

LEGISLATIVE COUNCIL.

Tuesday, 26th January, 1932.

The Council met pursuant to adjournment, His Excellency the Governor, SIR EDWARD DENHAM, K.C.M.G., K.B.E., President, in the Chair.

PRESENT.

The Hon. the Colonial Secretary, Mr. C. Douglas-Jones, C.M.G.

The Hon. T. T. Smellie (Nominated Unofficial Member).

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

The Hon. F. Dias (Nominated Unofficial Member).

The Hon. T. Millard, C.M.G., Colonial Treasurer.

Major the Hon. W. Bain Gray, M.A., Ph.D. (Edin.), B. Litt. (Oxon.), Director of Education.

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

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

The Hon. E. A. Luckhoo (Eastern Berbice).

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

The Hon. B. R. Wood, M.A., Dip. For. (Cantab.), Conservator of Forests.

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

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

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

The Hon. N. Cannon (Georgetown North).

The Hon. A. V. Crane, LL.B. (Lond.) (Demerara River).

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

The Hon. J. Eleazar (Berbice River).

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

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

The Hon. J. I. De Aguiar (Central Demerara).

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

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

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

The Hon. F. J. Seaford (Nominated Unofficial Member).

MINUTES.

The minutes of the meeting of the Council held on the 22nd January, which had been printed and circulated, were brought up for confirmation.

Mr. CANNON: The minutes state that there was no seconder of my motion. I do not know how that crept into the minutes because I understand that the hon. Member on my left seconded the motion.

THE COLONIAL SECRETARY (Mr. C. Douglas-Jones): As far as this side of the House recollect, also the Clerk of the Council, no one actually seconded the motion.

Mr. ELEAZAR: I did second the motion.

THE PRESIDENT: We have the assurance of the hon. Member that the motion was seconded, and under the circumstances the minutes will conclude with "After discussion the motion was not pressed to a division."

Mr. CANNON: That will satisfy me, sir.

Minutes amended accordingly.

GOVERNMENT NOTICE.

THE COLONIAL SECRETARY gave notice that at a later stage he would move

the suspension of the Standing Rules and Orders to enable him (a) to introduce and have read a first time "A Bill further to amend the Tax Ordinance, Chapter 37" and (b) to move the third reading of "A Bill to impose temporarily a tax on Bills of Entry on the value of goods imported into the Colony."

ORDER OF THE DAY.

INCOME TAX BILL.

Mr. MILLARD (Colonial Treasurer) : I move that "A Bill to amend the Income Tax Ordinance, Chapter 38, by reducing certain deductions and increasing certain rates of duty" be read the third time.

Professor DASH seconded.

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

Bill read the third time.

INCOME TAX BILL (No. 2).

Mr. MILLARD : I move that "A Bill to amend the law relating to Income Tax with respect to the imposition and evasion of tax and other matters" be read the third time.

Professor DASH seconded.

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

Bill read the third time.

BILL OF ENTRY TAX BILL.

THE COLONIAL SECRETARY : In moving the second reading of "A Bill to impose temporarily a tax on Bills of Entry on the value of goods imported into the Colony" I do not think I need delay the Council at any length in explaining the reasons for this Bill or its effect. Hon. Members are aware that it has been introduced as the last measure of taxation which Government, unfortunately, has to impose at this particular time. The imposition of this tax is intended to make up the amount that still remains to balance the Budget. It is not a new form

of taxation in this Colony. It was first introduced in 1920 and lasted for a year. It was again introduced in 1928 instead of an Income Tax while an Income Tax was being considered. It was then claimed that this tax, owing to the wide distribution of its effects, would not bear hardly on any section of the community. Be that as it may it is a very easily collected form of taxation and needs no expensive machinery. I believe it is one of those forms of taxation which is absorbed in small amounts by everybody in the community, and therefore it bears hardly on nobody (Mr. Cannon : Hear, hear). The amount it is estimated to bring in is about \$104,000, and I emphasise the fact that the Third Schedule of the present Customs Ordinance is exempted and any importations of Government and the Municipalities of Georgetown and New Amsterdam. The reason for exempting the Third Schedule is that most of the articles under that schedule were free from Customs duty in 1928 when this form of taxation was imposed. Later on it was decided that the articles mentioned in that schedule should remain at the amount of the Bill of Entry Tax at that time, which was 2 per cent. under the general tariff and 5 per cent. under the preferential tariff, because we wanted that amount to pay our debts at that time. It is now thought, as we do not require the money, that the articles enumerated in the Third Schedule should be exempted from the imposition. The articles there may be used by sugar estates and other producers of raw produce, and also by a very deserving and important section of the community, namely, those firms which issue the daily newspapers. I think it would be hard on them if we impose further taxation on the paper they use to produce their newspapers. When the Bill goes into Committee I shall move the introduction of a new clause 4, which will be to make the Bill effective as from the 22nd January, the day on which the first reading of the Bill was moved and passed by this Council.

Mr. SMELLIE seconded.

Mr. CANNON : I wish to congratulate Government on at last adopting one of the most reasonable processes of taxation. I cannot agree with the Colonial Secretary that it is the last measure of taxation. I would like to emphasise that it ought to

have been the first measure of taxation introduced and so relieve this House of the days of useless discussion of various items that are not likely to be productive. The simplicity of recovering this tax ought to have appealed to Government and satisfy them that there is no better form of taxation that will touch everybody than this particular tax. I stand here convicted, if I am to be convicted, for the introduction of this tax. But it was not original. It had been introduced in other countries where large sums of money had been collected from time to time, and in one particular instance the cost of the War was paid off by means of this tax. The 1½ per cent. to be levied now is going to fall very heavily on the merchants. I do not know that at this time in the history of the Colony the merchants can afford to pay this tax. The amount is so small that they cannot in many cases pass it on to the parties by whom it should be borne. It would have been far better that certain ridiculous forms of taxation were abolished and a tax of 3, 4 or even 5 per cent. levied in this form. It would have been far easier of collection, but Government must have their way and they have had it. Now they have had to adopt as a last resort the introduction of this tax. I wish them luck and have no doubt that they will get all they want to meet the deficiency by means of this tax.

