

THE

House of Assembly Debates

(OFFICIAL REPORT).

SESSION 1947—48

HOUSE OF ASSEMBLY

Tuesday, 24th August, 1948.

Pursuant to adjournment, the House of Assembly met at 12 o'clock noon, to-day.

Present:

His Honour Mr. G. B. EVELYN (*Speaker*), His Honour Mr. J. E. T. BRANCKER (*Deputy Speaker*), Mr. L. E. SMITH (*Chairman of Committees*), Dr. H. G. CUMMINS, Messrs. M. E. COX, D. A. FOSTER, R. G. MAPP, A. E. S. LEWIS, G. H. ADAMS, B.A., H. D. BLACKMAN, J. A. HAYNES, B.A., V. C. GALE, and J. H. WILKINSON, O.B.E.

Prayers are read.

Mr. S. A. WALCOTT enters the House and takes his seat.

ILLNESS OF THE DEPUTY CLERK

Mr. SPEAKER: I have the honour to inform the House that I have received a letter from the Deputy Clerk stating that he is unwell and is unable to attend to-day's meeting of the House. He asks for leave of absence from to-day's sitting and that Mr. R. G. F. Mandeville be appointed to perform the duties of Deputy Clerk to-day.

On the motion of Mr. ADAMS, seconded by Dr. CUMMINS, the Deputy Clerk is granted leave of absence from to-day's meeting.

APPOINTMENT OF ACTING DEPUTY CLERK.

On the motion of Mr. ADAMS, seconded by Dr. CUMMINS, Mr. R. G. F. Mandeville is appointed to act as Deputy Clerk at to-day's meeting.

Mr. HUSBANDS enters the House and takes his seat.

MESSAGES FROM THE LEGISLATIVE COUNCIL.

Mr. SPEAKER: I have the honour to inform the House that I have received three Messages from the Honourable the Legislative Council returning (1) the Bill to authorize the Vestry of the parish of St. James to raise a loan to enable the said Vestry to erect and equip a Dispensary for the use of the residents of the said parish; (2) the Bill to authorize the Vestry of the parish of Christ Church to raise a loan

to enable the said Vestry to make certain erections, repairs, reconstructions and renewals to certain parochial buildings and chapels in the said parish; (3) the Bill to amend the Merchant Shipping Act, 1898 (1898-2).

Dr. WILSON and Mr. TALMA enter the House and take their seats.

PAPERS LAID

Mr. ADAMS: Mr. Speaker,—I have the honour to lay on the table of the House, the following Papers:

Message No. 16/1948 from His Excellency the Governor inviting the Honourable the House of Assembly to nominate a delegate to attend the third session of the West Indian Conference which is due to open at Guadeloupe on the 1st December.

Message No. 17/1948 from His Excellency the Governor with reference to the Address of the 20th of July from the Honourable the House of Assembly regarding the shortage of grain.

Message No. 18/1948 from His Excellency the Governor informing the Honourable the House of Assembly of the date of the prorogation and dissolution of the Legislature and the issue of Writs for a General Election.

Message No. 19/1948 from His Excellency the Governor inviting the Honourable the House of Assembly to nominate a candidate for inclusion in a panel from which the unofficial B.W.I. representative at the next W.I. Conference will select the two British unofficial members of the Caribbean Commission.

Message No. 20/1948 from His Excellency the Governor with reference to the Address from the Honourable the House of Assembly dated the 10th August seeking to advance the picking season for sea-eggs.

Mr. LEWIS: Mr. Speaker,—May I suggest that the Clerk be allowed to read the Messages which the honourable senior member for St. Joseph have just laid on the table of the House?

Mr. SPEAKER: Does the honourable member want the Messages read to-day?

Mr. LEWIS: I think they should be read. As far as I know, it has been the custom to read Messages from the Governor at the time they are being laid on the table of the House.

Mr. MOTTLEY enters the House and takes his seat.

MESSAGES FROM THE GOVERNOR.

The Messages from the Governor which are laid on the table of the House to-day are read as follows:—

(i)

MESSAGE No. 16/1948

*His Excellency The Governor**To**The Honourable the House of Assembly*

His Excellency the Governor has the honour to inform the Honourable the House of Assembly that the third session of the West Indian Conference is due to open at Guadeloupe on the 1st of December. A copy of the provisional agenda is attached hereto.

2. The Secretary of State has decided that each colony shall be represented by an official delegate appointed by the Governor and an unofficial delegate to be nominated, in the case of Barbados by the House of Assembly. The delegation will also include such advisers as His Excellency may consider desirable.

3. His Excellency accordingly invites the Honourable House to nominate a delegate to attend the Conference.

The Agenda follows:—

1. Standing Orders on Conference Procedure.
2. Report by the Secretary General on :
 - (a) The work of the Commission since the previous Session of the West Indian Conference, and on the action taken by the Metropolitan and territorial Governments on the recommendations of the previous Session.
 - (b) Research activities.
 - (c) Survey of Population Movement within the Caribbean Area.
3. Industrial Development and Economic Productivity.
 - (a) Trade Statistics and Information.
 - (b) Report on Industrial Development Survey.
 - (c) Report on Transportation and Communications.
 - (d) Migration of Labour, Labour Conditions, Organisation and Legislation.
 - (e) Vocational and Industrial Training.
 - (f) Health in Industry.
 - (g) Regional Approach to Research.
4. The Regional Development of Tourism.
5. Progress report on the work of the United Nations in the drafting of a Bill of Human Rights and Obligations on those items of the Declaration falling within the terms of reference of the Commission.
6. Recommendations for the Agenda for the West Indian Conference (Fourth Session).
7. Other Business.

(ii)

MESSAGE No. 17/1948.

*His Excellency The Governor**To**The Honourable The House of Assembly*

His Excellency the Governor has the honour to refer to the Address of the 30th of July from the Honourable the House of Assembly regarding the shortage of grain and to inform the Honourable House that the Government has decided to provide for the inclusion of corn in the list of commodities for which prices are guaranteed, and to maintain the minimum acreage to be planted in corn, which has already been fixed. The Government has also instructed the Home Grown Food Committee to give further consideration to an order for the planting of peas.

(iii)

MESSAGE No. 18/1948.

*His Excellency The Governor**To**The Honourable The House of Assembly*

His Excellency the Governor has the honour to inform the Honourable the House of Assembly that since the present session of the Legislature ends by the effluxion of time on the 25th of November he proposes to prorogue the Legislature on Tuesday the 23rd of November at 2.30 p.m. in the afternoon.

On the same day he proposes to dissolve the Legislature by proclamation and to issue writs to the Sheriff of each parish for a general election.

As required by the provisions of the Representation of the People Act, 1901, nominations shall be made between 8 a.m. and 9 a.m. on the Monday next immediately following the second Sunday after the date of the writs, that is to say, on Monday the 6th of December. If a Poll is required it shall be taken by the Sheriff on the Monday next following nomination day, that is to say, the 13th day of December, beginning between 7 a.m. and 8 a.m. and continuing until 6 p.m.

(iv)

MESSAGE No. 19/1948.

*His Excellency The Governor**To**The Honourable The House of Assembly.*

His Excellency the Governor has the honour to inform the Honourable the House of Assembly that the Secretary of State has decided that the following procedure shall be adopted in the selection of the two unofficial members of the Caribbean Commission.

Candidates for election by the unofficial British delegates to the West Indian Conference to the two unofficial seats on the British Section of the Caribbean Commission will be nominated by the Legislatures of the British Colonies concerned before each session of the Conference.

In colonies where the Legislature consists of two chambers the candidate will be nominated by the elected body. While no doubt candidates selected by this procedure will usually be themselves members of the Colonial Legislatures the electing body will be free, should it wish to nominate other persons.

From the panel of candidates so formed, two will be elected by a majority vote of the unofficial British delegates to the Conference at a special meeting convened for the purpose. In the event of no candidates, or only one candidate, receiving a clear majority vote, the Secretary of State proposes that the vacancy or vacancies should be filled by candidates selected from the panel by himself.

In accordance with the Secretary of State's instructions His Excellency invites the Honourable the House of Assembly to nominate the Barbados candidate for inclusion on the panel from which selections will be made.

(v)

MESSAGE No. 20/1948.

*His Excellency The Governor**To**The Honourable The House of Assembly*

His Excellency the Governor has the honour to refer to the Address from the Honourable the House of Assembly dated the 10th of August, seeking to advance the picking season for sea-eggs.

2. The Governor-in-Executive Committee is advised that early picking of sea-eggs results not only in an immediately decreased harvest but also affects adversely the yield for the following year and perhaps longer. The advancement of the picking season is not, in the opinion of such experts as it has been possible to consult, in the interests either of fishermen or of the consuming public, and, in the circumstances, no action will be taken in the matter.

Messrs. F. L. WALCOTT and CRAWFORD enter the House and take their seats.

NOTICES.

Government Notices are given as follows :—

Mr. ADAMS : Resolution for £1,000 to supplement the provision in the Estimates of Expenditure for the year 1948-49 under Head XXIX, Miscellaneous services, Item 2, Cost of Exchange.

Dr. CUMMINS : Resolution to place the sum of £208 at the disposal of the Governor-in-Executive Committee to provide to the 31st March, 1949, for expenditure on uniforms and equipment at a cost of £132; uniform allowance for officers, at a cost of £30; and a typewriter at a cost of £46; for the Barbados Volunteer Force.

Messrs. GARNER and WARD enter the House and take their seats.

Mr. ADAMS : Bill relating to Public Accounts.

Mr. ADAMS : Of my intention to move the House into Committee of Supply at its next meeting to consider the money Resolutions of which notice has just been given.

Mr. HAYNES gives notice of his intention to move for the appointment of a Select Committee to draft a reply to His Excellency's Message No. 13/1948 relating to measures for the relief of unemployment.

QUESTIONS

Mr. BRANCKER : To enquire of the senior member of the Executive Committee present in the House at its next meeting :—

1. Whether it is a fact that certain public employees due to receive salaries Saturday, 14th August, 1948, did not receive same until after Sunday, 15th August, 1948 ?

2. If the answer is "Yes", will Government explain why, and also who was responsible for delay in regard to such payments ?

BILL READ A FIRST TIME

On the motion of Mr. ADAMS, seconded by Dr. CUMMINS, a Bill relating to Public Accounts is read a first time.

MEMBERS OF DEBATES COMMITTEE ASKED TO ATTEND MEETING

Mr. SPEAKER : Before proceeding to the business of the House I want to ask members of the House who are members of the Debates Committee to attend a meeting which I intend to convene for Monday next at 3 o'clock p.m. I summoned a meeting a week ago but I alone attended. As I shall be leaving the island on or about the 7th September I should like to hold a meeting of the Committee before I leave.

COUNCIL'S AMENDMENTS TO ST. JAMES PARISH LOAN BILL

Mr. ADAMS : Mr. Speaker,—I beg to move, in accordance with Rule 262, that the amendments of the Honourable the Legislative Council to the Bill to authorize the Vestry of the parish of St. James to raise a loan to enable the said Vestry to erect and equip a Dispensary for the use of the residents of the said parish be considered forthwith.

Mr. TALMA : I beg to second that.

The question that the amendments of the Other Place to the St. James Parish Loan Bill be considered forthwith is put and resolved in the affirmative without division.

Mr. ADAMS : Mr. Speaker,—The amendments of the Other Place occur in Clauses 4 and 5 respectively of the Bill in which the word "additions" was used instead of the word "addresses".

I beg to move that the amendments deleting the word "additions" and substituting the word "addresses" therefor in Clauses 4 and 5 of the Bill be now read a first time.

Mr. TALMA : I beg to second that.

The question that these amendments be now read a first time is put and resolved in the affirmative without division.

On the motion of Mr. ADAMS, seconded by Mr. TALMA in each case, the amendments are read a second time and are agreed to.

COUNCIL'S AMENDMENTS TO CHRIST CHURCH PARISH LOAN BILL

Mr. ADAMS : Mr. Speaker,—I beg to move, in accordance with Rule 262, that the amendments of the Honourable the Legislative Council to the Bill to authorise the Vestry of Christ Church to raise a loan to enable the said Vestry to make certain erections, repairs, reconstructions, and renewals to certain parochial buildings and chapels in the said parish be considered forthwith.

Mr. TALMA : I beg to second that.

The question that these amendments of the Other Place be considered forthwith is put and resolved in the affirmative without division.

Mr. ADAMS : Mr. Speaker,—These amendments are similar to those which are made to the St. James Parish Loan Bill. Instead of the word "addresses", the word "additions" appeared in Clauses 4 and 5 respectively of this Bill. The Other Place deleted the latter word and substituted therefor the former word in each of these two clauses. I beg to move that the amendments be now read a first time.

Mr. TALMA : I beg to second that.

The question that these amendments be now read a first time is put and resolved in the affirmative without division.

On the motions of Mr. ADAMS, seconded by Mr. TALMA in each case, the amendments are read a second time and are agreed to.

COUNCIL'S AMENDMENT TO THE MERCHANT SHIPPING (AMENDMENT) BILL

Mr. ADAMS : Mr. Speaker,—I beg to move, in accordance with Rule 262, that the amendment of the Honourable the Legislative Council to the Bill to amend the Merchant Shipping Act, 1898 (1898-2) be considered forthwith.

Mr. TALMA : I beg to second that.

The question that this amendment of the Other Place be considered forthwith is put and resolved in the affirmative without division.

Mr. ADAMS : Mr. Speaker,—These words : "Be it enacted by the Governor, Council and Assembly of this Island" were left out in the Bill that went to the Other Place and they have been inserted by the Other Place. I beg to move that this amendment be now read a first time.

Mr. TALMA : I beg to second that.

The question that this amendment be now read a first time is put and resolved in the affirmative without division.

On the motions of Mr. ADAMS, seconded by Mr. TALMA in each case, the amendment is read a second time and is agreed to.

