

LEGISLATIVE COUNCIL.

The Hon. G. E. Anderson (Nominated Unofficial Member).

Wednesday, 15th June, 1932.

The Council met pursuant to adjournment, His Excellency the Hon. C. DOUGLAS-JONES, C.M.G., the Officer Administering the Government, President, in the Chair.

PRESENT.

The Hon. the Colonial Secretary, Major W. Bain Gray, M.A., Ph.D. (Edin.), B. Litt. (Oxon) (Acting).

The Hon. the Attorney-General, Mr. F. J. J. F. McDowell (Acting).

The Hon. P. James Kelly, C.B.E., M.B., Ch. B., Surgeon-General.

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

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

The Hon. R. E. Brassington (Western Essequibo).

The Hon. E. F. Fredericks, LL.B., (Essequibo River).

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

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

The Hon. S. H. Bayley, General Manager, Transport and Harbours Department.

Major the Hon. J. C. Craig, D.S.O., M.E.I.C. Director of Public Works.

The Hon. J. Mullin, A.I.M.M., F.S.I., Commissioner of Lands and Mines.

The Hon. E. F. McDavid, Colonial Treasurer (Acting).

The Hon. A. R. F. Webber, F.R.G.S. (Western Berbice).

The Hon. J. Gonsalves (Georgetown South).

The Hon. A. E. Seeram (Eastern Demerara).

The Hon. Jung Bahadur Singh (Demetara-Essequibo).

MINUTES.

The minutes of the meeting of the Council held on the 14th June, as printed and circulated, were confirmed.

GOVERNMENT NOTICE.

Mr. D'ANDRADE (Comptroller of Customs) gave notice that when the item was reached he would move the suspension of Standing Order No. 11 (1) to enable "A Bill further to amend the Customs Duties Ordinance, Cap. 34" to be taken through all its stages.

THE SEA DEFENCES.

Mr. WEBBER: Before the Order of the Day is entered upon I should like to know if it is the intention of Government to make a pronouncement on the division of opinion that exists between the technical advisers on the sea defences. The matter is of great importance to the taxpayers and proprietors of sugar estates, and Government might make a considered statement on it as it was very disturbing to the community.

THE PRESIDENT: The better course would be for the hon. Member to bring the matter before the Council in the form of a motion to which Government can give a reply.

Mr. WEBBER: I am not competent to form an opinion and make a motion. I can only request Government to make a statement.

THE PRESIDENT: I think that would meet the case, or the hon. Member can ask a question.

Mr. WEBBER, at a later stage, gave notice of the following questions:—

1. What steps are Government taking to give effect to the recommendations of Mr. G. O. Case contained in Sessional Paper No. 7 of 1932?

2. Does Government intend to set up a Sea Defence Board or Commission as referred to by Mr. Case in the penultimate paragraph of his report on the West Coast Sea Defences dated 20th November, 1931?

ORDER OF THE DAY.

TAX BILL.

THE COLONIAL SECRETARY (Major Bain Gray): I move that "A Bill further to amend the Tax Ordinance, Chapter 37" be read the third time.

Dr. KELLY seconded.

Question "That this Bill be now read a third time and passed" put, and agreed to.

Bill read the third time.

PATENTS BILL.

THE ATTORNEY-GENERAL (Mr. McDowell): I move that "A Bill to amend the Patents Ordinance, Cap. 62, with respect to patents granted in the United Kingdom" be read the third time.

Mr. DIAS seconded.

Question "That this Bill be now read a third time and passed" put, and agreed to.

Bill read the third time.

DESIGNS (U.K.) REGISTRATION BILL.

THE ATTORNEY-GENERAL: I move that "A Bill to amend the Designs (United Kingdom) Registration Ordinance, Cap. 61, with respect to the registration of designs in the United Kingdom" be read the third time.

Mr. DIAS seconded.

Question "That this Bill be now read a third time and passed" put, and agreed to.

Bill read the third time.

POST AND TELEGRAPH BILL.

THE ATTORNEY-GENERAL: I move that "A Bill to amend the Post and Telegraph Ordinance, Cap. 185, by making provision for the grant of licences for wireless broadcast receiving sets" be read the third time.

Mr. DIAS seconded.

Question "That this Bill be now read a third time and passed" put, and agreed to.