Mr. ELEAZAR: This has been the hon. Member's pet scheme for raising money for the Colony for many years, and I must confess that I was converted by his persistence in bringing it forward year after year. It first struck me as a means of striking the small man whom we are always anxious to protect, and that if it were imposed the merchants would pass it on to the general consumer, but there is no reason why even the so-called poor man should not contribute his quota to the expenses of the State. One can only hope that with this tax Government will see its way to reduce other forms of taxation which might very easily be removed from the shoulders of those who now bear them.

Question put, and agreed to.

Bill read the second time.

The Council resolved itself into Com-

mittee to consider the Bill clause by clause.

THE COLONIAL SECRETARY: I move that a new clause 4 be inserted to read :

4. This Ordinance shall be deemed to take effect on the twenty-second day of January, nineteen hundred and thirty-two.

Question put, and agreed to.

The Council resumed.

THE COLONIAL SECRETARY: In pursuance of notice I move the suspension of the Standing Rules and Orders to enable this Bill to be read the third time.

Mf. SMELLIE seconded.

Question put, and agreed to.

THE COLONIAL SECRETARY: I move that the Bill be read the third time.

Mr. SMELLIE seconded.

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

Bill read the third time.

SUSPENSION OF PUBLIC DEBT.

Mr. ELEAZAR: I beg to move the motion standing in my name :—

Whereas successive Commissions of inquiry into the economic conditions of the Colony and the causes which have retarded its development especially within the last decade have found that the adoption of a sound financial policy is a pre-requisite to the establishment of any sound economic and trade conditions;

And whereas it is impossible to improve the finances of the Colony until such time as the Colony can balance its budg't;

And whereas the Public Debt charge of the Colony constitutes a serious burden on the resources of the Colony and is the principal cause of the inability of the Colony to equate its revenue and expenditure;

Be it Resolved,—(a) That the approval of the Secretary of State be earnestly solicited for the suspension of the payment of the said debt charges for a period of five years to permit of the balancing of the Colony's budget;

(b) That a Committee of this Council be appointed to enquire and report to Government as to the best means of assisting the Colony's major industries, sugar, rice, diamonds and gold with a view to increased production;

(c) That a copy of this resolution and the debates thereon be forwarded to the Secretary of State.

It is admitted on all hands that the Colony at the present time is going through a very serious economic crisis, and the question which this motion is intended to ask and to answer and the people are suggesting for the amelioration of the trouble which is confronting us is : What should Government do in the face of such a crisis? It seems to me that Government's first duty would be to reduce most, if not all, necessary institutions. Government seems to have realised this in the attempt by what it has been pleased to call a retrenchment scheme or policy to bring about this very desirable end, but, sir, so long as the Forest Department, the Agricultural Department and the Public Works Department continue to expend on administration alone the amount which has been passed by this House, so long will Government fail to carry out what is its obvious duty in this direction of the reduction of necessary institutions. The dismissal or retrenchment of a clerk here and there and the taking away from responsible officials and others of 10 per cent. of their salaries while unproductive Departments are being carried on at the expense of those so-called savings cannot be justified in the face of the crisis. Government having realised that its fundamental duty was to reduce the cost of administration, it should have adopted a bolder policy. Instead of that Government has gone about it as if touching a nettle. If you touch a nettle lightly it does no harm but if you touch it hard it blisters. Government is simply augmenting the army of unemployed and making it more difficult for others to eke out an existence. That is one of the duties that confront Government in the face of the crisis.

The next duty, as I see it, is that Government suspend payment of some at least of its debt charges, and by that I refer principally to the debt of the Colony to which we are providing to-day a sum of no less than \$1,086.497. If we have got to tax the community in order to pay this debt at the present time we have very little hope of ever getting out of our difficulty because that payment does not produce anything. We are not getting anything from it and we are not acting in a way that a business man would act. A business man who has a mortgage and finds himself in difficulties would not sell

out his stock in hand and go bankrupt. What he would do is to ask his creditor to allow him to pay his mortgage interest only or ask for more money to increase his stock, as with an increased stock there is a possibility of increased revenue to enable him to pay the debt. Government instead of doing that goes about cutting off a penny here and a shilling there and still continues its extravagance in administration and to levy taxes all the time to meet this large debt. I do not counsel for a moment that the Colony should not pay its debt, but Government would be well advised to seek the permission of the Secretary of State to allow this tremendous millstone around our necks to be suspended for a period of five years, after which I have no doubt we will be able to meet our responsibilities. If this payment is deferred it would mean a sum of \$5,000,000 in five years. Can Your Excellency conceive what it would mean if Government had that amount to put some of it in agriculture, or what a busy hive of industry would come into being on the Corentyne Coast where there are thousands of acres for all sorts of agricultural produce, principally rice? Government has spent something like \$57,000 more or less in that district to open up the area for rice. I hope Government will soon realise the benefits which will accrue from that expenditure, but so long as we continue as we are doing we shall have to continue to raise money by taxation because we are not producing any more.

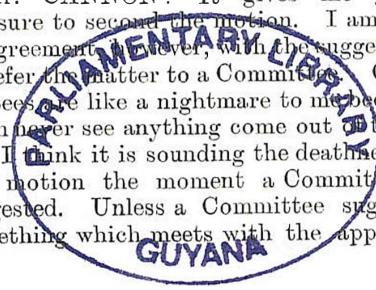
Is Government satisfied that all that can be done has been done and there is nothing more that can be done? If we can get permission to suspend payment of the debt so as to spend this money in ways which will be immediately productive I have no reason to doubt that before the expiration of five years we will be in a position to repay the debt. That is one direction in which Government will re-animate agricultural production. There are also the gold and diamond fields. What is Government doing to assist those industries? If Government is doing anything with its limited resources with this money it would be able to do more. With this money at its disposal it would be able to send out accredited prospectors to break new ground in the diamond and gold-fields, and when people are assured that their labour will be rewarded there would be no

difficulty in getting men to those districts. Government has not the money to do that prospecting. Here is an opportunity and the means of having some money to circulate and enable Government to meet all its obligations in future. The sugar industry is still bearing the brunt of the burden, but even those responsible for that industry can do with some help, while the general community can be helped in the manner I have indicated. I am asking for the appointment of a Committee of this House to enquire and report as to the best means of assisting these industries with a view to increased production. Government may find it necessary not to confine the Committee to Members of this House because there are people outside the laches of whose shoes we are unworthy to unloose. I am suggesting a Committee which will get into contact with the persons most capable of supplying information in the directions I have indicated. Your Excellency has been very anxious to give this Colony a move on, and although we have had from time to time to upbraid Government in respect of some of its movements we give it credit for the best of intentions. I would like to emphasise that Government must not think it has done all it can do in retrenchment or reduction of its Establishments, because the cost of administration is still too high and there are avenues which can be explored without necessarily affecting anybody to the benefit of its finances. I ask Government to find out how the Colony can produce more; and if it can produce more more people would come. In every land under conditions such as this the wealth of it is in the plough. The Wilson-Snell Commission emphasised that we can get people from the islands, and we know that Jamaica and Barbados are over populated. If we can bring more people here with our resources they can assist us to produce more, and that is after all the business of Government.