APPOINTMENT OF SELECT COMMITTEE

Mr. HAYNES : Mr. Speaker,—Before you proceed to call the Orders of the day I beg to move that a Select Committee be appointed to draft a Reply to His Excellency's Message No. 13 of 1948.

Mr. CRAWFORD : I beg to second that.

Mr. LEWIS : Mr. Speaker,—The senior member for St. Andrew must have some good reason for making that motion but, Sir, he cannot come here and spring upon the members of the House a motion for the appointment of a Select Committee to draft a Reply to His Excellency's Message No. 13 of 1948 without telling the House what the Message is about. Possibly the only member who knows what the Message suggests is the honourable member himself. At least he should state what the Message is about and let honourable members see whether it is necessary or not to support his motion.

Mr. HAYNES : Mr. Speaker,—For the benefit of the honourable member I will say that Message No. 13 of 1948 relates to an Address which was passed by this House on the subject of Measures for the relief of unemployment,—such Measures as Reclamation of the Constitution Swamp, Construction of the proposed East Coast Road and the Cycle Track from Thickets, Land Tax Relief, Development of the Airport at Seawall and the construction of a new runway suitable for use by larger aircraft, Repair to Wharf Walls, Construction of proposed Schools, and Laying of water mains and Erection of standpipes. If the honourable member refers to his papers he would see the details of the Address and His Excellency's Message.

The question that a Select Committee be appointed to draft a Reply to His Excellency's Message No. 13 of 1948 is put and resolved in the affirmative without division.

Mr. SPEAKER : Subject to the approval of the House I appoint the members of that Select Committee as follows :—The senior member for St. Andrew (Mr. Haynes), the junior member for St. Andrew (Mr. Foster), the junior member for St. Lucy (Mr. Branker), the senior member for the City (Mr. Mottley), the junior member for St. George (Mr. Symmonds), the senior member for St. Philip (Mr. Crawford), and the junior member for St. Philip (Mr. Garner).

SUSPENSION OF RULE 60.

Mr. ADAMS : Mr. Speaker,—I ask leave to move the suspension of Rule 60 in order to take Order No. 2 as the first Order.

There being no objection, the honourable member is granted leave to proceed.

Mr. ADAMS : I beg to move that Rule 60 be now suspended.

Mr. TALMA : I beg to second that.

The question that Rule 60 be now suspended is put and resolved in the affirmative without division.

INCOME TAX (AMENDMENT) BILL

Mr. SPEAKER : The first Order stands in the name of the honourable senior member for Christ Church,—Second reading of a Bill to amend the law relating to Income Tax.

Mr. ADAMS : Mr. Speaker,—I gave notice of the Bill but it is wrongly printed in the name of the senior member for Christ Church. I, therefore, ask leave to take charge of it.

There being no objection, the honourable member is granted leave to proceed.

Mr. ADAMS : Mr. Speaker,—This Bill is to amend the law relating to Income Tax. As honourable members will see, Clause 2 of the Bill seeks to increase the rate of tax from 6/8 to 9/- in the pound

on companies and associations other than those mentioned in section 7 of the Income Tax Act, 1921, (namely, those companies whose income is derived from shipping carried on in foreign parts) and life insurance companies and Clause 3 seeks to increase the allowance for dependents from £40 to £50. I shall ask for permission to amend the 9/- to 8/- for reasons which I shall give. The feeling of the Government in arriving at this decision to increase the rate of income tax from 6/8 to 8/- in the pound is based on the fact that owing to the short crop this year and to what is already making itself extremely manifest, namely, a drop in Customs receipts, we shall collect a considerably less amount of revenue next year from Income Tax than we normally collect. In two months alone this year Customs revenue has gone down as much as £72,000 and honourable members can easily imagine what the income tax from a crop which turned out to be two-thirds of what was expected is likely to be. I have to ask that the amount—9/—be changed to 8/-. The Government was actuated in fixing the figure at 9/- by information which it had at that time to the effect that that was the figure in Trinidad and British Guiana. Since then, the Government has been more reliably informed—and the figure has been checked by the Income Tax Commissioner—that the rate on companies in those colonies is 40 per cent. It is, therefore, 8/- in the pound and inasmuch as the Government, in fixing the figure was moved, as I said, by the consideration of fixing it in the same amount as that which obtains in Trinidad and British Guiana I shall ask leave, in Committee, to amend the figure from 9/- to 8/-. I know what the Opposition will say, partly from tradition and temperament and partly because one expects them to say it. Nobody normally likes to pay taxes. I say "normally" because there are some extraordinary instances in some other parts of the world, including, strange to say, the United States of America, in which people have been known to have asked to be rated more heavily because there were some pressing problems in the respective countries to be dealt with but I cannot say that it is a Barbadian trait to have more taxes put on oneself. The arguments that can be used on this occasion have been used over and over again—I emphasise the word "arguments" as distinct from the declarations of some Bodies—and this Government is perfectly prepared to repeat them. It is regrettable that the Government has not, in the past and up to the present moment, been able to establish the practice of introducing the rates of income tax at the same time as it introduces its Budget. Everybody will agree that it is reasonable that persons who are distributing profits, especially companies, should know at an early date what to look forward to by way of taxation on their profits, and, Mr. Speaker, the assurance was given two years ago, at the time when the Budget was introduced, that that would be the last occasion on which the Budget would be presented in that manner because we expected the Financial Secretary to arrive from England but the Financial Secretary did not arrive until the end of May this year. As honourable members will remember I had to say in March this year that the Government was again sorry that it had to introduce the Budget without being prepared to introduce at the same time the rates of income tax. It would not be correct to say that because a Labour Government is in power we are springing a surprise on companies when they have already made their calculations, declared their dividends, and probably paid dividends on the assumption that the income tax rate would be x shillings in the pound and now it is $x + y$ shillings. The Government, I repeat, regretted that state of affairs but with the existence of a Financial Secretary amongst us, I think we can say with certainty that it will not happen again. However, to allege that this

Government is making a raid on the members of the Chamber of Commerce or the merchants in Bridgetown and is doing something unseemly is to forget that Conservative Governments have done the same thing from the time they have been bringing in Budgets in this House; so that if it is an evil, it is an evil the present Government has adopted and not initiated. Those are the only arguments I can think of off-hand that have been put forward by the Government of this country in connection with the matter of laying rates of income tax. As regards the allegations that an increase in the rate of income tax on companies will lead to disaster in business, my reply to that is that throughout the whole history of Barbados, the planters and the merchants of this colony have been always preaching that any innovation, especially anything that touched their pockets, will bring disaster. Numerous instances are enumerated in books which deal with the history of Barbados as to the calamity foreseen if the House passed a bit of progressive legislation. That is a Barbadian trait and I shall pay no more attention to that allegation, in reply, than what I have just said. It is human nature for those whose pockets are going to be touched to declare that calamity is just around the corner. There was a distinguished member of this House, distinguished in his professional career, less distinguished, perhaps, in his career in this House, more distinguished, possibly, in his career in the Other Place, who *ex cathedra* used to indulge in his doleful prophecy about the bankruptcy into which this island was running as a result of the increase of expenditure year after year. Members of his profession who have seen him on the Breach can claim that he was undoubtedly one of the greatest judicial minds that the West Indies has had for years but his prophecy in respect of this island has hardly come true. This Government is not at all perturbed by the prognostications of the Chamber of Commerce as to the evils that will take place as a result of our increasing this rate of income tax from 6/8 to 8/- in the pound. As some of that argument will undoubtedly be used by members of the Opposition I desire to anticipate them by pointing out that those allegations, as I have termed them, do not really spring from anything else but the natural desire of a man on whom greater taxation is about to be placed to try and get that taxation off himself. Honourable members would have read in the Press a Resolution of the Chamber of Commerce which was presented to the Governor for his information and for the information of his advisers with a request that a copy of it be transmitted to the Secretary of State for the Colonies for his information. After setting forth the history of the rise in the rate of income tax on companies from 2/6 to 6/8 in the pound and pointing to the surplus balance that exists in the Treasury of this colony, they declare that the accumulation of annual surpluses, in accordance with the settled policy of the Government, has in recent years resulted in the expenditure of considerable sums of money on capital works in this island, the cost of which hitherto has been borne from loan funds but it has now become the practice of the Legislature to pay all such expenditure either from current revenue or the accumulated surplus balances. I pause here, Mr. Speaker, to say that in view of the notice which the senior member for St. Andrew gave earlier to-day for the appointment of a Select Committee to draft a reply to His Excellency's Message on the subject of Measures for the relief of unemployment, apparently he does not agree with the Chamber of Commerce because he and his friends seem to be about to castigate the Government for reaching the decision not to spend a certain sum of money on certain suggested

capital works; but, at any rate, explicitly some members of the Opposition are of the opinion that the expenditure on capital works should be met from loan funds and implicit in the notice of the senior member for St. Andrew to-day is the transfer of the expenditure on capital works to the accumulated surplus. Mr. Speaker, the parrot-like repetition and the pertinacity with which people in the twentieth century repeat slogans which they think to be words of wisdom have reached a stage when, really, some halt should be cried to it. There seems to be some magic in the suggestions that certain Government expenditure should be done in one way and not in another and that if you depart from that way, you are breaking some economic principle which, apparently, is as bad as breaking a divine commandment; that works of a capital nature should be paid for out of loan funds and that current expenditure should be met out of the accumulated surplus. Well, I do not propose to give a lecture but I do suggest that it is pretty absurd to try to lay down any alleged economic law, remembering always that for every half a dozen famous economists of certain views you can collect another half dozen equally famous for exactly opposite views on a particular economic problem. Economists differ even more than theologians on their own subjects and it is not because Adam Smith or somebody else in the 18th or 19th century laid down some doctrine as to the course which a Government should follow in its expenditure or in its system or systems of taxation that, therefore, every Government, no matter what its position may be in its particular area or with reference to its own community or with reference to the world in general, must forever follow that doctrine as some sacrosanct dogma or else it would plunge its community into destruction. There is nothing in that point whatever, Mr. Speaker, and if it were not that it would be taking up a lot of time needlessly in what is really an academic discussion I would speak at greater length on the point. I should like to remind the House that as far as any policy for the colonies in post-war development is concerned, this Government, in common with other colonial governments, during the war received directions not of a binding nature—suggestions, perhaps, I may call them—as to the way in which Government post-war expenditure may be financed—either from accumulated surplus or from loans or from Colonial Development and Welfare Funds. To me, it seems immaterial whether you take £1,000,000 to build a hospital from accumulated surplus or from Colonial Development and Welfare funds, or raise a loan for the purpose. If with those three sources at your disposal you have capital works to be done, it seems to me to be absolutely immaterial if you build Queen's College with Colonial Development and Welfare funds and a Post Office with money in the Treasury and a Hospital with a loan or twist them about—A, B, and C—in any way you like, in any permutations and combinations of those three sources; so I hope that the House will be spared any suggestion about this fallacious economy—long enough happy phrase—in the Government spending money on works of a capital nature. The Chamber of Commerce's resolution goes on to say that last year, at the instance of Professor Beasley, the post of Financial Secretary and Adviser to the Government was created; that an appointment was made and now that the official has entered upon the duties of his office he has not yet been able to acquaint himself with the capacity of the finances of the colony. That is one of the reasons given to show why the Government is wrong in introducing this Bill. They say that the Financial Secretary has not been here long enough to advise the Government on this Bill; that although he has not been here long enough, this Bill has been sent by the Government to the House. I shall quote certain passages

from the Resolution. It says: "Whereas the introduction of the said Bill and its passage into law are widely condemned throughout this Island and deemed detrimental to the best interests of the inhabitants of Island, for the reasons following, namely:—(a) no necessity is existing or can be foreseen which should require the raising of additional revenue; (b) a reasonable portion of the net annual profit of every properly conducted Trading Company is usually retained by the Company and not distributed but such profits are necessarily preserved as a reserve to meet possible future losses on capital, both fixed and circulating, to meet depreciation and obsolescence (part only of which are allowable as deductions for purposes of income tax), to meet donations to charities and the claim of social welfare and improvement of the masses, to meet pensions to employees and the debts, contractual engagements and liabilities of the Company, to provide for expansion of the business, to equalize dividends and generally to build up and maintain resources and financial strength and stability of the Company; (c) the introduction and establishment of much needed industries in this Island and the formation and development of new industrial and/or public utility trading companies is discouraged and rendered impracticable if excessive rates of taxation are imposed without the offer of concessions to new businesses as is recognized and usually the case in other West Indian Islands and places where established economic opportunities are applied; (d) the inflationary tendencies of the measure are self-apparent with the imposition and retention of controls whereby strict limits on imports and in respect of wholesale and retail transactions are deemed necessary in order to ensure to the consumer a reasonable and regulated purchasing market but which render the importer impotent to pass on directly to the consumer the extra tax imposed by Government unless permission to advance retail prices be guaranteed and if and when refused, must necessarily entail a reduction of the profits of the importer and result, first, in the reduction of salaries and wages, next, of the staff and employees and, finally, the closing of the business itself; (e) with the prevailing unemployment existing throughout the Island, with the lack of ready money, owing to a very short crop, which is usually in circulation after a reasonably good crop, with a period of several months to be tided over before the next reaping season is due to commence and with the already existing excessive rates of taxation, the extraction from trading concerns of further, unnecessary accumulations of surplus revenue must inevitably lead to increased unemployment and the further contraction of the spending power of the people upon their usual and customary requirements;

"Be it resolved that for the reasons stated, it is the unanimous opinion of the Chamber of Commerce of Barbados that the imposition of additional taxation in this Island is, in the existing circumstances, unnecessary, unjustifiable, ill-advised and greatly to be deprecated and that the proposal of Government to increase the already excessive rate of income tax imposed on companies doing business in this island from the present excessive rate of 6/8 in the pound is unwarranted and detrimental to the best interests of the colony and, further, is calculated to do irreparable injury to all classes in the community."