Bill read the third time.

HOSPITAL FEES REGULATIONS.

The Council resolved itself into Committee and resumed consideration of Regulations as to the terms and conditions upon which patients may be treated as out or in-patients in any public hospital, and the recovery of expenses from persons who have improperly received gratuitous treatment.

Dr. KELLY (Surgeon-General): When the Council adjourned yesterday I was speaking on Schedule III. of the regulations. I was making out a case that these regulations give substantial reductions on the previous regulations, especially in the charges of X-Ray examination and electrical treatment of indoor patients which have been halved, and also that where the rates were considered too high they could be adjusted on reference to the Surgeon-General. I further pointed out that taking the number of patients treated last year, 2,031, and the number who paid, 378, the proportion of fees payable was extraordinarily small considered as a whole. I have only to add to what I said yesterday that the fees here are generally considered so low that people who are proceeding to the United Kingdom and elsewhere always make it a point to have their radiograph done locally because the charges here are lower than on the other side. People from the neighbouring Colonies have come to the Colony for examination and treatment, perhaps for two reasons—one on account of the good work done in the Department, and the other for the very reasonable terms charged here. I regard the fees as reasonable, and the schedule as printed should be accepted.

Mr. WEBBER: I am satisfied with the explanation.

Schedule VI.—Special rates applicable to certain Government officers and other employees.

Mr. WEBBER: In this schedule under the head of the Police is included Senior Clerks. I believe ordinary clerks in the Inspector-General's Office are like Treasury Clerks. Why should this differentiation be made about them?

Dr. KELLY: Before dealing with the point raised by the hon. Member it is necessary to make two amendments. I

move that the item "(1) Medical Department Staffs, attached to Public Medical Institutions" be deleted and "(1) Officers attached to Public Medical Institutions including Alms House" substituted, and that the next paragraph be numbered (2) and the words "including Alms House" be added at the end of it. With regard to the point raised by the hon. Member, with the exception of the reduction of the charges and a few other amendments, the regulations are exactly as the existing regulations. I am not quite sure what the term "Senior Clerks" means and cannot explain how that differentiation was made, but it conforms to what at present exists.

THE CHAIRMAN: I think it applies to one or two officers in the office of the Inspector-General, the Paymaster and people like that who really are members of the Constabulary but have no actual military rank. I do not think there are more than one or two.

Schedule, as amended, agreed to.

The Council resumed, and the regulations as amended were passed.

PINEAPPLE INDUSTRY.

Mr. D'ANDRADE: I move the motion standing in my name, as now revised:—

That, with reference to Officer Administering the Government's Message No. 15 of 14th June, 1932, this Council approves of the action which Government has taken to assist the British Guiana Fruit and Canning Company, Limited, to cultivate the pineapple within the Colony, and undertakes to pass the legislation required to give effect to the arrangement which Government has made with the Company, in respect of exempting the produce of the industry from taxation for a period of twenty-five years, and the admission, duty free, of such plant, machinery, tools, implements, materials, equipment, and apparatus required for use in the cultivation, canning and preparation for the market of pineapples, as may be approved of by the Governor-in-Council from time to time, and to any similar arrangement which Government may make with any other person or Company undertaking a similar venture to the satisfaction of Government.

The Council is asked to approve of action which Government has already taken as set out in Message No. 15, and also specially to exempt from taxation for a period of 25 years produce of this industry, as well as the admission, duty free, of such plant, machinery, tools, implements, materials, equipment, and apparatus

required for use in the cultivation, canning and preparation for the market of pineapples. All agricultural products are at present exempted from taxation, therefore there is no necessity to specially exempt pineapples, but in the event of agricultural products at any time being again subject to export duty or any other form of taxation it would then be necessary to exempt this particular produce. In regard to the exemption from import duties there is a Bill which will be considered to-day in which provision has been made for this exemption. This company has already prepared and put under cultivation large tracts of land, using pineapple plants imported from Honolulu and Martinique for the purpose.

Mr. BAYLEY seconded.