Mr. CANNON: It gives me great pleasure to second the motion. I am not in agreement, however, with the suggestion to refer the matter to a Committee. Committees are like a nightmare to me because I can never see anything come out of them, and I think it is sounding the death-knell to the motion the moment a Committee is suggested. Unless a Committee suggests something which meets with the approval

of Government its findings are heard nothing of. However, it may be the turning point in the history of the Colony if a Committee is appointed. Let us hope so. I agree *in toto* with the hon. Member when he suggests that the British Government be asked to relieve us of the Public Debt charges for a period, if not altogether. It might be that the Government on the other side, not being asked to contribute anything more, might see the wisdom of falling in with that suggestion. I am satisfied that there is no necessity for this Colony to ask the British Government for one penny's worth of monetary assistance. We can get along without it if they would only allow us to manage our own affairs. This Colony with its resources is quite able to look after and provide for the people who live in it. I am not altogether in agreement with my hon. friend when he says that the wealth of this country lays only in the plough. I have heard that for many years. Except rice and sugar, I do not see anything that is going to be produced from the soil to keep the wolf from the door. I am satisfied that Your Excellency's advisers are leading you astray, and if they would realise that more can be got out of the country than from agriculture the better it would be for all concerned. I need hardly say I endorse all that has been said of the Forest and Agricultural Departments. I have said quite enough in the past that should go down to posterity about these Departments. I join in the appeal that the only salvation for us is that the British Government should allow us breathing space and give us a free hand. Let them say to us "Go ahead, we will not expect any return from the investment we have made in your country for at least a period of five years. At the end of that time we will see how you are getting on and decide what is to take place." But cut out the nonsensical ideas and give us a free hand, and let us see if we cannot do better than they are doing for us at the present moment.

Mr. WEBBER: Certain phases of this notion find favour with me, but I hope that the motion either will not go to a division or, if it goes to a division, there will be some modification of it. I still think it is desirable to preserve the credit of the Colony and I doubt whether the suggestion that we should ask people to wait on us to pay our liabilities is not



equivalent to putting ourselves in a Receivership. I take it that this motion asks that a Receivership be appointed over us to stave off our creditors for five years. Somebody has suggested to me a moratorium but that is a dangerous procedure. That is how it occurs to me and how I fear it will be interpreted out of this Colony and in financial circles. That may not be the intention, but the inference is there. I am not averse to asking for assistance from the Secretary of State to tide us over our liabilities. If we want to ask for five years to pay interest on our mortgages I am in favour of that, but I am not in favour of the motion as it stands. When it comes to development schemes the motion has my fullest sympathy. In fact, I have been on the brink of writing personally to the Colonial Secretary or to Your Excellency suggesting that some small Committee should be appointed to study problems of the country. I know that a Committee does not find favour with everybody. Some people, like myself, would prefer a Committee of one to deal with any subject, but having to accommodate ourselves to the peculiarities of other people and meet our adversaries half way, constitutional and democratic government in general is to reach a decision by means of Committees, by accommodation and by compromise.

I feel that we have individual problems in this Colony that are not being sufficiently studied. For instance, my pet hobby, the North West District. I venture to think that if Your Excellency were to appoint an earnest Committee to go down to the North West District and study its problems on the spot and try to understand them, as I do, that Committee would be able to devise some means by which you can make that district a productive and exporting unit of the country. There are other districts and other problems which individual Committees can handle to better advantage than one Committee to deal with all things. Let us have special Committees for these purposes. I do not think sufficient is being done to study the problems of the country and to bring people into it. I know that Jamaica is over populated. I visited Jamaica and studied the question there and brought it to the notice of one of your predecessors, but through lack of organisation to absorb

that population nothing has come of it. Were you, sir, to lift one finger up you would bring 1,000 families from other West Indian Colonies. The ordinary peasants in the West Indies have, metaphorically, no more than four poles and a few leaves over them. Here we have to do things on the grand. A scheme of immigration should involve prohibitive expenditure as was considered in the past, as the West Indian immigrant could make his way out with a cutlass, three months rations and a bush house until he could do better. As near bankruptcy as the Colony is it still has sufficient assets and possibilities to raise its head from the slough of despond if we can discover some initiative and courage even in this Legislature.

Mr. BRASSINGTON: I did not intend to say anything on this subject but for a remark of the hon. Member for Georgetown North in which he doubted that the wealth and prosperity of this Colony lay in the soil along its coastlands and rivers. I have always maintained that this is an agricultural country and that our wealth lays along our coastlands and rivers. In saying that I do not intend to decry the diamond or the gold industry. Our wealth is in the soil, and what we want is increased production, which greatly lies with ourselves. The rice industry without any assistance whatever has placed itself in the position of the second principal agricultural industry in the Colony. The sugar industry, in the face of all its difficulties, discouragement and the unfair treatment it has received from the Mother Country, is increasing its production. There are quite a number of people in the country who think that the sugar industry is the incubus that is retarding its prosperity and should be wiped out of existence. I repeat that it is not wise to wipe out any industry until you can replace it, and replace it quickly, by some other industry. The coastlands of the Colony, on the authority of those most competent to express an opinion, are second to none in any part of the world in regard to their fertility, and long experience has convinced me that until we can get this Colony producing 1,000,000 tons of sugar we shall never have any marked prosperity. What we have to do is to educate the people to go in for cane-farming more largely. With fairplay from her and what she is doing for her

own farmers we will very soon wipe out our debt to the Mother Country. We do not want any doles but something tangible. We hear a great deal about the Imperial sentiment. I am an Imperialist and think I can say equally that I am a Home Ruler, and Home Rule is possible in the highest sense of the term with loyalty to the Crown. Where you are governed thousands of miles away you never can expect to get the results you would get in the management of your own affairs. We are demanding here what Canada, Australia and South Africa have demanded and got. We have no continuity of policy. Just as a Governor is becoming valuable to the Colony he is sent elsewhere. You cannot blame any Governor for taking promotion and getting away from a difficult and perhaps thankless job. But we really want a complete re-arrangement of the cards of Government of the Colony, and one of the first steps towards that will be where the term of Governor will be for ten and not five years. Rumour says—I do not know if it is true, sir, and I hope you will excuse me repeating it—that you are going to get the Governorship of a very important dependency.