The Chamber of Commerce resolved *inter alia* that it is their unanimous opinion that the imposition of additional taxation in this island is, in the existing circumstances, unnecessary, unjustifiable, ill-advised and greatly to be deprecated and that the proposal of the Government to increase the already excessive rate of income tax imposed on companies doing business in this Island is unwarranted and detrimental to the best

interests of the colony. My reply to that is this: I have already said that the reason why this was not done earlier was because the Financial Secretary did not arrive until after the Estimates were concluded. How the Chamber of Commerce know that the introduction of this Bill is widely condemned throughout the island and is deemed detrimental to the best interests of the inhabitants of this Island is best known to themselves. It would be an utter waste of time to answer a stupid statement like that. When Queen's College was about to be removed, until at least parents were gathered together we did not know what the reaction of the public would be. Whenever any innovation is to be made in this island, you hear the cry that people throughout the island are opposed to it and in this connection I am reminded of the change in the Letters Patent. Throughout the island the people were supposed to be opposed to the reduction of the franchise until people could use the vote properly. We hear that every time. Responsible people do not hesitate, when they think it would sound well, to express the opinion that a proposal to make this or that change is widely condemned throughout the island. "No necessity is existing or can be foreseen which should require the raising of additional revenue." Has there ever been made a more fatuous statement than that? These are the same people who are asking us to spend 3½ million pounds on a deep-water harbour. At least we have to raise annual revenue to pay interest and sinking fund.

Mr. SPEAKER: If I may interrupt the honourable member for a moment I would remind him that he has the right of reply and that it seems hardly worth while, at this stage, attempting to reply to arguments that have not yet been put forward.

Mr. ADAMS: I do not intend, having finished with this portion of the Resolution, to anticipate any more of that argument. I take it that some members of the Opposition who are opposed to this Bill will, of necessity, use the argument that has been used by the Chamber of Commerce and I am merely anticipating them. But I want to say that this threat—it is a threat—which is constantly made to the Government, when it proposes taxation, just merely leaves the Government cold and makes it feel that the task of convincing some people of their duty to the community is more immense than it used to bargain for. I repeat that it leaves the members of the Government cold and makes us feel that the sense of social justice in this island is so dead that the appeal for co-operation will fall on deaf ears; they can have it whichever way they like. The Government is anxious to improve conditions—the same Government that is attacked Tuesday after Tuesday and is accused of not doing enough, the same Government that is reminded week after week of the malnutrition and starvation that are rampant in this island, the same Government that is asked "why don't you spend money on this, that or the other?" That money is going out and it has to be put back and the only reason that this Government has advanced this proposal is because it is very conscious, more especially since the Financial Secretary has been here and has shown us this, that, and the other thing, of the necessity for careful planning ahead and the Government—I do not hesitate to use word for word the argument used by the learned ex-Attorney General in this place a few years ago—the opponents may say what they like to-day but that argument is sound and our experience in the last war confirms it—intends, while the going is good, to take all the taxes it can from those who have the means of paying the taxation. If we have, because of the failure of a crop or otherwise, to resort to retrenchment it is better to have retrenchment with the knowledge that there is an accumulated surplus than have retrenchment with the knowledge

that our Exchequer is empty. Barbados can reasonably claim—I would hate to think that any Barbadian used the word “boast”—that even with our haphazard methods in the past we have succeeded in keeping our heads above water financially, as compared with some other British colonies, and the argument that I used last Tuesday in respect of the other Income Tax Bill I use again.

As regards the question of the development of new industries this Government is accused of doing nothing to help new industries. Well, everybody knows how much credit is to be given to some of our accusers; everybody knows that some of our accusers tell deliberate lies wilfully knowing that what they say is not true, and it is the fault of the Government sometimes, I feel, that it does not publish enough of what it does or what it proposes to do. I will only say, in reply to the statement that this taxation will prevent companies from expanding or establishing new industries, that this Government has done nothing less, as regards its willingness to welcome new industries into this country, than any other Colonial Government (Laughter). I know that some honourable members will laugh at that statement but I will tell them this: It is all very well to talk about what Jamaica and Trinidad has done and if it were not a case of running down a cul-de-sac I would reply to those statements. When honourable members refer to Jamaica, they seem to forget how the Government of Jamaica is run. It would be improper for me to criticize another colonial Government and that is the only reason why I am silent in respect of those statements. But when one hears that tax concessions are being given and then a few weeks or months after one hears “I am sorry that I gave those concessions because you are not on my side and I am going to remove them and put the position back to what it was”, one does not want to follow a method such as that. As far as this colony is concerned, in spite of the accusations, only one company alone has made application to this Government for concessions and everything that company wanted and everything put forward on our side were agreed upon. This fantastic statement about Canadian or English companies having approached this Government in the matter of establishing new industries in this island and having been refused is just one abominable, unadulterated lie; it has never happened. This Government has no intention whatever of keeping any industry out, so long as that industry does not want to come here and sweat labour and the one company that applied to this Government—

Mr. SPEAKER: It is rather difficult, I suppose, to avoid importing the question of the establishment of industries into this debate but I rather think that it hardly has anything to do with the principle of this Bill.

Mr. ADAMS: I shall not pursue it, Mr. Speaker unless it is used against the Government and it is necessary to reply. But as regards the statement that this Government is just taxing people for the love of it to accumulate money and is doing nothing to encourage industries to come to this island I say, categorically, that there is not a word of truth in it. If we have to grant concessions and thereby lose a certain amount of taxes, we have, to a great extent at any rate, to provide for that loss of taxation. My second reply to any argument of that sort is this: We all know that the Colonial Development Corporation is there. We all know that it is the British taxpayers' money behind that Corporation and we all know or ought to know, whether we are members of the Government or not, as I have said last Tuesday, that the last three or four Secretaries of State—Conservative as well as Labour—have pointed out to us over and over again that our rates of income tax are too low as compared with what the British taxpayers, who are providing the money for the carrying out of Colonial Development and Welfare schemes and for the Colonial Development

Corporation, have to pay. What I did not say last Tuesday and will say now is this: We have constantly had it told to us that we must endeavour to bring the rate of company taxation closer to the maximum rate of individual taxation. We have had that told to us over and over again by Secretaries of State for the Colonies and that is why we had to increase it from the ridiculous sum of half-a-crown to 4/- in 1941, 5/- in 1942, and 6/8 in 1945. I am not saying that to show that everything the Colonial Office tells us we have to do but I have always stated that we are not yet a Republic and we must listen to them. Equally, we are not a Crown Colony and must necessarily take everything that comes from them but when the Colonial Office remembers that it is being asked for an increased price for sugar, for loans and grants, that same Colonial Office, of whom you are asking these things, says: “Yes, I see your needs and we will grant you what you ask. But what about your rates of income tax?” We must be prepared to show to the Colonial Office that we are willing to tax ourselves as much as we may and as much as we can. I do not desire now to enter into any academic discussion as to the taxable capacity of Barbados. I only have to say that the contrast between poverty and wealth in this country is regrettably greater than in any other part of the caribbean area; nor do I shrink from saying that if taxation is a means of equalizing incomes, if taxation is a means of reducing inequalities in incomes, this Government will not hesitate, for a moment, to make use of it for that purpose. What is the good of talking about starvation, malnutrition and preventable disease if you are not prepared to put your hands into your pockets and find the money to put an end to these preventable ills? As far as the argument that salaries and wages will be reduced, that employees will be dismissed and that, finally, businesses will be closed if this additional taxation was imposed on companies is concerned, all I can say is that any business which is run by people who have that mentality ought to be closed. Mr. Speaker, I have heard that argument very often. The junior member for St. James will remember that he has often heard it when he was a member of the Government. We had the same sort of argument when it was proposed that an additional sixpence should be imposed on bottled rum which is being sold for fantastic prices abroad, namely, that it would result in the reduction of salaries and wages and the dismissal of employees; that it would kill the trade; that the goose that laid the golden egg, as the junior member for St. James would say, was about to be decapitated. All that sort of argument one hears when it is proposed that taxation be increased. Finally, I ask the opponents of this measure whether Trinidad has gone bankrupt as the result of this tax of 8/- in the pound on companies, whether the businesses on whom it fell have had to dismiss their employees. What has happened in Trinidad is that the Government—and this is the answer to the figures quoted by the junior member for St. James last Tuesday to show that the rates of income tax on individuals in that colony fall short of the rates in this island—has had to get rid of 400 odd civil servants. We do not want to follow Trinidad in that respect. Finally too, I suggest to this House that the onus is on those who say that the imposition of a 40 per cent tax on companies will be a burden to prove that it is a burden. The onus of proof is on them, inasmuch as the tax exists somewhere else. If this tax were non-existent, obviously it would be on me to show that it will not be a burden and if I were asked: “how are you going to satisfy us that when you put on a 40 per cent. tax on companies it will not be a burden?” my reply would be: “It is the rate of taxation in British Guiana; it is the rate of taxation in Trinidad;” and I ask my friends, the enemy, to say whether it has caused any collapse in business in those neighbouring colonies. I do not propose to say anything more at this stage. I have certain figures relat-

ing to income tax generally and if honourable members ask any specific questions and I have the figures I shall be very glad to give them. To put it briefly, the Government is stating that in the particular circumstances this year—the Government is not suggesting that this will be in existence for two, three, four or five years or for ever—bearing in mind the short crop and the decided drop in revenue from Customs, it feels that out of last year's earnings this tax should be paid and that the burden of it should be borne by those able to bear it; it is nothing extraordinary and as far as companies are concerned it should not cause any confusion in adjustments between shareholders and their respective companies as regards the declaration of dividends. Of course, we know that in many instances, the payment of income tax can be evaded and that there are ways and means whereby some companies will not suffer in the least by the payment of this additional tax but we want to assure income taxpayers that this Government is well aware of loopholes in the Income Tax law; that so long as it is has power to do so it will carry out its intention to have those holes in the Income Tax Law plugged and put a stop to the means of evading income tax which now exists. I have not said much, Mr. Speaker, on Clause 3 of the Bill. Honourable members will realize that the Government has proposed that the allowance for dependents should be increased from £40 to £50 and there again the Government is taking step by step in doing what it feels is reasonable to meet the situation. It is not as great an increase in the allowance as may be desired, taking into consideration the cost of educating and maintaining children to-day but at no time are these allowances based on the complete cost of educating and maintaining children; it is only some allowance towards the cost of maintenance and education of a child. I have much pleasure, Mr. Speaker, in moving that this Bill be now read a second time.

Mr. TALMA : I rise to second the motion for the second reading of this Bill. In doing so I would like to say that the ills of this country are such and so multifarious that we must necessarily have increased sources of revenue and when one takes into consideration the fact that places like Trinidad, British Guiana and other places in the caribbean area have already taken such steps as will provide the amenities which are needed by the poor and middle class, one cannot help but feeling that Barbados is not taking this step ahead of time but is late in so doing. We never had Excess Profits Tax during the War and the Labour Government can never be blamed for that; the Labour Government never had the opportunity then. We have it now and we are asking the people of this country—the ones who can pay—to do their full part whereby the amenities which are essential to human life may be provided. This is the first time that the Labour Government ever had the chance to come here with a measure of this sort to provide those amenities for the people and I defy any Labour member to-day to dare say a word against it. We have sixteen Labour members in this House and this measure must be passed. It is not a question of trying to be unreasonable. It is a question of trying to provide amenities and to bring about reforms for the people. It is not a question of increasing this tax on companies from 6/8 to 8/- in the pound for the love of so doing. It is not a question of that at all. It is a question of taking time by the forelock and making provision to replace revenue that will inevitably be lost from income tax next year. It is not a question of trying to hurt the small man or middle man; it is a question of trying to help them by raising the allowance from £40 to £50. This Labour Government is trying to help the middle class and let us hope that in the not distant future they will understand the nature of things. For 300 years a Conservative Government ran this country and it is only two years since a Labour Government has been in power.

We are trying to set things wrong right and when the newspapers write certain foolish allegations week after week, when certain penny journals write foolish accusations—we know them—when they talk about sanitation, better housing for all, better education, more food for all, when such things are talked about, they are what the Bill will help to provide—amenities which human beings deserve to have.