Mr. WEBBER: I rise to support the motion with all the earnestness I can. Too long has the charge been made against Government seizing every opportunity to tax any new industry out of existence. At the present moment there is grave unemployment in the Colony, and the shortest way of ameliorating those conditions, to some extent at any rate, is to create new industries and assist those that are struggling to exist. When we arrive at the Customs Ordinance I shall make some further comments, and I shall do so unblushingly with respect to a company in which I am myself interested, in respect of an industry that may be helped. I quite appreciate the difficulty in which Government has found itself, because that company has had nothing but the most benevolent consideration from Government, but I do not think it has done as much as is possible. At the same time I recognise that in some cases to give an industry relief is to throw the door wide open to a number of abuses to defeat Government's object.

Mr. GONSALVES: I also rise to support the motion. This company has made an earnest effort to establish a new local industry, and I think it is conceded that when this industry gets going it will be the means of supplying work to some people and also be an advertisement of what the Colony can do. The motion is one that Government might well be commended on.

Motion put, and agreed to.

CUSTOMS DUTIES BILL.

Mr. D'ANDRADE, pursuant to notice, moved the suspension of Standing Rule No. 11 (1) to enable "A Bill further to amend the Customs Duties Ordinance, Cap. 34," to be taken through all its stages.

Mr. BAYLEY seconded.

Question put, and agreed to.

Mr. D'ANDRADE: I move that "A Bill further to amend the Customs Duties Ordinance, Cap. 34," be read the first time.

Mr. BAYLEY seconded.

Question put, and agreed to.

Bill read the first time.

Mr. D'ANDRADE: I move that the Bill be read the second time. Clause 2 amends section 14 (1) of the Customs Duties Ordinance, Cap. 34, in respect of drawback allowed on cigarettes manufactured in the Colony. As the section now stands a drawback is allowed of 50 per cent. of the duty paid on leaf tobacco used in the manufacture of cigarettes for home consumption and a full drawback where cigarettes are manufactured for exportation. The proposed amendment provides for a full drawback in respect of cigarettes manufactured for exportation but no drawback in respect of cigarettes manufactured for home consumption. The duty now payable on imported cigarettes is \$2.73, or \$2.10 with a surtax of 63 cents, while the duty on leaf tobacco imported for the manufacture of local cigarettes is 91 cents, the difference between the two being \$1.82 if foreign tobacco is used and \$1.95 if British tobacco is used. Therefore any person manufacturing cigarettes in the Colony would receive protection to that extent. Some years ago in the case of another local company operating in the Colony the difference was \$1.45, so that the \$1.82 which it is proposed they should now receive is still much greater than the drawback was in 1926 when that company was operating, and more so with respect to an American company which was operating in 1921-22, the difference in duty then being only 75 cents. In addition to that it would be well to compare the protection

which is being given to the local industry with that given to a similar industry in Trinidad. As against \$1.82 here if foreign tobacco is used and \$1.95 if British tobacco is used, the difference in Trinidad between the rates payable on imported cigarettes and on leaf tobacco for making cigarettes is only 77 cents, there being no difference in Trinidad between the duty payable on British and foreign tobacco when imported for cigarette making. The figures for the United Kingdom are \$1.98 for leaf tobacco for cigarette making and \$2.75 when cigarettes are imported, a difference of 77 cents. But in the United Kingdom the total drawback would not exceed \$1 as against \$1.82 in this Colony. Sub-clause (2) empowers the Governor-in-Council to make regulations to carry into effect this clause. The present Ordinance says such regulations shall be made under section 9 of the Customs Ordinance, Chapter 33. Government is advised that regulations for the control of cigarette factories under that section are *ultra vires*, and sets that right.

Clause 3 is an amendment of the Fourth Schedule of Cap. 34 by the insertion of the words "of British manufacture or production" after the word "kinds" in sub-item (3) of item 1. That item as amended will now read: "Articles and materials of all kinds of British manufacture or production imported by or on behalf of the Mayor and Town Council of Georgetown, or of the Mayor and Town Council of New Amsterdam, or to be used for the maintenance or upkeep of any village or country district worked under the Local Government Board, for municipal purposes." In keeping with the general policy of encouraging Empire trade it is thought advisable that those words should be inserted. It is known that certain firms are under contract to supply the Town Council with articles, particularly cement. No provision is made to exempt cement, but Government intend to exempt cement until the end of this year. There is another amendment in this clause by an addition as sub-item (31) of:—

(31) Such plant, machinery, tools, implements, materials, equipment and apparatus required for use in the cultivation, canning and preparation for the market of pineapples, as may be approved by the Governor-in-Council from time to time: Provided that the provisions of this sub-item shall apply only to goods of British manufacture or production imported by any person, or company, or corporate body,

approved of from time to time by the Governor-in-Council.