THE PRESIDENT: I may say that rumour is a lying jade, as has been proved so many times before.

Mr. BRASSINGTON: I was going to say if it is true—and I would not be surprised if it is true—that will be the last straw to break the camel's back of this Colony (Hear, hear). I believe that if anything like that occurs it would lead to a bloodless revolution in this Colony. We are getting fed up with the removal of Heads of the Administration and Heads of Departments who have been successful and were a great asset to the Colony. I have always believed in payment on merit. An official's salary should be governed largely by what he is worth and what he can do for the Colony, but there is no abiding place here for any official except the very inefficient.

THE PRESIDENT: I do not want to interrupt the hon. Member, but I think he is going a little far from the motion.

Mr. BRASSINGTON: When I get up to speak on the Colony, sir, I am very often carried away by my feelings. This motion has been served up to us in different

forms for the last twenty years. Motions dealing with colonisation, the sugar and diamond industries, have been debated from time to time and we have got no further. Without being a pessimist I would like to know if when people are brought here you are going to put a couple pounds of provisions and cutlasses in their hands and send them into the bush. Don't let us delude ourselves. What we want here for colonisation is a Chartered Company with unlimited finances at its disposal and able to do things in a proper way. It is madness to think that we are going to people this Colony by means of a Land Settlement Scheme. I sincerely believe that there is a silver lining to the clouds that are at present enveloping this Colony, and that is in the new Government that has been formed in the Mother Country. I hope and believe that great things will follow from the National Government, and that the people in England will awaken not only to their duty to the Dependencies but to their value. It has taken a long time to awaken them, but we now have a Secretary of State for the Colonies who believes in production and in a speech said the Colonies give the British Government more than it gives them. All we want is fairplay for our industries. If we get that I do not think it will be many years before we are on the high road to prosperity and the Colony be a place to conjure with. I do not think we are in the desperate plight we are assumed to be in certain quarters. I am a firm believer of the necessity of a readjustment of our tariff and I do not think this Council and Government should play any longer with that subject.

Mr. CRANE: I have seized the opportunity given in another place to come here to make a small contribution to this debate and I do so on account of the importance of any subject like this to a country where economic stagnation is the order of the day. I confess, however, that I have taken part in so many debates which have had much the same object which this motion purports to have that one is getting rather tired of the subject if he has not actually grown pessimistic. It is not quite a year ago that this House passed a resolution proposing to the Secretary of State that the deficit that had then accrued might be paid off and

the Imperial Government undertake the debt charges of what might properly be regarded as salvage work, and that a substantial loan be granted the Colony for some large scale work having for its object not merely temporary relief of unemployment but substantial development. The debate on that motion would show that Members of this House had a proper estimate of what was needed to lead to development of the Colony and realised that only substantial assistance from the Mother Country would achieve that end. As far as I am aware no official answer has been received by this House or no statement made to what was a direct prayer to the Mother Country for succour. The only answer I can infer was the despatch to the Colony of Financial Commissioners to investigate its finances. I am not going to regard the mission of that Commission as a proceeding in bankruptcy but be more liberal and regard it as an attempt by the Imperial Government to discover accurately through their accredited representatives what was the state of the country's finances. We have had the report of the Commissioners and from it we cannot hope that anything in the nature of what was asked for would be granted.

This motion seeks to ask that the debt charges of the Colony should be borne by the Imperial Government and is asking for more than the previous motion. I will do anything I can to assist the hon. Member in achieving his object, but I am extremely pessimistic. Apart from the question of whether Great Britain can shoulder this burden, or it is fair to ask them to do so in the circumstances of their own financial need, there is the other question as to whether the present Government would dare put taxation on the British people of over one million dollars to help one of the Colonies. I am aware that the Colony is generally becoming better known in England year by year, but in my opinion the Colonies and their true value to the people of Great Britain themselves are not known to the proletariat of that great country. Until it is known and appreciated how much money is poured out of these Colonies to assist in building up that country, the great mass of people in great Britain are not likely to view our needs as a matter for their very urgent attention as we think they should.

The position of this Colony is a peculiar one. Its financial position impedes it from raising loans which would be necessary for development, because these loans must carry annual charges which the Colony is unable to bear whilst we are waiting for development. If development can only come with the expenditure of money that money must come from the Mother Country or elsewhere. I am sanguine that we are not going to get it from the Mother Country from the point of view of the palliative measures which are being adopted at the present moment. We are not going to get on by raising the tariff here and there to meet current necessities. There must be increased income from increased development and increased profits. That income must come either from present or new industries, and until we can develop those industries we are only playing with the question and running around a vicious circle. I can see development coming from the two industries of sugar and rice. I am glad to see the Director of Agriculture taking an interest in cane-farming. He deserves to be given every opportunity of proving whether his Department can play a part in development in the form of cane-farming among the small people. The Department is also entitled to credit for having improved the strain and grade of rice. But something more is due.