Mr. WILKINSON : Mr. Speaker,—This Bill is entitled "An Act to amend the law relating to Income Tax" but I do not think that that is a sufficient description of it. The proponents ought to amend the title by adding the words "and to discourage industrialization and to increase unemployment." I have listened with interest to the mover and seconder of the motion for the second reading of this Bill and it seems remarkable to me that at the last moment they should have had to take advice from Trinidad and British Guiana and reduce the rate from 9/- to 8/- in the pound. There is no doubt about it that when the Bill was introduced with the proposal that the rate should be 9/- in the pound, it was meant to be 9/- in the pound but apparently they have discovered that in Trinidad and British Guiana, the rate is 40 per cent. which, as far as I learnt a school, is 8/- in the pound, and so they now propose to fix it at 8/- in the pound. But, Sir, when the Bill to increase the rate of income tax on companies was introduced in Trinidad, it was introduced with an apology. There was dire necessity there at the time; the colony was very much in need of money and the Attorney General, in introducing the Bill, practically apologized for increasing the rate. Now, Sir, in Barbados I claim that that is not the position. I will come back to that point later on. Sir, it is quite a misconception that the income tax which is imposed on companies is a tax on companies as such; it is not. It is a tax on the profits which companies make and those companies, when they pay dividends, deduct from their shareholders the amount of the tax which they pay to the Government. It is, therefore, not a tax on companies but on the individual shareholders. If a company does not distribute to its shareholders profits which it has made, it would have to pay under this Bill a tax of 9/-—it is now proposed to change it to 8/-—on every pound it puts aside; in other words, of every pound it puts to reserve it would be allowed to retain only 12/-. Now, Sir, what would be the result? The result would be that companies would not go on building up reserves and what would the result of that be? You, Mr. Speaker, have more experience about matters of this sort than I do. A company that has no reserve cannot progress and if a company does not progress, it goes backwards and if a company goes backwards it employs less people. That is what is going to happen in the event of this Bill becoming law. The senior member for St. Joseph referred to the fact that we in Barbados pay less taxation than is paid in England; that is perfectly true in some respects, not in all. A person in Barbados with an income of £200 a year pays only 7 per cent. of what a person in England with a similar income pays; the honourable member is quite right there. But when it comes to the man with an income of £1,500 a year, at the present rates in Barbados the amount which that man pays is 78 per cent of what the man with a similar income in England pays. And that is the case in respect of the old rates and not the rates to which we agreed on Tuesday last. The tax on individual incomes, especially those in the higher brackets, is the tax we have been always after and every succeeding Government has increased it all along. Really, income tax is a tax on your individual incomes and I warn honourable members that if they interfere with companies and prevent them from putting aside reserves they are doing the island of Barbados very great harm; there is no question about that. There is an old saying, Sir,—you

know it—"You can fool some of the people some of the time but you cannot fool all the people all of the time" and I would like to add that there are not all fools on this side of the table. It may be, Sir, that in the case of large companies an increase in the rate will not affect individuals in the long run but it does affect them in small companies. For what purpose are reserves built up by companies? We all know that when companies make their income tax Returns they are allowed by the Income Tax Commissioner a certain amount for depreciation of machinery. That amount for depreciation of machinery is calculated on a basis which I can tell honourable members from experience, is not liberal. Unfortunately, I regret to state that the sugar machinery which is coming here to-day is not the class of machinery that came before the War. It does not last as long but the Income Tax Commissioner—I am not saying that he is wrong—would not allow any greater percentage for depreciation of machinery. That is one of the reasons why a company has to set aside a reserve. In the desire to expand business, it is not always possible to raise more capital and, for that reason, companies have very wisely in the past put aside a certain sum, on which they paid last year 6/8 in the pound, for the expansion of their businesses; the shareholders get the benefit of that expansion by either the maintaining or the increasing of dividends and the Government, through the income tax, also gets the benefit of that expansion.

Now, the main thing that I think the previous speakers lost sight of is the fact that the increase in the rate on companies does not encourage the establishment of new industries. I can hardly imagine a company coming here and setting up under these conditions even though the Government's spokesman has stated that this Government has done nothing less than any other colonial government in the matter of encouraging companies to establish industries. Why, Sir, it is very seldom that a company makes money in the first three years of its existence; as a matter of fact a new company is jolly lucky if it squares ends in the first three years of its existence; it is only after the mistakes which have been made have been corrected that the directors of a company are able to have it established on a sound basis and to make a little money. No, Sir, I do not think new industries would be attracted by these terms and conditions. The senior member for St. Joseph referred to the fact that a Conservative Government imposed in the first instance, half-a-crown on companies, then it went to 4/- in 1941, 5/- in 1942, and eventually to 6/8 in the pound in 1945. It is interesting to note that figures which I have obtained from the Income Tax Commissioner show a marked increase in the rebates given in the year after the tax on companies was increased from 5/- to 6/8 in the pound. You may collect money from companies but you may have to give back a tremendous lot of that money which you have collected.

I will quote some of the figures which, I think, will be interesting. In years when the rate of income tax on companies was 5/- in the pound, that is, 1943—44, 1944—45, and 1945—46, the number of refunds were 829, 805, and 839 respectively and the amounts by way of relief were £15,313, £10,717 and £18,110 respectively. Then the tax was increased to 6/8 in the pound and what happened? The number of refunds jumped to 1,129 and the amount by way of relief to £41,288. I think, Sir, that that shows that the average rate of income-tax on shareholders is considerably less than 6/8 in the pound. In the past when fortunately or unfortunately—whichever way you like to put it—I was a member of the Government we used to take into account the average rate of income tax which shareholders would

have to pay in discussing the rate to be imposed on companies and when the rate was fixed at 6/8 in the pound, the amount which was arrived at by the Government was somewhat less but the Income Tax Commissioner considered that it would be much easier for calculation purposes to make it 6/8 or 33 1/3% and that was why it was fixed in that amount. But in this instance, it does not appear as if anything of that sort was done. It would appear that the Executive Committee came to the conclusion that because they want money they would fix it at 9/- in the pound and they never even waited to consult the Financial Secretary in the matter. They knew that the Financial Secretary was on his way to Barbados and this Bill was introduced three days after he arrived. Having discovered that there was going to be a protest by the Chamber of Commerce, they endeavoured to find out the rate which is being paid in Trinidad and British Guiana and having found out that it is only 40 per cent. they now come at the last moment and say "we are going to fix the rate in Barbados at 8/- in the pound." Well, Sir, if that is not haphazard legislation I do not know what is. I must repeat that income tax is properly imposed on the individual and that is why, I think, we increased certain rates last week without any opposition. We increased the rates on incomes under £600 a year; there can be no question about that. But this tax on companies is a tax on their reserves; it does not hit any individual person but it does, I say, interfere with the progress of the companies and you are going to have greater unemployment, if it becomes law, — a terrible situation to anticipate in these times. The senior member for St. Joseph also referred to the increased price which we are asking for our sugar and pointed to the fact that we would have to step up our rates of income tax if we want the English people to continue to bear the burden of increased preference. Sir, I do not know if the honourable member is aware of the fact that Barbados sold Sugar to England throughout the war at prices considerably lower than the world price, and we were jolly glad to do it. Didn't England benefit from that? I hope so. To-day we are buying English goods at considerably higher prices than we can get them from the U.S.A. and Canada and I very much regret to say — because I was born in England — that the quality of English goods to-day is very poor when compared with the quality of those goods in the years before the war.

Mr. SPEAKER: We may as well keep that out of this debate. It has nothing to do with the principle of the Bill.

Mr. WILKINSON: When the honourable member refers to the rate of income tax which is being paid by companies in Trinidad and British Guiana, as I said on Tuesday last, it is very difficult to make comparisons because the ways of living in these colonies are different. In British Guiana and Trinidad, as far as I know, they do not have what is known here as a Trade Tax. In Barbados—I am only stating facts—we have a Trade Tax which is paid in the eleven parishes of the island and that Trade Tax, together with the Ownership Tax, amounts to 15 per cent. of a company's profits; so that when you pay the Government 33 1/3 per cent. of your reserves and 15 per cent. to your local Vestries, you are paying over 48 per cent. of your profits to support the population of the island. If, Sir, that percentage is increased now by 12 per cent., it will mean that you will be paying over 60 per cent. of your profits by way of taxation in this island. In British Guiana and Trinidad there is no Trade Tax and, as I have said, it is very hard to make any fair

comparison between them and this colony, as far as taxation is concerned. I have tried to make it plain that this does not affect the companies one iota because when they pay dividends they deduct the tax which the Government demands but honourable members must remember that the more you tax a company's reserves the less reserves there are going to be, incidentally causing the inflation which the British Government has asked us to avoid. The tax on the individual is real income tax but do not let us fall into the error of taxing the reserves of companies to such an extent as to stop business from expanding. Believe me, Sir, I am the Managing Director of Wilkinson, Haynes & Co., Ltd., a well established firm, and we have reserves. If we are not able to add to our reserve I do not believe that this would seriously affect my company or any other company that is already established on a sound basis but any new companies which are started, if this Bill is passed, will have to face the fact that they will have to pay 8/- in the pound on their reserves and that, I think, is a very dangerous thing. Sir, I have just been reminded that practically every firm has overdrawn on the Banks and if a company has no reserve, a Bank would not allow it to overdraw. As regards Clause 3 of the Bill which seeks to increase the allowance for dependents from £40 to £50 I do not think anybody would seriously oppose that. It is a small concession but, personally, I am not convinced it is right and I should like to go into that more carefully and compare it with the figures in other colonies,—figures which are rather hard to get. It seems to me that by this small increase in the allowance for dependents, the honourable member who introduced this Bill is setting a sprat to catch a whale and my feeling somehow is that he is going to lose his sprat, his whale and his line. Anyhow, this small concession will not prevent me or my colleagues from voting against this Bill. I would just remind the senior member for St. Joseph that if this Bill is not passed, it would not affect this year's budget because the tax would be laid on the results of 1947 and 1948. I think the honourable member is a little pessimistic about the receipts from Customs and elsewhere; it is too early in the financial year to come to conclusions such as those to which he has come and would like others to come. I would also like to remind him that in the past ten years, the Government has collected considerably more than was estimated for from income tax. I have here the figures from 1938 to 1948 which have been provided for me by the Income Tax Commissioner; they show that the amount which was estimated to be collected from income tax during those years was £2,299,000 and the amount actually collected was £2,927,545, a very large excess of £628,545,—and, as I have pointed out, the relief has been increasing year by year owing to the fact that the tax on companies has gone up. The honourable member mentioned that the income tax rates will, in future, be introduced at the same time that the Budget is introduced. I thoroughly agree to that. It is most desirable that when the Budget is introduced, the rates of income tax, both as regards individuals and companies, should be introduced at the same time or immediately after and passed within a few weeks. Unfortunately, there is in this country a large number of people who have small incomes and they have to budget for their existence very carefully indeed. It is a sad blow to them if they have to borrow money to pay income tax after the rates are increased without any previous warning. I know that that is one of the things with which the senior member for

St. Joseph will entirely agree and I do hope that now we have our Financial Secretary, the rates of income tax on individuals as well as on companies will be introduced at the same time as the Budget is introduced.

At this stage, 2 p.m., Mr. SPEAKER adjourns the House until 2.45 p.m. in accordance with Rule 40 (a).

REPLIES LAID.

On reassembling,

Mr. BLACKMAN: Mr. Speaker,—I beg to lay on the Table of the House the replies to questions No. 58, standing in the name of the honourable senior member for St. Michael, relating to the transportation of tourists entering the colony.

ILLNESS OF THE COLONIAL TREASURER.

Mr. ADAMS: I ask leave to lay a Message from His Excellency the Governor. It is of some urgency concerning the illness of the Colonial Treasurer and it came in since the first lot of Messages were laid.

There being no objection, the honourable member was granted leave.

Mr. ADAMS: The Message is as follows:—

Message No. 21/1948.

His Excellency the Governor

To

The Honourable the House of Assembly.

His Excellency the Governor has the honour to inform the Honourable House of Assembly that he has granted six days' sick leave to the Colonial Treasurer with effect from the 24th of August, and, in accordance with the provisions of sub-section (2) of Section (2) of the Colonial Treasurer's Act, 1891, as contained in section 3 of the Colonial Treasurer's (Amendment) Act, 1948, has appointed Mr. V. H. Chenery, Senior Clerk, Treasury, to act as Colonial Treasurer.

HILARY BLOOD,
Governor.

Government House,
Bridgetown,
24th August, 1948.

Only this morning assent was given to the Bill which we passed and the House has been notified as promptly as possible.

SUSPENSION OF RULES 61 (A) AND 61 (B).

Mr. ADAMS: I ask leave to move the suspensions Rules 61(a) and 61 (b) so as to continue Government Business.

There being no objection, leave was granted the honourable member to make the motion.

Mr. ADAMS: I beg to move that Rules 61 (a) and 61(b) be now suspended.

Mr. Cox seconded the motion which was agreed to.

Mr. ADAMS: Subject to the approval of the House, I ask leave to proceed with Order No. 1—to resume Committee of Supply—as the next Order of the Day and to deal with Resolution No. 5 relative to meeting the cost of courses in Jamaica for two Sanitary Inspectors and two Public Health Nurses I am informed that the courses begin on the 6th of September so that there is very little time left. I would therefore be glad if the House would agree

to deal with this Resolution now and then revert to the Income Tax Bill.

There being no objection, the honourable member was granted leave.

ACTING CHAIRMAN OF COMMITTEES

Mr. ADAMS I beg to move that the honourable senior member for St. Michael be Chairman of Committees until the Chairman of Committees returns to the House.

Dr. CUMMINS: Seconded the motion which was agreed to.

Mr. SPEAKER: The next Order of the Day therefore is to resume Committee of Supply to consider the grant of sums of money for the service of the Government.

RESUMPTION OF COMMITTEE OF SUPPLY

Mr. SPEAKER left the Chair and the House resumed Committee of Supply Mr. Cox being in the Chair.

COST OF COURSES IN JAMAICA FOR TWO SANITARY INSPECTORS AND TWO PUBLIC HEALTH NURSES.

Dr. CUMMINS: Mr. Chairman,—The Resolution with which we now propose to deal is one to place the sum of £1,450 at the disposal of the Governor-in-Executive Committee to meet the cost of courses in Jamaica for two Sanitary Inspectors and two Public Health Nurses. This Resolution follows other similar Resolutions and is the means whereby these Inspectors and Nurses will be sent to Jamaica to take these special courses. The addendum sets out the details very clearly and the passages, travelling allowance and so forth are all mentioned. The course for the Sanitary Inspectors will last for eleven months while that for the Public Health Nurses will last for ten months. This is a Resolution from which the whole island stands to benefit since it is proposed that as soon as the Public Health Bill is passed, we will have people to undertake the duties which the Bill envisages. I beg to move that this Resolution do now pass.

Mr. BLACKMAN: I beg to second that.