This item is to give effect to the motion which has just been passed. The proviso as regards British manufacture has been thought advisable for the reasons I have stated, but in the case of machinery or goods which it can be proved cannot be imported from British sources the Governor-in-Council has power to exempt them. There is also an addition to the schedule of the item "(10) Materials for use in the curing and packing of meat, viz., Saltpetre, Ammonia and Calcium Chloride." This is one of the industries Government think should be afforded this assistance. Clause 4 is to remedy a mistake in giving two Ordinances the same number, and the Ordinance assented to on the 16th October, 1931, will be hereafter known and cited as the Customs Duties Ordinance (No. 2A), 1931.

Mr. BAYLEY seconded.

Mr. WEBBER: I do not know what is intended by "Materials" in clause 3. Whatever it might mean I think it is a generally accepted principle—and it is in the most protectionist country in the world—that raw materials for industries are always admitted duty free. Government itself accepts that viewpoint in respect of the manufacture of cigarettes, matches, books, paper and equipment for the printing trade, and bee culture. For that reason I cannot understand why Government has hesitated in giving similar relief to raw materials for the boot and shoe industry. I said before that I would discuss this matter unblushingly, and in doing so I feel no qualms of conscience. I am interested in the industry, but I am not the only person interested. It is the only industry that has not received any support from Government. Why, I do not know. One of the essential raw materials for the boot industry are sheep and goat skins, but this is not a sheep-rearing country and an infinitesimal number of sheep is slaughtered in the Colony. Not only that but frozen mutton is brought in to augment the supply for consumption, and it comes in without its skin with the result that the local tanners have not got the necessary materials and must consequently import sheep and goat skins from the neighbour-

ing islands. It would be no more than justice to admit sheep and goat skins duty free. My company employ about 120 work-people but with adequate protection from Government we could employ four times that number. It is well known that a cheap article of Asiatic origin has swamped the footwear market, but we are not afraid of it if we are given reasonable protection as regards the raw materials. The shoe industry has a vast capacity for employing local labour. At present 180,000 pairs of boots and shoes are imported annually, and if one-half or one-third of that was manufactured locally it would be realised how much it would relieve unemployment. Chemicals used in the preparation and manufacture of leather, as in the case of matches and other industries in which chemicals are used, might also well be free in addition to sheep and goat skins. I am not going to move any specific amendment because, unless the suggestion has the goodwill of Government, I have no desire to put the Council to a division on the matter. Government has had much correspondence with me on the subject already, but I think the matter could be compromised along the lines I have suggested. The cure of meat is another industry in which I am interested. Some items have been selected which are essential, but nothing is said of salt which is also a requisite. Perhaps Government has some difficulty in differentiating between salt for ordinary consumption and salt for curing meat. I therefore have no desire to place Government in a difficult position, but I hope it will extend this principle for the benefit of the community.

THE PRESIDENT: I should like to deal with the point raised by the hon. Member before putting the question of the second reading of the Bill. All the representations made to Government have been very carefully considered, and it has been a difficult matter for Government to decide. I may also say that Government is very reluctant in not being able to comply with some of the suggestions put forward, but would draw attention to the fact that except in the case of salt Government wants to encourage consumption of local articles. I know that at present there is not enough of sheep skins and goat skins, but it is hoped owing to the demand created by the hon. Member's company that the local farmers would increase the number:

However, as regards that particular item, I will reconsider the matter. As far as I remember sheep skins and goat skins were two of many articles the hon. Member wrote about of which Government had some hesitation; but I will have the matter further considered and if it is possible to accede to the hon. Member's request a further amendment of the Ordinance will possibly be made. As regards salt and chemicals for canning meat, the hon. Member is aware of the difficulty of Government as far as salt is concerned.

Question put, and agreed to.

Bill read the second time.

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

The Council resumed.

Mr. D'ANDRADE: I move that the Bill be read the third time.

Mr. BAYLEY seconded.

Question "That this Bill be now read a third time and passed" put, and agreed to.

Bill read the third time.

The Council adjourned *sine die*.