This Colony, which is the only rice-producing country in these parts, should have established for itself the position of the granary of the West Indies and Canada. The Colony has a trade agreement with Canada, yet Canada, needing large supplies of rough rice, obtains that rice from the United States market. If we are minded to extend our rice production we can supply Canada, if not with all, with a considerable portion of her requirements of rough rice, as well as the West Indian Colonies which even to-day take their rice from India. The fault is in ourselves. If rice can be produced in this Colony with mechanical implements we shall be able to compete with the United States as regards trade with Canada. Are we going to continue our primitive methods collecting rice cultivated on a peasant scale? I throw it out as a hint, realising the presence of sugar planters in the Council, that it might be thoroughly investigated whether it is not possible for the sugar

estates to produce rice on a large scale as an alternative crop, they being in possession of an up-to-date system of drainage and irrigation and better talent in their staffs to handle a product of this kind. A Committee of officials, planters and other members of the community might very well consider the question from that and other points of view to the mutual advantage of all concerned. Canada buys annually something like 23,000 tons of rough rice. She takes from the United States 19,800,000 lbs. The United Kingdom imports annually, possibly for re-export, something like 122,000 tons and the United States supplies 41,812,000 lbs. Is it not obvious that those two consumers, the United Kingdom and Canada, of a product which we produce, have more reason to be generous to British Guiana than the United States? Of that enormous quantity of rice what is British Guiana contributing to it? Our captains of industry are doing nothing for British Guiana. We talk a lot about self-government. Let us first build up our economic fabric. I claim that we have a preference to the trade with the United Kingdom and Canada instead of the United States, and if we cannot meet that trade and are to be restricted to the small export to Trinidad and a few islands we are not getting value for the technical staff and we are not pressing the problem as we well might. There must be some reason why we cannot get more of that trade. That reason must be discovered, not by Government alone but by a combination of the talent that there is in this Colony. Until we can do that self-government is not due, and all who talk about self-government should remember that. I wish my colleague every success of his motion, but I do not believe it will have the slightest effect in obtaining what is asked for. I also do not see the silver lining behind the cloud. I belong to the school that believes in induction. I like to see cause to produce effect, and I do not see on what basis we can expect to see the silver lining. Industries are not expanding but seem to be retrograding, and I do not believe in mere hope but like to see something on which to found my hope, but I am always willing to harness to the chariot of prosperity all the energy and the intellect with which God has endowed me.

The Council adjourned for the luncheon interval.

MR. SEERAM: Unlike the hon. Member for Demerara River, who entertains rather pessimistic views on the motion, I entertain very optimistic views on it. I shall endeavour to give some reasons why I feel that the motion will meet with the favour of the Secretary of State for the Colonies. There are many reasons why British Guiana is a Crown Colony and as an estate of the Realm demands the support of His Majesty's Government. Great Britain has greatly benefited from this Colony and that is one reason why she should be reciprocal and should assist the Colony by means of a grant or suspension of the Public Debt to afford it an opportunity to revive. I do not think we are asking something impossible. Great Britain has extended such a concession to alien countries and as an integral part of the Empire British Guiana deserves similar consideration. If it is argued that alien countries have caused large sums of money to be deposited in the British Treasury by trade relations, British Guiana has equally contributed pretty large sums by means of its trade relations. British Guiana has been adopting palliative measures to equate its Budget. We do not want palliatives but remedies and the request of the motion is that the Public Debt charges should be suspended for a period of five years. Such a concession would not be a palliative but a remedy to enable the Colony to tide over its innumerable financial difficulties. This motion is not on all fours with the other which has been referred to. The other motion sought to get His Majesty's Government to take over permanently the sea defence charges while this motion is only asking for the suspension of payment of a debt which we acknowledge and place ourselves under an obligation to repay.

THE PRESIDENT: In justice to the hon. Member for Demerara River, who is not now in the Council, I should say that the motion he referred to had nothing to do with sea defences but was a motion which proposed that a certain sum should be granted to the Colony for development purposes.

MR. SEERAM: I accept Your Excellency's correction, but permit me, sir, to

say that one of the important phases of that question was that the sea defence charges were to be included in it. My submission is that this motion is merely for a suspension of our Public Debt charges and not a repudiation of our financial obligation. If this concession is granted for a period of five years it might be possible for Government to allocate such sums as would be required for repayment of the Public Debt to development schemes. Unless we have funds to embark upon the development not only of existing industries but also the development of new industries and new schemes which will put money into circulation and bring about increased production, it seems to me that there is absolutely no silver lining behind the dark cloud that appears at the present time. I am sure that His Majesty's Government will favourably consider the motion from the point of view of our present position. It is useless bringing people into the Colony unless we have development schemes formulated and funds at our disposal to carry them out. As soon as those schemes are started and money is brought into circulation that in themselves will attract people to the country, and it would then be our duty to do all that lies within our power to make them remain permanently in the Colony in order that they may share the burden of taxation. Development of the rice, sugar and mineral industries will bring increased revenue and help the Colony to recover itself. The hon. Member for Demerara River made an important point when he suggested the cultivation of rice as an alternative crop on sugar estates. The sugar estates are eminently suited to development of the rice industry and apart from benefiting the revenue it would assist to relieve sugar of a portion of its present burdens.

Mr. FREDERICKS: I have every sympathy with the mover of this motion. The motion expresses the sincere feeling of every colonist at the present time to find some way out of the difficulty in which we find ourselves. I do not think there was ever in the mind of the mover of it anything in the nature of a repudiation of our debts. The idea is to give the Colony a space of time in which to find its legs to stand financially. There is no doubt that the outlook is rather dark. There is nothing, to my mind, more appalling than the present situation. I think that this

country in its present condition should have a Permanent Development Committee as we have to find some means or other to carry it on. Place the Colony in the position of a sick man; he must succumb to the disease or recover. But that cannot be applied to British Guiana. It cannot die; it has to endure and is eternal. Since that is so its condition of existence must be changed. We cannot change that condition by hope or by making dissertations. We ought to have some Committee in existence, whether official or unofficial, with the one and single purpose of creating some means which would bring about some change in the economic status of the country. British Guiana is an estate of the Crown. The owner of an estate has got to develop that estate and British Guiana being an estate of the Crown we are not too far out when we ask that some big thing may be done to free it of some of its present obligations. We are in need of development. I think things are going to take such a turn with regard to sugar that the planters will be able to extend their cultivation and spend more money on the employment of labour as they once did. The greatest capital in this country is invested in sugar, but it is not elastic enough for the unemployment of people in the country. Some means must be found whereby we can populate the country and get greater revenue and make taxation easier. The intention of this motion is to find the means whereby the country can be lifted out of its present stagnant condition to one of even normal prosperity if nothing more.