Mr. F. L. WALCOTT: Before this Resolution is passed, I want to ask the honourable mover three questions as follows: Who is responsible for the selection of these people? Who are the people chosen? And has any opportunity been given to people from the various parts of the island to apply for this training? When the Colonial Development and Welfare Organisation provided money for training courses they selected the people; but the Government is spending this £1,450 now and they should inform the various Health Commissioners who could allow every qualified person in this colony to know that these courses are open so that people who possess the qualification can apply for them. I understand that somebody has already been chosen in respect of these courses but I do not think that that is the best method to adopt. If we are sending people for training in Jamaica we should ask people who possess the qualifications to apply for these courses. I do not think it is fair to the people from all over the island not to let them know that these courses are open. If you want to select the best people for these courses you should let everybody know about them. It is not merely a question of a Department nominating people but allowing everybody to apply for these courses so that there will be no question of pitch-forking anybody over the heads of others or anything like that. I would like answers to the three questions which I have asked.

At this point Mr. Cox left the Chair and Mr. SMITH took the Chair as Chairman of Committees.

Mr. MOTTLEY: I entirely agree with the remarks of the honourable senior member for St. Peter. I have already raised the question in this House and it appeared to some honourable members that I did it through some ulterior motive. I feel that whenever public funds are being spent you should not just make a selection; the procedure should be followed whereby the Health Commissioners from the various parishes should be apprised of the fact that these courses are to be given and let those who are qualified apply for them. If there are people who are not qualified to benefit from the training then obviously they would not be taken into consideration; but if you have qualified persons working under the various Commissioners of Health in the island it will create bad feelings among people if whoever is responsible for the selection merely says that he will take "A" from St. Joseph by some special qualification. As Churchwarden of this parish I used to circularise the parishes and allow people who wanted to take these courses to apply for them. You will find that people in various parishes are qualified for this training and if they are not circularised the feeling is that all is not well. I hope that the honourable senior member for St. Thomas will be able to tell us what procedure is going to be adopted in making these selections. If it is merely a question of selecting an Inspector from the Public Health Department, that is all right; but if it is a question of selecting an Inspector from any of the staffs of the various Commissioners of Health, then I do not see how any Medical Officer of Health can sit down and say: "I select 'A' or 'B' for this training." The feeling is thereby bound to exist that some favouritism is being shown. If people are qualified, let a notice be posted and let it be known throughout the island that the Government is going to send Inspectors abroad for this special training and let these people apply for it.

Mr. MAPP: There are one or two things which I would like to say. I notice that the Sanitary Inspectors are being paid at the same rate as the Public Health Nurses. I understand that the Government feels that females are worth the same as males but I do not think it has been the custom to pay females the same thing as males. I think that a greater allowance should be given the males. Another point is that it will require more than 15/- a day as an allowance for these people in Jamaica because I understand that the cost of living in Jamaica is very high. The honourable member in charge of the Resolution can say whether that is so or not and I would like him to tell me if the Government will favourably consider any application for grants if it is discovered that the cost of living in Jamaica is above the amounts which are set out here. I hope that the Government will favourably consider any such application. A further point is this when these Nurses have finished this course do they have to come back here and undergo a year's training before they can be fully qualified? If that is so, then these Nurses will be kept in training for a very long time.

Mr. BRANCKER: I happen to be a Health Commissioner and I can say that in so far as my parish is concerned, we have not heard one word about these courses. I can therefore add my quota to the views which have been expressed that these courses are for the benefit of Sanitary Inspectors and Public Health Nurses of the island as a whole.

and everybody should know about them. Every qualified Sanitary Inspector or Public Health Nurse should be given the opportunity to send in his or her application and then let the selection be made from among them. It should not be a question of some authority choosing some pet child or of making selections from among a limited few. There are qualified Sanitary Inspectors throughout the island and selections should not merely be made from among people who are so many yards or so many feet away from the office of the Chief Medical Officer or whoever makes the selections.

Dr. CUMMINS: As far as the method employed in selecting these Sanitary Inspectors and Public Health Nurses is concerned, that is a matter on which I cannot give any information. However, what I will do is this; I will promise honourable members who have raised the question that I will take up the matter in the proper quarter and pass on the views which have been expressed by honourable members. As far as the allowance is concerned, the sum of 15/- per day is what has been recommended by the people in Jamaica. The amount used to be 9/- and it was recently increased to 15/-. As to whether that is adequate or not I do not know. I understand that the cost of living in Jamaica is high but I am not in a position to say whether this amount is adequate or not. The return passages for the Inspectors and Nurses are £56 5s. each, as honourable members will see, £3 per month each for travelling in Jamaica, a similar amount for contingencies and they are also getting full salaries while they are in Jamaica.

Mr. F. L. WALCOTT: The honourable senior member for St. Thomas and this House is responsible for policy now. I am nothing to do with administration; I am not questioning the selectees but the policy in making the selections. It must be told to the Acting Chief Medical Officer that he must follow such and such a method of selection. If we do not tell Government servants the policy which they must follow they will follow their own settled policy and let us know what they have done. This is the last time as long as I am here that I will subscribe to such a thing. I know that in the constituency which I have the honour to represent, the people would not support this method as a correct one. To my mind, it is fool-proof that if you are offering any scholarship or training abroad it should be done in the same way as when you are offering Primary to First Grade scholarships where a boy can come from Bawdens and go to Harrison College. These courses should be open to everybody who is qualified to receive them. We are spending this money and using these people for the benefit of the island and therefore all the inhabitants of the island who are in this category should be given the opportunity to apply for this training. What is the use of asking a man to get the R.S.I. Certificate and then when these courses are open, say that he is not suitable to take them because of the way in which he wears his tie or something like that? I cannot subscribe to that; I repeat that whether it is the Acting Chief Medical Officer or anybody else it is our duty to tell him—to tell Civil Servants—“This is the policy which you should follow in any selection which you make.” If they do not like that, they can leave the Civil Service and come into this House and say otherwise; but if they want to remain in the Civil Service they will have to take the criticisms of this House.

Mr. CRAWFORD: I see no reason why we should agree to the passing of this Resolution today having regard to the question raised by previous speakers. Today is the 24th day of August and very likely we will have two meetings more before the date

on which we have been told that the students have to be in Jamaica. We can pass the Resolution at another meeting of the House. In the interest of promoting satisfaction on the part of the people who may be eligible for this training, I think that we should have a definite statement of policy with regard to the selection of these Sanitary Inspectors and Public Health Nurses. Somebody has said that these students have already been selected and there is a lot of heart burning on the part of others as to why they have been left out. Moreover, Mr. Chairman, I understand that both the Sanitary Inspectors selected are from the parish of St. Michael. While I think it is correct to say that, generally speaking, the Sanitary Inspectors from St. Michael are more highly qualified than the average Inspectors in the rural parishes—I stand corrected that they are not and there is therefore so much the more reason why the Inspectors from the rural parishes should get their chance to have this training, especially in view of the fact that the last one or two Inspectors who went for training abroad were also from the parish of St. Michael. I beg to move that you do now report progress, Mr. Chairman, and ask for leave for the Committee to sit again. In the interim let the Government go into the matter with the Acting Chief Medical Officer or whoever is responsible for making the selections, and satisfy itself that in making these selections there is no question of favouritism and that the courses of training are awarded purely on merit.

Dr. CUMMINS: In view of the late hour I am asking honourable members not to postpone the consideration of this Resolution. These courses begin on the 6th September and it is therefore important that this Resolution be agreed to to-day. One honourable member has said that the people who will be given this training have already been selected, but I have no knowledge about that. I should like to point out to honourable members that if we postpone this Resolution until next Tuesday it has to be considered by the Other Place and there will be only six days left before the 6th of September. I have already promised honourable members that I will take up the matter with the Acting Chief Medical Officer and the Colonial Secretary and point out to them the criticisms which have been made by this Committee, criticisms which I appreciate.

The question that this Resolution do now pass was put and resolved in the affirmative without division.

On the motion of Dr. CUMMINS, seconded by Mr. BLACKMAN, the CHAIRMAN reported the passing of one Resolution in Committee and that the Committee had asked for leave to sit again.

Mr. SPEAKER resumed the Chair and reported accordingly.

On motions of Dr. CUMMINS, seconded by Mr. BLACKMAN in each case, the Resolution passed in Committee was read a first and second time and agreed to.

INCOME TAX (AMENDMENT) BILL

Mr. SPEAKER: The next Order of the Day is to resume debate on the motion for the second reading of a Bill to amend the law relating to Income Tax. When the House was adjourned for lunch, the honourable junior member for St. James was speaking.

Mr. WILKINSON: I have not got very much more to add to what I have said. It seems to me that this matter should not be jumped into like this. We have only had the Budget before the House last March

when it was estimated that at the end of March, 1949, there would be a revenue balance of £333,188, and the estimated capital expenditure was clearly set out in the Colonial Secretary's Memorandum as £238,740. The hon. senior member for St. Joseph has warned that our revenue may not be as much as was estimated in March this year on account of the short crop and the small importation of goods from outside. I venture to suggest that when the Estimates were made up these facts were taken into account. The members of the Executive Committee have some ability and they must have known in March that we would have a short crop otherwise they are not the men I think they are. They would have to make provision for the short crop and they did make provision for it. The small crop does not affect what we are talking about. As I have already said, they have thrown a sprat to catch a whale and increased the allowance for dependants by £10 and I advise hon. members to reject the whole Bill. I agree that you must tax the individual who can afford to pay; I have always said that. I was a member of the Government which increased taxation on individuals; only last Tuesday we levied a rate of 13/9 in the pound on incomes up to £5,000 and over. I think that they are fooling themselves if they think that they will get this tax from companies; they will get it for one year, but in the long run the income of the companies will diminish, not increase. Do not let us tax the reserves of companies now because this tax only hits at the reserves. I repeat that it is going to cause unemployment, it is going to stop expansion of business and it is a wicked and savage attack on the industry of Barbados. I beg to move that the words "be now read a second time" be deleted and the words "be rejected" inserted in place thereof.

Mr. WARD : I think we are in a very unfortunate position in that this increased allowance for dependants and income tax on companies have been joined together in one Bill. I feel that all hon. members sitting around this Table whether of the Opposition or not, are quite willing to give an increased allowance to an individual for a dependant whether it is a child or otherwise owing to the increase in the cost of living or the increase in education in all parts of the world to-day. We have heard an excellent speech relative to the increase in the tax on companies by the hon. junior member for St. James who I feel should be in a position to give us firsthand information as far as figures and the running of companies is concerned. From my point of view I feel, as the hon. junior member for St. James feels, that increasing the tax on companies is not getting directly at the individual who should be taxed if you feel that he is in a position to pay a greater tax on his income than he is paying now; and as companies are run to-day we must bear in mind that not all companies are on the same footing. In passing a Bill of this nature it means that you are going to eliminate a good many of the small companies which will eventually have to get some of the bigger companies to come to their rescue. The hon. junior member for St. James mentioned something about trade tax and it is a well known fact that there is no trade tax levied on companies either in British Guiana or Trinidad. In Barbados we have Authorities besides the Central Government and the Authorities in the various districts have to collect money so as to be in a position to carry on the administration of these districts. In the district which I represent a company has to pay \$1.40 in the pound. If you are paying a trade tax of \$1.40 in the pound and then you have to pay an income tax of 8/- in the pound, it means that you will be paying approximately 14/- in the pound. In the case of this particular company, out of every pound it makes approximately 6/- is left for the purpose of paying dividends and providing for its maintenance and upkeep. Now, Mr. Speaker, it is impossible for any company to pay 14/- out of its profits and carry on efficiently. The British Govern-

ment in its wisdom has recently given us a Rehabilitation Fund and I do not believe that they gave it to us merely for love; they have realised that the cost of production has increased to such an extent that it would be impossible in the circumstances for the companies or the individuals in the various colonies to cope with the expenditure in keeping their machinery up-to-date so as to run their business efficiently and make a profit. The hon. senior member for St. Joseph has told us that owing to the very short crop the Government has thought fit to impose this increased tax so as to recover the deficiency in the Treasury; but I would like to remind him that although that might sound reasonable as far as the Government is concerned, and as far as other individuals are concerned, it must be borne in mind that this community is an absolute agricultural community. Therefore when a company loses money through a short crop and the Government imposes this increased tax, it is impossible for that company to recover itself in the near future. It must be realised that you will not be refunded money when you lose it; the Government only collects money if you make an income (A MEMBER : Quite so) and when a company loses money in a particular year it means that if it does make a profit in the next year and you take 14/- in the pound from it, it is impossible for that company to regain its feet in the near future. That is one of the dangers which I feel we must bear in mind in imposing this extra 1/4 in the pound on the companies tax. We must also bear in mind as the hon. junior member for St. James has said, that the people who will pay this tax are the shareholders and it may happen that after the Income Tax Commissioner has received this tax at 8/- in the pound, a lot of these individuals will simply walk back to the Income Tax office later and claim all the tax they have paid in because they will not be ranging in the taxable area. Another point in connection with this Bill is that if your reserves are killed and you are going to carry on any business, you would have to get help from the Government because a company must put by a certain amount of reserves so as to be in a position to be brought up to an efficient standard. If a company is not run up to an efficient standard it is of no use to the community; and shareholders of that company would have to use what I would call capital which has been put aside. I do not see any individual to-day who would take any capital which he has in reserve and put it in a company which is going to lose money or from which he does not expect to receive any dividend. Therefore I feel that it is most disastrous to enforce this Bill on the island. If this island was in a desperate plight we would have to do as Trinidad has done, because if the Government fall then other people would also fall; but we are not in that position. The Treasury has a fair amount of money in it and while it is true that money can slip through your hands overnight, the Government has no occasion to overspend that money. I do not think that it would be wise to-day for this House to impose this extra tax on companies because we are not in any desperate plight. We must bear in mind that under present conditions with trade tax soaring in some districts, the Government may be faced with the fact that companies may not be able to make any money at all. If a parochial administration finds that it needs money owing to the social set up and paying increases in salary it would be impossible to tax trade; if you tax the land it means that you are killing the individual who is not making any money, and if you tax trade nothing will be left back for the company or the individual. Before we ruin industry in this island and then say that we did not take the advice of the people from this side of the Table I think that we should take the advice of people who should know about these matters. I feel that we

should be very cautious in imposing this increased tax which I am sure is bound to affect small companies. A company which has been built up and has a certain amount in reserve or has a big turnover will be able to carry on for a time; but in the case of small companies which have been established within the last four or five years and which have no reserves, the Government is simply asking them to be extinct. I will not say much more now as I think I should reserve further remarks until when we reach the Committee stage. Before I sit down let me say that I have much pleasure in seconding the motion made by the hon. junior member for St. James. I feel that it is regrettable for us to have this Bill before us at this present time when we are not in any disastrous plight. As the hon. junior member for St. James has said, when you impose this increased tax it means that the reserves of companies will naturally be reduced and that is bound to create more unemployment. Regardless of what anybody says the companies will be unable to carry on for the benefit of the community. If an individual is running a business and he realises that he is making very little profit he will not go on taking risks; he will say: "It is better for me to leave the business to run itself; I will make what I can while it is going and when it is doing nothing I will let the Government take it over." If the Government had to rebuild that business they would know what the individual would have had to face.

