adjourn the Council to Friday, the 10th January, 1947, at 2 p.m.