Mr. SEAFORD: I did not intend to speak on this motion but owing to the trend of the debate I should like to make one or two remarks lest my silence may be taken as acquiescence. I feel that the sentiments expressed are too selfish. It seems to be generally lost sight of that it is not this Colony alone that is going through the present extraordinarily bad and serious times. The same thing is being experienced in Great Britain itself and all over the world, and it seems to me that this is not quite the right time for us to go to the Mother Country, when she is at the extreme limits to find the means to balance her own Budget, and ask for money for five years. I think that due appreciation has not been given to the help that has been granted us in the last couple of years. I am

not against asking for help but I would ask for help in a different form. I would ask for the means to help ourselves. If we ask for a substantial preference on everything and that is immediately given, it would be doing exactly the same thing as is requested in this motion but in another form. It would give us an opportunity of competing with the rest of the world on fair means in the markets which we have not got. By that means we can increase our exports and get prices for them which I am sure will put this Colony in such a position that there would be no need to lower our heads or go hat in hand begging anyone for financial help. I think it is in that form help should be asked for. It does the name of the Colony no good to be continually asking for hundreds of thousands of pounds. Let us rather ask for the means to help ourselves. I am not against Committees. The more we can find out about the Colony the better, and if it is the intention to ask for help let a Committee recommend how that help should be obtained. It is no new proposition that estates should go in for rice cultivation. When I came to the Colony it was in the air but conditions were against it. I can assure the Council that the sugar estates have got their eyes on it, and as soon as conditions permit they will pursue it if they think there is anything in it. They are not out for sugar alone but to make money wherever they possibly can. My feeling is that we require help but I do not think it is right for this Colony, in view of the assistance we have been already afforded, to ask for more financial relief at the present time. We should ask for help to give us a chance to help ourselves and fight our own battles.

THE COLONIAL SECRETARY: I wish the hon. Member who moved this motion was in his place because I would have liked to congratulate him on the modest manner in which he moved it. He performed a very difficult task in a very moderate speech and covered a great deal of ground. I did not hear the hon. Member for one moment suggest that British Guiana should in any way repudiate its debt. There was no such suggestion. A suggestion was made that people are leaving the Colony, because of the bad times. I do not know that that is the case. I see no indication of Guianese

leaving the Colony, therefore I assume that the credit of British Guiana is as good as it has been. The suggestion in this motion is that the Secretary of State should be asked, or earnestly solicited, to suspend payment of the debt charges for a period of five years to permit of the balancing of the Budget. "Debt charges" indicate some misapprehension of what those charges actually are and how they are created. This Colony raises money on loans by selling bonds which are held by a very large number of people. To suspend payment of interest on those bonds would mean depriving people, who had faith in the credit of the Colony and had invested their money in bonds, from the interest they are entitled to. I am quite certain that no member of this community wishes any suggestion of that kind. The only alternative is to ask the British Government, in other words the British taxpayer, to pay on our behalf interest to those people. That, of course, Government cannot do. The British Government has already assisted this Colony very considerably, not only last year but this year, in helping to meet the present financial situation. Whichever way we regard the money which has been granted as a gift to this Colony to balance the Budget—a total of \$570,000—that can be regarded either as a contribution towards our debt charges or as a contribution towards the decrease in our revenue, which we all deplore. The suggestion made in the resolution Government cannot accept in that form, but Government does sympathise with the mover. After all, we in the Government are just as interested, and perhaps I may say in my own case more interested, to see the Colony progress. We do everything to help the Colony on.

Suggestions have been made with regard to development in agriculture, in forestry, in the extraction of minerals, and the opening up of the interior. If hon. Members, instead of suggesting methods of this kind and trying to get somebody else to bear our burden, would support with their influence all these Departments, which are doing everything possible at present to develop the resources of the Colony, I am sure that would accrue and it would not only be immediate but tangible help. We have had in the speeches made reference to the good work

performed in the production of rice by the Agricultural Department. I am very glad to hear that because I have always believed that those who make disparaging remarks about that Department do not mean them in their minds. If farmers would only carry out the advice and observe closely the demonstrations carried out by that Department the Colony's production of rice will increase. It was suggested that Government might very well do what firms interested in balata do—send out prospectors. What else is the Forest Department doing but that. Are they not surveying the forests and finding out what the forests contain? And for the modest expenditure on that Department we are obtaining information of intense value. Had it not been for the present world's depression I feel certain that we would have succeeded in placing on the markets of the world some of our valuable timbers. One Member suggested that there was still room for further retrenchment because the cost of administration is still too high. Be that as it may, as I have said on more than one occasion, it is not possible to effect drastic retrenchment of expenditure on administrative machinery. This can only be effected gradually by careful examination of the position and perhaps amalgamation of Departments, and also care being taken in not increasing the staffs when vacancies occur. We have had unfortunately this year to retrench very considerably and put on pension or pay gratuities to a considerable number of people. No one regrets that more than Your Excellency and the Official Members of this Council, but that is the only way of reducing expenditure on administration. It may be that further retrenchment will have to be made, but it can only be made after careful examination so as not to injure in any way the administrative machinery.

What is the kernal of this motion?—our Public Debt. Our Public Debt has more than doubled itself in the last few years. Why? Whether all the money has been spent economically or wisely I am not prepared to enter into at the moment, but it has been spent on works of reclamation to prevent the inroads of the sea and on expensive pumps for the drainage of the coastlands. We also had the necessity of providing the inhabitants of the villages with a pure water supply by sink-

ing wells. That experiment, which has only now got from the experiment stage, has been very expensive. It was not possible in any way to take steps to develop the country until certain of those reclamation works had been performed. What use it would have been to increase the rice industry if the lands were inundated by the sea? The sugar industry has at all events been able to keep its head above water, and I feel sure that the sugar planters will look back upon this period of depression as a blessing in disguise, in enabling them to realise how cheaply they can produce sugar. And sugar can be produced as cheaply here as in any place except one in the world. When prosperity comes back to the Colony we shall have no difficulty in meeting our obligations and there will be no necessity for the assistance we are now getting from the Imperial Government. The hon. Member for Essequebo River said there is more labour than the sugar estates can employ. That is the position at the moment. I anticipate that very shortly, if the price of sugar does rise, the sugar estates would begin to employ more labour than they are doing at present, and there would then not be sufficient labour for the estates and also to maintain industries which have grown up. It would then be the duty of Government to do something to increase the labour supply and that will be the opportunity we shall have of introducing labour.