Mr. GALE: Like other hon. members on this side of the Table, I am not in favour of this Bill for the reason, as the hon. junior member for St. James has said, it is a tax on the reserves of companies. All the dividends that are paid out are paid to individual taxpayers. If companies are properly run they must have proper reserves to carry them on; they must have a certain amount of undistributed profits. Perhaps some of the small companies will distribute their profits and the Government will not get what they think they will get. The hon. senior member for St. Joseph in introducing the Budget told us what a large reserve the Government has accumulated; even the Government accumulates reserves and they are hitting at the reserves that other people are accumulating! The hon. senior member for St. Joseph said that he wanted to get money while the going was good and they would build up reserves. That is an excellent thing to do but why should they stop people who are running businesses and who have to import machinery from accumulating reserves? If people are not allowed to put by reserves, then their businesses will be ruined. We are still an agricultural country; we have a large population and our only salvation if we are to be able to continue to feed our population is industrialisation. We find that it is very difficult to emigrate people and many schemes have been started in this respect. A few people have been emigrated Surinam; a few are emigrating to America and they will be returning after a few months. If we continue as an agricultural community, we want to have emigration on a large scale. If the standard of living of our population is to be raised—the only way in which a small place like Barbados can raise the standard of living of the population is by industrialisation. How are we going to industrialise the country?—Not by levying a high income tax on companies. If you put a high income tax on companies, these companies will not start any business and you will not attract capital to this place. What we want to do is to encourage capital in this colony; we want to start industries so that people can get employment. Instead of increasing the companies rate, we want to tell capitalists that they will be allowed to bring in their machinery free from Customs duties and to give them a period of exemption from taxation until they get on their feet. That is what has been done in other West Indian Colonies which wanted development; that is what was done in countries like Canada, New Zealand and South

Africa when those countries were being developed. If the Government want to do something to help the population of this island and to raise the standard of living here, they have got to encourage capitalists to come in and start new industries where people can get employment—not to raise the income tax on companies. The hon. senior member for St. Joseph mentioned that the Secretary of State for the Colonies has said that the rates of income tax in these colonies especially in Barbados are very low; and he referred to the year 1938. If a comparison is made in respect of the rates between 1938 and 1948 I do not think that the Secretary of State would have anything to complain about. The rates of income tax have gone up progressively since 1938 and I do not think that any Secretary of State for the Colonies could complain that the people in Barbados are not paying their fair share of income tax. I have seen a despatch in which the Secretary of State called attention to the rising costs of the administration of these colonies; he remarked that he did not know how these colonies would be able to go on with the rising cost of their administration. He thinks that the cost of the administration in these colonies is too high. However, I do not want to detain the House any longer on this point; I feel that excellent speeches have been made and I must congratulate the hon. junior member for St. James for the manner in which he has dealt with this matter of increasing the rate of income tax on companies (Cheers).

Mr. SYMMONDS: We are to-day considering one of the most momentous and far-reaching Bills which have ever been introduced in this Chamber, and I think that if we handle this occasion wisely we might yet do a lot of good for the people of this island. I believe that the Government is honestly and sincerely endeavouring to raise revenue so as to put by reserves in order to meet the situation when depression comes along as it certainly will come. These days of prosperity for a few people will not always last. The majority of the people of this island have lived in abject poverty with limited opportunities for work and with a feeling of frustration; every attempt made to better their lot in life is thwarted and offset by seasonal employment or permanent unemployment. The situation is a dreadful one and if the Government intends to try to raise revenue so as to initiate social or educational services for the purpose of improving the lot of the people, I am prepared to give them full credit for a very laudable attempt. This is a question which I think should be considered and weighed dispassionately and whatever conclusions we arrive at to-day should be absolutely unbiassed, and our conclusions should be arrived at in the interest of the underprivileged, of the unemployed and of the thousands of people whom we have vainly been trying to emigrate to the United States of America. We have been applying to Canada and Brazil and in respect of the United Kingdom we have been told that the situation has not changed in spite of the fact that many loyal Barbadians gave up their lives in the various fighting forces during the War. From day to day we come up against the unemployed walking the streets of Bridgetown.

Mr. SPEAKER: I do not want to interrupt the hon. member but—

Mr. SYMMONDS: I cannot express the way I feel about this question of income tax unless I refer to the question of unemployment.

Mr. SPEAKER: The hon. member can speak generally without going into details.

Mr. SYMMONDS: The details are interwoven with the lives of the people.

Mr. SPEAKER: The hon. member should speak generally.

Mr. SYMMONDS: I do not think that this is a debate which we can conveniently shorten; unless we express our points of view we cannot arrive at the very best decision in this matter. The point I want

to make is that although we have so many of the unemployed who have served the Mother Country during the War, we have been told that the position there has not been changed. If the Government is attempting to raise revenue in order to initiate social services for the relief of the lot of these people, then this is a laudable attempt. I should like to see the interests of unemployed Barbadians attended to before those of any particular class in the community or before those of any other people in the world. As I see the position, many years ago the neighbouring island of Bermuda embarked upon a bold policy; in that country income tax was lowered and people were invited to come from all over the globe and settle in a country which offered big advantages by way of income tax. To-day we are witnessing the spectacle of unbounded prosperity in that island; we are told that there is no unemployment there. As a matter of fact, it seems that Bermuda would be willing to accept a few Barbadians if we would only pursue the point far enough. There are in Britain to-day people who are willing to put a greater distance between their factories and the possibility of the flying bomb should hostilities occur in the near future and we should think of this question in the light of the needs of Barbados. We have been vainly appealing to other countries to admit our labourers, our surplus population, those who work one or two days a week, who suffer the pangs of hunger, going to sleep without a meal. All of us around this Table have time and again expressed sympathy for these people. It seems to me that the present world situation is a most favourable one and I think that we should take the full step of lowering our income tax rate on companies and say the industrialists in England or the United States: "In Barbados you will have exemption from income tax for a period and then you will not have to pay the same rate as is being paid in any other country. If you come to Barbados you can be assured that the income tax rate here will be lower than that in any other country." Industrialists are not coming to Barbados merely for the love of Barbados; today in spite of the respect which is held in Britain for Barbadian labour, no sympathy is shown for the needs of the unemployed. We should use the present world situation, the present desire of industrialists to set up industrial concerns in an area far removed from the immediate centre of the last war. We should display our facilities so that in this country we might have new industrial enterprises set up as is being done in places like Jamaica and Trinidad so that many thousands of our unemployed may find work and thereby give to their children the opportunity when they leave school of going into some factory to work instead of becoming casual labourers. Instead of having to labour directly in agriculture, many a child leaving school would be absorbed in some of these new industries. If we had a dozen new factories in this island employing 500 people each, we would have 6,000 of our unemployed people with a new sense of living put into their breasts. When an unemployed Barbadian gets the opportunity of going to the United States of America for a few years or even a few months, the same man returns to Barbados with a different outlook, a different culture, a different sense of living and that is the condition which it seems that Providence and Destiny have in store for us if we would but use the occasion now that we are discussing the question of income tax to plan boldly and wisely in the interest of the working people of this island. All of us in here have, from time to time, professed the desire to raise up the standard of living of the masses, and we can only do that if the Government sponsors the setting up of new industries.

Mr. SPEAKER: The hon. member seems to be a long time in getting to the particular point of the

debate; he is talking about people being unemployed but he is not getting to the point relative to income tax.

Mr. SYMMONDS: If we take the bold step of lowering our income tax as Bermuda did some time ago especially in relation to complaints I am sure that within a short time we will have in this island as there are in Trinidad, Jamaica and Puerto Rico, new industrial enterprises employing a lot of the people whom are now trying our best to emigrate. With our favoured and central geographical position in these parts, I see no reason why the port of Bridgetown should not become the premier port. Any sailing vessel losing its way from this island—

Mr. SPEAKER: The hon. member is getting on to something which really has nothing to do with the Bill. I have given him a certain amount of latitude but the whole point is in connection with the proposed increase in the rate of income tax. This island being favourably situated has nothing to do with the Bill.

Mr. SYMMONDS: This island is favourably situated and if we lower our rate of income tax we will have done very much. What I wanted to point out is that with our favoured geographical position we might do here what has been done in Singapore and Hong Kong. I have been informed that there have been applications made to the Government for the setting up of new industries in this colony. Only a short time ago I spoke with with a foreigner who assured me that his company was willing to establish a factory in this island employing 500 people in the manufacture of plastics, and the conditions laid down were such that he had to abandon the proposal.

Mr. SPEAKER: What has that got to do with the question of income tax?

Mr. SYMMONDS: It is everything to do with that question. If our income tax rate were so favourable that a foreign company found that it had to remove from its present position to Barbados—I repeat that we might do what Bermuda had done for its people in the realm of tourism. I want seriously to suggest to hon. members that if they are interested in the unemployed, the underprivileged in this colony whose life has witnessed a series of frustrated efforts, if we want to raise the standard of living in this colony so that the children who are coming out of school can look forward to better conditions, then let us seize the present occasion as the beginning of a new outlook. We may offer such facilities by way of lowering the rate of income tax in respect of foreign companies that employment might be obtained and a new hope given to the many thousands of Barbadians in whom most of us in this Chamber are deeply interested. For that reason I am going to support the motion for the second reading of this Bill with a view to deleting Clause 2 and allowing Clause 3 to become Clause 2 because while I feel that the allowance of £50 for dependants is very small, I do not want by rejecting the Bill to prevent those who will benefit by the increase in this allowance from £40 to £50 from doing so. It is therefore my intention at a later stage to move the deletion of Clause 2 of the Bill.

Mr. HAYNES: I do not want to keep back the House, but owing to a certain remark by the honourable senior member for St. Joseph as regards my asking that a Select Committee be appointed to consider the Message from His Excellency the Governor in respect of—

Mr. SPEAKER: Is the honourable member debating this Bill?

Mr. HAYNES: Yes, Sir. What I am saying is that I am taking an even view of this matter. It has always been put to me that we should not have evil motives. What I see is that if this Bill becomes law it will not affect companies because they will pass out all their money; and at the same time I see no hope of any new company being floated in Barbados. It must

be remembered that the day when a man would pull out £25,000 or £30,000 to float a company has passed. Nobody has money on that score now and industrialisation and so forth has been carried on from five, ten, fifteen, twenty or twenty-five pound shares collected from various people. What I would like the honourable senior member for St. Joseph to realise—I have said it often in this House—that it is time for the Government to realise that Barbados has no public debt. We have £400,000 put to reserve. The neighbouring colony of Trinidad has \$26,000,000 in loans—just under 5½ million pounds—(A MEMBER: Trinidad needs somebody to run it.)—and here it is in this island, nothing is done on a loan but on a cash basis. As I often say, a colony should be run as an individual. A few meetings ago we passed a Bill authorising officials to borrow money from the Government for the purpose of buying motor cars because the officials could not pay for these cars out of their salaries at one time. All these propositions put up by the Government should be carried out from loan funds, not out of the yearly intakes. Posterity is going to benefit from these things and why should it not have to pay for something?—Not one generation but probably two or three generations. To my mind, a Bill of this nature is going to negative the progress of many new projects. The next thing is that this extra money is simply going to be refunded a year later by the Government to the various small shareholders who have paid it. (A MEMBER: What is the grouse then?) The grouse is that the companies will pay out every penny they make and nothing will be left to them. That is a serious grouse. I consider, as the honourable junior member for St. George has said, that our set-up with seasonal occupation will continue to cause trouble in Barbados. There is employment only for a few weeks and during the remainder of the year there is nothing for the people to do. You cannot get the standard of living raised under those conditions. When a man receives his money he spends it, he does not receive any at times and there is no improvement in the conditions no matter how high wages are at one time or the other. We want some sort of encouragement to be given to industrialisation; in Jamaica, for instance, factories were started there and they got freedom from income tax and freedom from duty on the importation of machinery so that they could put their house in order before they paid any income tax or duty on the importation of machinery. I am told that a lot of new industries are being started in Jamaica. I think that this proposed increase in the income tax rate is quite unnecessary; I do not see the good of putting more reserves there and nothing is being done. It simply makes people believe that a lot of money is here, and when you want things done they cannot be undertaken. If there was any activity on the part of the Government you would be able to look at a Bill of this nature impartially; but really not under the present conditions. For this reason I am supporting the motion for the rejection of the Bill.

