

LEGISLATIVE COUNCIL

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

WEDNESDAY, 12TH DECEMBER, 1956

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. G. M. Farnum (Ag.)

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) —on leave.

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 Development).

The Hon. R. B. Gajraj

Nominated Official

Mr. J. I. Ramphal

Nominated Unofficials:

Mr. T. Lee

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

Mr. C. A. Carter

Rev. D. C. J. Bobb

Mr. H. Rahaman

Mrs. Esther E. Dey

Dr. H. A. Fraser

Mr. R. B. Jailal

Mr. Sugrim Singh

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

Clerk of the Legislature—

Mr. I. Crum Ewing.

Assistant Clerk of the Legislature—

Mr. B. M. Viapree (Ag.)

Absent:

The Hon. R. C. Tello — on leave.

Mr. W. A. Phang—on leave.

Mr. E. F. Correia — on leave.

Miss Gertie H. Collins — on leave.

The Speaker read prayers.

The Minutes of the meeting of the Council held on Friday, the 7th of December, 1956, as printed and circulated, were taken as read and confirmed.

ANNOUNCEMENTS

LEAVE TO MEMBERS

Mr. Speaker: The hon. Member, Mr. Phang, has asked to be excused, I

believe, on account of illness. The hon. Member, Mr. Correia, has also asked to be excused from attending today as he is contesting a seat at the Georgetown Municipal Elections, and the hon. Member, Miss. Collins, has also asked to be excused.

Alumina Project In British Guiana

The Financial Secretary (Mr. Essex): I would like to make an informal announcement. The Government is pleased to announce that, subject to the execution of a formal agreement between the Government and the Demerara Bauxite Company, Limited, the Company has decided to extend its operations in British Guiana by erecting at Mackenzie a new industrial plant which will process bauxite into alumina for export. The terms of the Agreement have been mutually agreed upon, and are summarised in the Appendix to a Sessional paper, which I will lay on the Table this afternoon.

The local manufacture of alumina (or aluminum oxide), which is the principal constituent of bauxite, will create a new industry in British Guiana. It is fitting that such a development should be brought about by a well established company which has already had forty years of industrial experience in the mining and treatment of bauxite in this country. The project has the full support of the Government after a detailed study of the Company's plans and intentions.

The Company proposes to erect large-scale additional installations, including settling tanks, filter systems and calcining kilns, where the alumina will be extracted from local bauxite. As the details of the new project are developed they will no doubt be announced by the Company. The Government has been informed that the new plant will take about two and a half

years to construct, and will involve the expenditure of approximately \$60,000,000 (local currency). These funds will be made available to the Demerara Bauxite Company in Canadian currency by the parent company, the Aluminum Company of Canada—which is the principal subsidiary of Aluminium Limited.

The Demerara Bauxite Company has intimated that the possibility of establishing a new alumina industry in this country has been under continuous review for many years. Continual research over many years into the techniques of alumina production from Demerara bauxite has made it feasible and economic to convert local bauxite into alumina on sites adjacent to the bauxite-ore-bodies. Moreover, technological developments have solved many of the problems involved in the ocean transport of bulk cargo of alumina. Preliminary work prior to the construction of the new plant is expected to begin before the end of this year. Completion is planned for 1959. Additional jobs will be created for from 1,000 to 1,500 people during the construction period. When the new plant is in operation the Company expect to provide regular employment for some 700 Guianese over and above the present permanent work force of over 2,000 people at Mackenzie.

The provisions of the Industries (Aid and Encouragement) Ordinance, Chapter 109, and the Income Tax (In Aid of Industry) Ordinance, Chapter 300 will be applied to this new project. As these provisions are applicable to any approved new industrial development, they provide an incentive to new capital investment in industry, and the Government is gratified that they have in fact proved a real encouragement to further investment in British Guiana on the large scale proposed by the Company. The Government confident-

ly expects that, after the expiration of the five-year tax holiday period to be granted under the Income Tax (In Aid of Industry) Ordinance, substantially enhanced Income Tax revenue will be derived as the result of the establishment of the project.

The decision of the Demerara Bauxite Company to invest further in this country, on so large a scale, is a gesture of faith in the future of British Guiana by an established industry which is especially gratifying to the Government. The investment itself will be a stimulant to the growth of the local economy, contributed by one sector of private enterprise, supplementary to the Government's current five-year development programme.

This Council will be invited to record by Resolution its approval of the action taken by the Government in reaching agreement with the Demerara Bauxite Company for the establishment of the Alumina project, and further to undertake to pass the necessary amending legislation with respect to Customs import and export duties indicated in paragraphs 6 and 7 of the Appendix of the Sessional Paper. Thereafter, His Excellency the Governor will, on behalf of the Government of the Colony, execute the formal Agreement with representatives of the Company.

Mr. Lee: Is it possible to say something on behalf of the Floor Members?

Mr. Speaker: There will be further action taken in the matter, when non-Members will have an opportunity to say all they want to say. Every Member will be given that opportunity later. Hon. Members will be informed about it.

PAPERS LAID

The Financial Secretary: I beg to lay on the table the following documents —

Sessional Paper No. 14/1956.

Order in Council No. 82 of 1956 made under section 8(b) of the Customs Ordinance, Chapter 309, on the 29th day of November, 1956, and published in the *Gazette* on the 8th of December, 1956.

Mr. Farnum (Member for Local Government, Social Welfare and Co-operative Development): I beg to lay on the table the following documents—

A Review of Prison Administration in British Guiana by Mr. R. D. Fairn, Commissioner of Prisons and Director of Prisons Administration, England and Wales.

Decisions of the Governor in Council on a Review of Prison Administration in British Guiana by Mr. R. D. Fairn, Commissioner of Prisons and Director of Prisons Administration, England and Wales—Sessional Paper No. 15/1956.

GOVERNMENT NOTICES

CUSTOMS ORDER IN COUNCIL
No. 82 OF 1956

The Financial Secretary: I beg to give notice that I shall move at some future date the following motions —

“Be it resolved: That this Council in terms of section 9 of the Customs Ordinance, Chapter 309, confirms Order in Council No. 82 of 1956, which was made on the 29th day of November, 1956, and published in the *Gazette* on the 18th of December, 1956.”

ALUMINA PROJECT IN BRITISH GUIANA

“That with reference to Sessional Paper No. 14 of 1956 this Council records its approval of the action taken by the Government in reaching agreement with the Demerara Bauxite Company, Limited, for the establishment of an Alumina project in British Guiana, and undertakes to pass amending legislation with respect to

Customs import and export duties as indicated in paragraphs 6 and 7 of Sessional Paper No. 14 of 1956."

Copies of this second motion will be circulated to hon. Members and, I hope, the debate on it will take place a week from today.

Mr. Speaker: There is no other business on the Order Paper. Hon. Members have heard what the hon. the Financial Secretary has said that next Wednesday, to which date I propose to adjourn the Council, there will be a formal debate on the acceptance of the motion of which he gave notice.

ADJOURNMENT

The Chief Secretary: May I be permitted to move the adjournment as the Standing Orders provide? But I

do not know whether hon. Members will agree that, since all Members of Council have received the news today, perhaps, Mr. Lee may be permitted on the motion for the adjournment to make his remarks.

Mr. Speaker: I would rather not. There are other Members who would like to make remarks, and it can all be done in the debate.

The Chief Secretary: As Your Honour pleases. May I now move that the Council adjourn to next Wednesday?

Mr. Lee: Your Honour, I do not find it convenient to be here on Wednesday next.

Mr. Speaker: I adjourn the Council to Wednesday, 19th December, 1956, at 2 p.m.