The wealth of the country is dependent on the plough. We hope that by means of the road pioneers will find their way into the interior and extract its wealth. We also hope that in the interior we will find areas of agricultural lands on which settlements will be established, and it is on these settlements we shall find people from the islands willing to settle. They are not used to the coastal lands of the Colony and to put them on the hilly lands where they can grow ground provisions and get something to occupy them apart from their own farm cultivation I am sure they will settle quite easily. The beginning of that flow of immigration will then enable us to organise the labour supply from the neighbouring islands which are over populated. I do not think I need go into the question of the tariff. Government has recognised for some time the necessity of readjusting the tariff and it

only remains to devise a better system of tariffs and Customs and Excise duties. The whole system of taxation wants over hauling and I feel sure can be made more equitable, and at the same time perhaps conduce to less burden on certain industries and groups of people than the want of a system at the present time. I do not think Government can accept the first portion of the motion. As regards the question of a Committee, Government would be quite prepared to do something on those lines. With regard to forwarding a copy of this resolution and the debate to the Secretary of State, I think Your Excellency will probably feel disposed to do that.

THE PRESIDENT: Before putting this motion to the Council I would like to say a few words in regard to the salient points in the resolution. The chief of these is that the Secretary of State be earnestly asked to defer payment of debt charges for a period of five years. I think there should first be realised the assistance that has been given by the Imperial Government. The figures speak for themselves. We have received during the last two years in grants-in-aid £350,000, in loans from the Colonial Development Fund £47,000, in grants £12,545, from the Empire Marketing Board slightly over £1,000, and in grants for unemployment relief works £210,906. These amounts total two-and-a-half times the amount of our year's loan commitments. We are asking that these loan commitments be deferred for a period of five years. The assistance we have received represents two-and-a-half years of loan payments. Now, that is a very large sum to have received. I think the assistance might be well asked for and might be well given. That is very largely a vexed question at present. It is a question that is engaging the attention not merely of this Colony but the whole of the British Empire and of the whole world. That is the question of tariffs. It is, as the hon. Mr. Seaford pointed out, very largely a question of protection as the measure of assistance which we may expect to get. While there has been assistance from the Imperial Government the whole question now largely lies in the matter of tariffs. That makes the question an extremely difficult one because it has to be taken into consideration with the big

question that is now under consideration by the best brains in the United Kingdom and the advisers of the Dominions and Crown Colonies. That is the position with regard to the assistance we have received. Is it the time to ask for any further assistance to be given by the Imperial Government in the way proposed in this motion? I think not. If hon. Members will refer to the telegrams published to-day they will see that the United Kingdom has paid back its credits to the banks of New York and France amounting to £15,000,000. What has been the result? The result has been that the credit of the Mother Country is still further established, it is realised what England can do in the hour of need, and it has had its effect on the market and on the value of sterling. It is not in times like this that one is to ask for further assistance of this kind.

The assistance we have been given is, as I have pointed out, equal to two-and-a-half times the amount of the year's loan commitments, and that assistance has been given for the development of the Colony. Development does not lay merely in the future but also in the present in order to make development in the future still more successful. I do not think any Governor or Government or any people of this Colony regard development otherwise than as the most important work in British Guiana. By that way the future of this country lies, there can be no question about that. But when we talk about development it is obvious that development must be associated with funds for development, and you cannot merely spend funds for development without looking to the interest of those for whom that development is going to mean prosperity in the future. I can assure hon. Members that no big work is going to be undertaken at the present time economically unless you have capitalists behind you. There is no Member associated with any form of business who could not tell this Council that the most difficult thing to obtain at the present time is capital. All investors naturally are looking around extremely carefully at the present time when capital is so very difficult to find. If you are going to undertake big work of development—and it is the hope of the whole country that it may be undertaken and as early as possible—you have to get capital

behind you and get a return on that capital as early as possible. You cannot hope to ask the British Government at the present time, and it would be quite wrong to do so, to give us a sum of money representing £250,000 a year to spend on work of development. The very figures you will have to put forward would show the weakness of the case. There is no reason to be despondent at all.

I came to this country an optimist and I shall remain an optimist (Hear, hear). All countries are passing through a very difficult time and it says very much for this country that it has been able to pass through this period in the manner it is doing. If you take the figures of the production in our main industries you will find that Nature has been very kind to us. We have markets and are looking forward to an increase in our production. The world's position is that it is the low price of produce that is producing this depression. British Guiana has the goods, and as long as it has got the goods we have to go through periods of depression like other parts of the world, but we can always hope to get through. The Colonial Secretary said this period has been a period during which the sugar industry has learnt a great deal. I think the country has learnt a great deal. It has learnt the value of production and it has learnt the value of money as perhaps it did not realise before, and the more soil taken up the better it will be for the country. I am not suggesting for a moment that Government has done everything possible. Government would consider itself very fortunate if people realise that it is trying to do something, and I hope the people do realise that Government is trying to do something. Money has been spent in many productive directions. Figures have been given us of the rice markets of the United Kingdom and Canada, and it has been pointed out that we might hope for a larger share in those markets. We are making experiments at the present time in milling white rice and we have a grant of £12,000 from the Colonial Development Fund to assist the rice industry. It is all going to assist development in the future. The road is a means at the present time of striking forward into the interior and inducing the coming of people to the Colony. Steps are being taken by Government in these directions.