Mr. LEWIS: I hardly think that there is any question by which there could be more bamboozlement of the layman than a discussion, in an Assembly like this, about Income Tax. This Bill has been characterised not only as an income tax increase on companies but a killing of initiative, (A MEMBER: It is) and a bringing about of unemployment in this colony. The truth about the matter is that while this Bill might be a misnomer, it is only so because it is a tax not on income but on net profits; because whereas in the case of the individual you tax his income irrespective of his expenses, in the case of the company you tax the net profits. That is to say, you have allowed for many things; the company has given its shareholders a certain amount of satisfaction, from which the Government may get individual income tax, and the company itself is taxed on

what are known as its net profits. Now, Mr. Speaker, the companies in this island have for many years been placed in a most fortunate position; apparently the Governments of the past have been extremely partial to the companies. But before I make that point, I would like to say that after the Budget has been introduced you might say that it is wrong to increase the rates existing at that time. An argument along that line would naturally get the sympathy of persons who have not studied the question at all. But we have been told by the very Government which came here in March and introduced the Budget, that since then they have discovered that their main sources of revenue are likely not to yield the amounts for which they have budgeted. If that is incorrect I would have expected an experienced member like the honourable junior member for St. James to tell me that they are wrong, and with the time at his disposal and knowing the methods of Government especially of this Government, to have gone around and furnished me with proof that they are wrong. If the Government is faced with a deficit in its revenue what is the best way under the present conditions for the Government to recoup itself? Should it increase the rates of income tax on persons whose revenue is taxed irrespective of expenditure? Should it increase the Customs duties thereby increasing indirect taxation touching as it does the rich and poor alike and increasing the cost of living almost immediately to every class in the community? Or should the Government, faced with a deficit in revenue at a time when it is planning for the unemployed, etc., tax the profits already made and put to reserve? I say that when the Government comes with a proposition like this, it is only side-tracking the issue and begging the question to say that this island is going to suffer economic ruin because you ask the companies to pay an increase of 1/4 on what are their net profits. And a distinction must be made. It is not a case of a company making say, £10,000 and income tax is put on that £10,000; the tax is put on what the company has decided to put by as its reserve, and to put it there whether it needs it or not. Let me show you where the companies in this colony have been in an extremely fortunate position. The companies' rate has been incorporated in the Statute Law of the island and remained static for years. It is the individual rate about which the individual has been kept anxious year after year and far down into the year not to know what he will have to pay. Mr. Speaker the war came along and ensured to those persons who already had business that nobody would come in to compete with them. With increased prices and profit on the percentage mark-up taxes, increased profits were made. In many countries of the world including other West Indian Islands, an excess profits tax was imposed on companies. In Barbados no such thing was done. (Cries of "Shame"). In enlightened countries which were not even affected by any bombing in a country like Canada where not one bomb fell, what did they do with the companies operating there? They said to them: "You must not only pay an excess profits tax but we are going to control what you put to your reserve." Do you think that anybody knowing anything about companies in here to-day would mention such a thing? These are things which the public should know. (Cheers). What were the companies in this colony allowed to do, companies that were run as family affairs? All the money that they made in profits they could put to Reserve, paying their Directors, who are all relatives, only a salary. And what did they pay on it?—Five shillings in the pound at a time when people were going to lose their lives to see these same people maintain their large stores. (Cries of "Shame"). You will find that some of the people who own these companies

and their families never even joined the Volunteer Brigade. These are the people who tell you that if you increase the income tax rate on companies in one year you will ruin them. Mr. Speaker, the people who have been elected to this House to represent the masses in this colony know nothing about business or economics. They can be fooled and bamboozled. Some time ago an income tax expert was imported into this colony—a gentleman named Mr. Howie. It is true that he came down to look for a job but did not find one big enough. He did not tell us all he should have told us, but he pointed out that the companies rate has not kept pace with the personal rate. These people have been able to get away with murder. In a place where you do not control the amount which they put to reserve, they can put any amount to reserve whether they want it or not; and if you insist upon them to distribute money to the shareholders it will not have the disastrous effect of which we have been hearing to-day. Let us look at the rates of income tax. On a taxable income of £2,000 you pay down to 7/6 in the pound and on a taxable income of £5,000, 11/- in the pound. In enlightened countries they have discovered that if the companies distribute their profits they are likely to get more out of the individual to whom the profits are distributed. We know nothing about that in Barbados and the people advising the Government are people who are selling their brains in the market which can pay the most for them. At present they are walking or flying about the West Indies trying to fool the Royal Commission which has been sent out here to enquire into the sugar industry. (Laughter). All that is happening in a country with no system of public audit and now an increase has to be made in the income tax rate because the revenue is falling. If honourable members do not believe that and they can prove that it is not correct, I will not agree to any increase in the rate. But no argument has been brought forward by people who could have done so, to prove that the statements made by the Government to-day as regards the fall in revenue are not true.

As far as Government reserves are concerned, it is a recognised fact that you should balance your budget every year. Barbados has built up reserves; not only the Government but the companies themselves have built up big reserves, because the Government has neglected the inhabitants of the colony and the companies have neglected the people by the sweat of whose brow they have built up the reserves. That is why there are reserves both in the case of the Government and in that of the companies. Let us take a look at the activities of some of these companies in respect of which an increase in the rate of income tax is proposed. They are preventing foreign capital from coming here; there was a foreign firm carrying on a dry goods business in Broad Street, there was a Barbados firm selling groceries nearby and the foreign firm had to leave and let the grocery take over. That is the history of foreign capital invested in this country. We will be told that we are preventing new companies from operating here, but I fail miserably to appreciate what this proposed increase in income tax has to do with foreign companies coming into this country. (Cheers). I have never been able to appreciate that and I say that the evidence put forward in favour of this Bill has been uncontradicted. If you want to assist new companies to come here, put an Act on the Statute Book to help them. I, personally, do not see the necessity for that, but put an Act there if you think it is necessary to do so. My feeling is that if any new business makes money here it is not pioneering and it should be taxed. I, personally, do not see what assistance you should give them at all. Apropos of that, I would like to mention that I read recently

that Jamaica which has been so generously inviting foreign companies to come in, has been waking up to the fact that she should be very careful as to how she invites them to come in. The elected representatives of the people in Jamaica are fearing that people will be put out of work instead of getting employment; so that all that glitters is not gold. My theory is that British investors are willing to come to the West Indies because they are trying to avoid the Labour Government in England; and if they find in Barbados that the Government will look after the people, they will run again because they are out for exploitation. An Englishman has gone to Jamaica and found that that is so. Therefore I am not so anxious about these things unless I can definitely see what they are and who they are. I am quite sure that there are companies in this colony with sufficient money that they can invest it and develop this place and they refuse point blank to do so. When the War came down you would have been surprised to see how many companies failed to invest money in Barbados but they invested it abroad. (Hear, hear). That is very regrettable, in my opinion. We have on the Order Paper now a Resolution for a refund of duty on machinery coming into this country. What is the history of that? These new industries that are in doubt always call upon the Government to help them. When there was a proposal to produce fuel for the people the Government incurred an expenditure of £1,500 and we have not had any report about it. However, I am told the Government experiment had nothing to do with the new fuel making machinery.

Mr. SPEAKER: The honourable member can speak generally on that point but it does not come up in this debate.

Mr. LEWIS: There are still one or two points which I want to make. These companies made money during the War and changed names overnight; nobody knows who they belong to now and perhaps it is a great pity that you cannot make this tax retrospective. It is said that the companies pay trade tax as well as income tax, but who wants to justify that? That is wrong on the face of it but who are the people who imposed this tax?—The people who own the companies. They were perfectly willing to work that at one time but now that other people are getting into the House, it is a wrong system. They have been paying trade tax all along and Mr. Howie could not discover the differences between trade returns and income tax returns; he was not a Barbadian long enough, poor fellow. I fail to see any disaster overtaking this colony as a result of an increase in this tax on companies and I hope that the Government will keep their eyes open on companies which will be vindictive and will say that they are failing and that they have to dismiss their clerks. Let the Government say to these companies: "Give the business to me; I will run it in the interest of the inhabitants of the colony". I bet you that they will not give it up; they will import lawyers from all over the world to prove what it is worth. Let the Government get an inside look at what the companies will spend in the next Election and see whether the tax will ruin the country or not. (Hear, hear). Let the Government open their ears and hear to what I will tell them now; there are companies in the City of Bridgetown which are practicing bribery and corruption by say that they owe the clerks an increase but they are not giving them any increase until after the Elections. That is common knowledge in this place; those are the people who are going to be ruined to-day because they are asked to pay 1/4 more in the income tax rate so as to tide the country over a difficulty. They are the people who want a deep water harbour and who do not want to pay for it now; they are the people who are far-seeing, they want to run the coun-

try into the sea literally and metaphorically. We hear that a lot of things are wanted before this Bill comes up and when it come up and asks for taxation to augment the revenue of the colony, not from salaries or wages but from profits which have been already put aside, we hear that the country is going to be ruined. What is the explanation for a company operating here, losing money and buying the building next door? One gave the clerks three months' salary as bonus in the previous year, two months' salary last year and when a clerk asked them to take something out of the reserve and make the bonus the same as the previous year he is told: "You are an up-start and I will dismiss you." I cannot see how this Government could raise increased revenue in any equitable way other than that which is proposed here. In the past the Government has had as one of its advisers no less a person than the honourable junior member for St. James who has been congratulated so much on his speech to-day. In 1945 the income tax rates were to be increased; Mr. Howie said that the companies' rate should be 6/6 and let it be said for the companies, they said that the rate should be made 6/8 because it was easier to calculate it. The Government deliberately budgeted for a deficit of £163,000 on the advice which it had then. (Voices: Shame!) It said that the Customs and Excise duties were falling, the companies' rate was going up and the man in the street had to buy his cigarettes dearer; it was characterised as vindictiveness at the time. They ended up with the biggest surplus which this country has ever had, and I am told that it was spite work at that time. Now this Government has budgeted for a greater capital expenditure than any other Government in this country has done; they are committed to increased salaries, improved harbour facilities, improved educational accommodation, a revolutionizing of the Public Health services of the colony improved housing and an extension of the water supply. Of course, they might not do any of these things at all. (Laughter). The tenantries, out of which people made money and you cannot find any of it now to be taxed, and the roads over which the produce of the island passes have to be repaired and it is discovered as regards importation that a system has been imposed upon us by which the goods are not coming down. Rice has to be bought in a dearer market and subsidized and therefore the Government must have the necessary revenue. They have come to you and said that so far as they can see, the facts show that there is going to be a decrease in revenue, for this year at least. They are asking you to pay 1/4 more on the reserves which you have put there without any system of enquiry whatever, and I say that I would be failing in my duty not to support the Government in collecting increased taxation in this way. The petition from the Chamber of Commerce has been mentioned and in reading the debate which took place on the passing of the Resolution, I noticed something which struck me very forcibly. It is this: among other things, I do not know if it is legitimate to provide for all those contingencies in your reserve fund, but it is there in print and the Financial Secretary and the Income Tax Commissioner can say whether that is legitimate or not. What is the position? This Bill is before the people's representatives and the members of the Chamber of Commerce have attempted to intimidate the House by appealing to the Secretary of State for the Colonies. What they should have done was to present that petition to the Legislature pointing out that the Bill was wrong and ask them not to go on with it. That would have been the correct procedure to adopt. They say they must have money to provide for the payment of pensions to their employees. I shudder to think what the Secretary of State for the Colonies will think of the members of the Chamber of Commerce when he starts to make enquiries about that matter. A man with one hand and with some of his fingers shot off the

other could still count on his fingers the number of those who provide pensions for their employees. (Laughter) And those who do get a pension cannot receive more than a certain salary at all. We have heard from the same Chamber of Commerce about the financing of capital expenditure from loan funds. Mr. Speaker, when the members of the Chamber of Commerce formed the majority of the members of this House did they finance many things from loan funds?—Only when it suited them and some of them wanted to lend money to the Government. The debates of this House have not been printed for many years; we have only just got the debates for 1942 printed and what do you find? You find that a former member of this House a prominent debater in the Other Place, the Hon. J. D.— I cannot remember the other initials—saying that these things should not be financed from loan funds. Now that he has been elevated and is in the forefront he says that these things should be financed from loan funds. The people who thought that they would have to pay a lot of Death Duties say: "We will reserve this money for keeping down the expenditure on loan funds; we are not paying it out for ordinary current things." I do not know what was the object of that. I am not in favour of comparing what we should levy as a companies' rate with any other West Indian Island; we should be able to say what is an equitable rate to be levied on persons and companies by way of income tax and we should levy a rate so as to raise our revenue. I do not like this idea of saying that since the companies, rate in Jamaica and Trinidad is not more than 8/- or is 8/- if you want 7/- you will raise it to 8/- or if you want 9/-, because they say that their rate is 8/- you make yours 8/-. I do not agree with that at all. If you follow British Guiana in the rate you impose to-day and you say that such and such a percentage of our revenue must be for this purpose and such and such a percentage must be for that purpose, what percentage of our revenue will be used for keeping the sea out of Barbados? We have problems different from those of other colonies; and whereas they have levied an excess profits tax on the companies, in Barbados we have not done so. I sincerely hope that the employees of this colony will not be fooled by the argument that they will be dismissed or that unemployment will be rampant if the companies have to pay this additional 1/4 in the income tax rate. That would be vindictiveness of the worst kind and it may be a boomerang which will recoil on the heads of the people who started it. I hope that the people of this colony with a sound realisation of their responsibility will see that the people who have been allowed to carry on trade and make profits out of it do pay their fair share of the taxation of this colony; and whatever retaliation they may put on the people I hope that it will be met with resolution. I have come to what I speak of as a threat—a threatening disaster to this colony—and for the purpose of seeing that people keep on the right side I will say something about Trinidad, St. Kitts and Antigua. I do not know if it is the case with Jamaica, but I know it is not the case with British Guiana. I would like the honourable senior member for St. Joseph in his reply to state definitely for the information of this House and the people of this colony whether all or any of the sugar cess funds are going to be exempt from income tax this year. Mr. Speaker, I have been told that it is the intention of this Government or of the Administration that the sugar cess funds are not going to be taxed.