We have had visits from experts. Certain Members think the visits of experts are of no value. I do not agree with them. The visits of experts show us something we may not know, and serve the purpose of proving that we are not fools. We had Sir Wilfred Beveridge here and he made excellent recommendations to improve sanitation in the Colony. Those recommendations involving an expenditure of several thousands of pounds have been approved by the Colonial Development Fund, and that money is expected to be received in a very short time the only condition being that we should balance our Budget before we get the money. We had also a visit from an adviser of the Colonial Office who made a valuable suggestion, and from whom I learnt recently that they are willing to help us with any scheme put forward. Yet it must be remembered that the Colonial Development Fund is very restricted, and if we get this further help we will be fortunate. Next month I am expecting a visit from Mr. Stockdale, an old friend of the Colony, now Agricultural Adviser to the Colonial Office. Mr. Stockdale will spend a fortnight here and one of the things he is going to do is to pay a visit to the North West District and do something for us there. The visits of these experts are not going to cost this Colony one penny. They will be paid for by the Agricultural Committee in England, so we are getting that advice and assistance free. It may be said it is better to get the money. Well, you are not going to get the money without the advice. If you can get advice from people who know something of what they are talking about it is going to help us in future development. We have to be a little patient of development. The Home Government will help us to the best of their ability but this is not the time to ask for further assistance that we may be allowed to escape what we are trying to pay to the best of our ability. The anxiety of Government has been not to tax the labouring classes severely but to let them off as far as it is possible to do so because with them lies the future of the Colony, but the response has to come from them that they realise that it is by work and self-development of the Colony that the first great step towards future development of the Colony lies. Government has no objection to appointing a Committee if it is thought to serve any useful purpose and to send a copy of

the resolution and debate to the Secretary of State. The mover of the motion is not present and I will put the motion as it stands.

Mr. FREDERICKS: In view of the suggestion that Government will give effect to the second part of the motion, I will take the responsibility of asking Government to allow me to withdraw the second part of the motion.

THE PRESIDENT: That is left to the seconder.

Mr. CANNON: I see no objection to it, sir.

THE PRESIDENT: Under those circumstances then I will rule that the motion is not pressed. Government is prepared to give effect to the second part of the motion.

The motion was accordingly entered on the minutes as withdrawn on the undertaking to forward a copy of the motion and debate to the Secretary of State.

RETRENCHMENT OF OFFICERS.

Mr. MILLARD: I beg to move the motion standing in my name referring to Message No. 7:—

THAT, with reference to Governor's Message No. 7 of the 16th of January, 1932, this Council approves of the introduction of the necessary legislation and of the inclusion of the necessary sums in the Estimates to permit the voluntary retirement on pension or gratuity of officers in the Public Service in cases where an economy of a permanent character can be effected having regard to the cost of arrangements to be made for the performance of the duties of the officers and the provision necessary for pension or gratuity or in cases of retirement from other Public Services of officers who have previously served in this Colony.

That Message informed the Council that it was proposed to grant permission to any officer to retire in cases where an economy of a permanent character can be effected having regard to the cost of arrangements to be made for the performance of the officer's duties together with provision of the necessary funds for his pension. The proposal is that if an officer desires to retire, provided that economy can be secured with his retirement, he should be granted the amount of pension

for which he has qualified without any addition or compensation, and also in the case of an officer having public service elsewhere or an officer elsewhere previously having public service in this Colony that if he is allowed to retire this Colony will undertake to provide the necessary contribution to his pension on the condition that he had qualified for pension. In the case of officers having purely local service but not qualified for pension it is proposed to give them a gratuity equivalent to the gratuity provided in the case of an officer retiring from the Service for reasons of infirmity. That gratuity is half-a-month's salary for every month's service. This Council is now asked to approve of the introduction of the necessary enabling legislation and of the inclusion in the Estimates of any sums necessary for the purpose pending the passing of such legislation. The reason why approval is asked for in this form is that in cases of voluntary retirement where it is found that permanent economy can be secured the cases should be proceeded with forthwith in order to secure the maximum economy. The motion requires altering slightly in the last two lines. I therefore move that for the word "or" the words "and similarly" be substituted after the word "gratuity" and the word "voluntary" inserted before the word "retirement".

Professor DASH seconded.

Motion, as amended, agreed to.

TAX BILL.

THE COLONIAL SECRETARY: I move the suspension of the Standing Rules and Orders to enable me to introduce and have read a first time "A Bill further to amend the Tax Ordinance, Chapter 37."

Mr. SMELLIE seconded.

Question put, and agreed to.

THE COLONIAL SECRETARY: I move that the Bill be read the first time.

Mr. SMELLIE seconded.

Question put, and agreed to.

Bill read the first time.

The Standing Rules and Orders were

again postponed to enable the Bill to be read the second time.

THE COLONIAL SECRETARY : This Bill is really to put right certain omissions that should have been made in Ordinance No. 29 of 1931 and also to correct certain hardships that have been represented to Government by those interested. It would save a good deal of time and trouble if when a Bill is published for general information the public interested would make representations, as we find many representations made to us immediately after a Bill is passed. The first amendment is to section 14. The effect of it is to delete the words and figures "but not more than 22." It has been found that licences have been granted to a number of buses which carry, or are capable of carrying, more than 22 passengers and that we have made no provision for them in the Ordinance. Those buses can ply for hire on the road without applying for any licence at all. I am a little doubtful myself if that is the case, but the lawyers say it is the case and we have to be guided by them. If it is considered that 22 passengers are sufficient that can be provided for in the regulations. The number was fixed at 22 on the advice of the Director of Public Works and the Municipal Engineer who estimate that the weight of a vehicle carrying 22 passengers is sufficient for the roads of the Colony. The procedure to be adopted will be to enable buses which at the present time carry more than 22 passengers to take out a licence, in order to avoid any hardship on any owner of a

bus which does not comply with the law or the regulations. Clause 2 (2) is a provision to enable a motor garage or firm to get a licence for what is known as "A breakdown vehicle" kept solely for the purpose of removing or towing any damaged or disabled vehicle. We find that when a trade vehicle is used to remove or tow a damaged vehicle it is fitted for that purpose and creates a hardship. The Ordinance says it must be used solely for that purpose and it cannot be used for trade purposes. It is therefore thought better to delete the section and substitute sub-clause (2) to enable any goods vehicle to be fixed up with the necessary appliances and be used on any of the roads of the Colony without charge. We omitted to amend section 34 (2) of the Ordinance, which requires that any dog brought into Georgetown from the country should pay the licence in Georgetown and by clause 3, the licence for a dog brought into Georgetown from the country will be increased by 50 cents. Clause 4 puts right a clerical error to make provision for the holding of dances or entertainments in the country for a period of twelve hours. The section is remodelled and made to read as in the Bill. The Bill imposes no taxation with the exception of additional payment on dogs coming into Georgetown. I move that the Bill be read the second time.

Mr. SMELLIE seconded.

The Council adjourned until the following day at 11 a.m.