Mr. SPEAKER: Is that the matter of the debate before the House?

Mr. LEWIS: Oh yes, Mr. Speaker; we are laying a rate on companies and if they are sugar factories and any part of their income is being exempted from this tax, I think that I am entitled to ask about it.

Mr. SPEAKER : There is nothing in this Bill in connection with that.

Mr. LEWIS : I have made enquiries and I have been told that these funds are said to be not taxable. The factories affected by this Bill have the sugar cess funds put aside.

Mr. SPEAKER : This Bill does not deal with that. It deals purely with an increase of the rate of income tax on companies.

Mr. LEWIS : I am speaking about a part of the national income in this colony which I think the Government intends to exempt from taxation very wrongly.

Mr. SPEAKER : I think the honourable member is out of order. If that portion of the income is subject to income tax it will be taxed if the House agree to that, or it may not be taxed at all. The whole point is whether the income tax on companies should be increased or not.

Mr. LEWIS : On the occasion when the 1948 cess was created the question was raised and in the Other Place a prominent member of the Government said that he had discussed the question—

Mr. SPEAKER : The honourable member quoted the Other Place just now; don't let us go on with that.

Mr. LEWIS : There are two matters with which I would like to deal now and the first is that of industrialisation. I heard the honourable senior member for St. Joseph say that he was approached, or the Government was approached and the matter was referred to him, by some persons who intended to come here and carry on some industry, and he gave them every assurance they wanted. "We will exempt you from this and make a concession on that" and the honourable member said categorically that he heard nothing more from the people. What is it that these people want? That is the question. The ones who were invited did not come but we hear that potentially there are a lot of people who are willing to come. If new companies are willing to come in, I will say this; I am willing to consider the matter and if necessary, put a special Act on the Statute Book to help them just as other places have done. There was introduced in this House a Bill to assist the Hotel industry; but what has become of it? I find that all these companies which are going to be ruined by this tax, bought all the hotels and improved them. Some of them which pay their clerks the most miserable wages could find money out of their reserves to buy all the hotels for any amount of money. There is another fallacy which I want to mention here for the purpose of drawing it to the attention of those who might have been unthinking enough to swallow it. It is this: in the petition of the Chamber of Commerce I have found it mentioned that this increased taxation is going to have inflationary tendencies. I do not know what that means. What I should like to say is this; if you allow the big companies and the big corporations to do as they like with their profits, they are the people who will buy land and building at fabulous prices and that will cause inflation (Cheers). When the Government is faced with an emergency like say a War they must tax people heavy because if you leave the money in their hands, that causes inflation. Of course, the Secretary of State for the Colonies does not need any advice on that matter (Laughter). At least, I hope he does not. I am supporting this Bill on the ground that the Government has budgeted for a great expenditure in the colony; as everybody in this House admits, unemployment is rampant, emigration is needed and to whom are the people looking? They are looking to the Government. With certain people getting into this House and you ask employers for more money, they tell you : "Go and let Mr. Adams give it to you." That is what people are doing to-day and the Govern-

ment has had to interfere with things with which it would have been better for it if it did not have to interfere with them, I mean they may have had greater success if the Government did not interfere. I feel therefore that the Government is becoming increasingly responsible for the people of this country in common with the Governments of other countries. When you mechanise the sugar industry, when you increase machinery in any way, what do you do? You take the old people whom you had working with you and throw them out like the old machinery. Well, the Government has to provide almshouses for the people who are decrepit and they have to find work for those who say that they will work and for those who try to get work and cannot get any. If people make out a case that they cannot get work, the Government will have to find work for them or they will have to institute a dole whether it is money or food. How is it that companies could, from time immemorial, shirk their responsibility? When people get too old to give 8 or 12 hours a day work all they think of doing is substituting other people for them. The people do not get the assistance with which they should be provided. I think that the Government is rightly taxing these people who have been privileged to carry on their business in their way. The Government have reduced some of the personal income tax rates and they have restored the allowances which previous Governments have taken off. Considering all the facts which have been uncontroverted by people whom I thought would have been able to make out a better case, I am obliged to support this Bill this afternoon in the interests of the inhabitants of this colony who are clamouring more and more for Government assistance. I know that there a lot of hon. members who want to speak on this Bill; some of them really have nothing to say until somebody else says something, so I hope that I have given sufficient for them to attempt to justify their election to the House. I defy them to contradict or controvert one argument that I have brought forward here this afternoon. The only alternative to raising revenue in this colony by taxing the profits which have been already made is to tax the people's food and their wearing apparel or something of that kind and increase the cost of living. If you hear that the mark-ups have been cut down and the profits regulated, there is a snag in that. We hear stories of people going into the stores and being so foolish that they are offered a piece of cloth at 4/6 a yard; they have money from the United States of America and they refuse the cloth, and when they are offered similar cloth at 10/- a yard, that is what they want. There are stories about the price of shoes being too low and of importers buying the shoes at a higher price so as to make more profit.

Mr. SPEAKER : Is that an argument in favour of increasing this tax?

Mr. LEWIS : Increased profits are being made and we are levying income tax on increases made by that method. (Cheers).

Mr. BLACKMAN : I congratulate the hon. junior member for the City on the excellent speech which he has made. I shall be very brief; I just want to say that the amount of tax collected from Customs for the period from April to June, the first quarter of the year, is over £70,000 less than what was collected last year. The amount of Excise duty collected for the same period is over £7,000 less than what was collected last year and that makes a total of nearly £79,000 less collected from Customs and Excise for one quarter. There are four quarters in a year and four times that amount will make £316,000 which we expect to receive from Customs and Excise less than what we have been receiving. That is all I want to say.

Mr. MOTTLEY : Mr. Speaker,—This debate has been carried on without any personalities and I hope it will continue in that manner. (Cheers). It is a de-

bate in which every honourable member who takes part expresses the point of view which he holds and which he sincerely believes to be true. I believe that the Government has the best intentions in its attempt to raise revenue in this way but although I believe those intentions to be good, yet it still remains for me or any other member of this Chamber to actually show whether or not the Government is justified at this time in asking for this increase in revenue. I am one of those who believe that such capital expenditure as has been envisaged in the ten-year-development plan or in connection with other large schemes for social improvement in this colony should be met from loan funds. I do seriously believe that and I shall never change my mind in that respect and there are honourable members who, at one time, also held that view but who, to-day, are telling us that they think differently about the matter. Of course, human nature is subject to change and there is that possibility that as the years pass on, many of us might see the necessity for changing our views on particular matters. Now, Mr. Speaker, what I have been able to gather in my diligent search for my facts is that the several funds which the Government has in hand amount to a total of approximately \$8,000,000. For a small country like Barbados one might say that that sounds well and, indeed, it does sound well. At the same time it might be argued that that amount is rather small when the capital expenditure required for the carrying out of the social improvements of which the inhabitants of this island are so much in need is envisaged but I have already suggested that capital expenditure for such schemes should be met from loans over a long period, so that posterity might assist in paying for some of the amenities which it will be enjoying. I agree with my colleague when he said that it is regrettable that at the time when the Central Road Board came into being, advantage was not taken then of floating a proper loan. If that had been done, social improvements would not have been neglected as they are to-day and several other things that have been left undone year after year would have been done. As I said, the reserve funds of this colony total about \$8,000,000; the colony's debt is slightly over £600,000 and its sinking funds to meet that debt are over £200,000, leaving a net debt of over £300,000. Now, the first question one has to ask oneself is this: How are the funds at the disposal of the Government—whether this Government or past Governments—invested or are they invested at all? If the Government comes to this Legislature with a proposal to tax any section or all classes of the community, it should be able to justify its action by the fact that the funds which it has in hand are properly invested. Any honourable member who thinks in terms of business—and one must think in terms of business if one must think in terms of administration—would say to the Government: "If you are entrusted with funds over and above a certain amount, before you can convince us of the necessity for more money to carry on the administration you must satisfy us that those funds are properly invested." I defy anybody to contradict what I am now going to say. The Government has lying idle in the Banks £324,151 and in the hands of the Crown Agents £836,512. Had those funds been invested in 3% British Savings Bonds for the period of seven years during the War, the Government would have obtained over £100,000. But, Sir, that has not been the case. Now, during the course of this debate, comparison has been made between the rate of tax on companies in Trinidad and in Barbados. In this Bill, provision is made for increasing the allowance for dependents from £40 to £50 and I am very glad to see that the Government has, in this respect, acted upon the suggestion contained in an Address which I have on the Order Paper, seeking to have the allowances for single and married men respectively increased. It has been said that the rate

of 8/- in the pound brings this island into line with Trinidad and I am wondering if this Government would also bring this island into line with Trinidad by increasing the allowances to married and single men to £300 and £200 respectively.

Mr. SPEAKER: That is in relation to the personal rates.

Mr. MOTTLEY: I know that, Sir, but I crave your indulgence to make a comparison between the allowances in Trinidad and the allowances in Barbados.

Mr. SPEAKER: I do not think I can give the honourable member the latitude for which he is asking because the Income Tax Bill which deals with the rates on the incomes of individuals has been already passed.

Mr. MOTTLEY: As I was saying, this Bill proposes to increase the allowance for dependents to £50 but in Trinidad it is as much as £250 which assists persons to give their children an education up to the University standard, if possible. Imagine an Income Taxpayer in this island keeping a child at school today on £50 a year! You might argue that some people keep their children at school on less than £50 a year; that is true but those people are not in the categories of persons who pay Income Tax. My argument is that if you are going to make comparison in one respect, you should also make it in the other respect. You know, Mr. Speaker, I will express my view on any matter and even the members of this side of the table might not like what I say now. If this increase in the tax on companies is passed, it is going to cause, in my opinion, a lot of businesses to be over-capitalized and that is putting it mildly. If honourable members understand exactly what I mean or even appreciate it, they will ask themselves this question; how many companies have we got in this country which, in truth and in fact, are really public companies and how many are really private companies? What I fear is that that the object which this Bill seeks to achieve will not be achieved. I feel that direct taxation—income tax—is the fairest tax on earth, though no one likes to pay taxes. I always agree that the Government should have a reserve, however much we might argue that it is illegal. If I ran a business I would like to know that I have a reserve and any Government should know that it has a reserve. I am not criticizing this Government for having this reserve of over \$8,000,000 but I am criticizing it for not having put its house in order by investing part of the reserve. If Mr. Speaker, I believed in the policy that all these stupendous capital works should be met from current expenditure I would unhesitatingly give my vote in favour of this Bill. We hear a lot of talk about a deep water harbour. Who could fool me that this colony could attempt a deepwater harbour scheme without floating a loan? People in this colony have different opinions as to how capital works should be financed and I have heard some very sound businessmen in this colony agree with me that capital works should be financed from loans. I cannot support the passing of this Bill but I hope that that would not prevent the Government from coming back with a Bill to increase the allowances for married and single men who pay income tax.

Mr. CRAWFORD: So far, both the opponents and the proponents of this Bill have admitted the equity of income tax. The representatives of the wealthy on my left (Mr. MOTTLEY: Do you mean me?) I said the representatives of the wealthy on my left. They have based their opposition not on sentiment but on certain facts and figures which they have presented. That is what the proponents of the Bill

will have to answer. I want to concern myself for a few moments with some of the arguments advanced by the Government spokesman, to correct some misapprehensions under which the Government seems to be labouring and to tell the full truth of some of the half truths which have been told. When I shall have done that, then I will return to the merits or the demerits of the Bill itself. To begin with, we have been told that the reasons which have led to the introduction of this Bill are (1) the fact of a short crop this year and (2) a drop in Customs revenue. The honourable junior member for St. John actually rose to say that so far this year the receipts from Customs for the three months specified were £70,000 less than they were for the corresponding period last year. There are two reasons for that. The first is that last year was an abnormal year for receipts from Customs; in fact with regard to the £331,000 excess revenue which we collected last year over and above the original estimate, the greater part came from Customs revenue; so that the mere fact that the three months' period this year has yielded £70,000 less than the corresponding period last year is no point in favour of the position adopted by the Government spokesman today. Moreover—and I hope to labour this point later on—the drop in Customs revenue is due to a position to which no attention has been paid at all today, and which is far more important than everything we have considered so far today. Some time last year the honourable senior member for St. Joseph and I were among those who were appointed by His Excellency the Governor to sit as members of a Committee with a view to giving effect to the instructions of His Majesty's Government in the United Kingdom that there should be a restriction of imports including imports from the sterling area to minimum essentials having regard to the Message from the Secretary of State for the Colonies which was published in August last year. The Memorandum which accompanied the statement of our terms of reference also had appended to it a statement from the Secretary of State for the Colonies in which he pointed out certain ways in which the Colonies could help Great Britain in her present crisis. They were enumerated as follows: (1) By not importing more than they can pay for with current earnings and, whenever possible, by confining imports to a level below that of their actual earnings; (2) By no unnecessary expenditure in American dollars; (3) By exercising, under current conditions, the greatest possible economy in imports from any part of the world, including the sterling area itself, and (4) By an increase in production. Those were the ways enumerated by the Secretary of State in which he suggested that the Colonies could help Great Britain. What has happened is that we have agreed to an appreciable reduction of imports into this colony in order to assist Great Britain in her crisis. It is therefore not strange to hear that the colony is yielding an appreciable sum less in Customs revenue than was yielded last year. The point is that if in this colony where there has been a shortage of essential supplies during the War years and where people are even now suffering from a shortage of essential commodities which were not available at all, and we go further and restrict our imports even below our actual earnings for another year, is it not plain even to the blindest or the most obstinate that we are going to disastrously affect our own economic position and that when we have finished assisting Great Britain we shall find ourselves a pretty kettle of fish? I have just been reminded that the revenue from Customs last year was £180,000 over the original estimate; but I want to insist on the fact that we must pay attention to the position in which we find ourselves at the request of the Secretary of State for the Colonies when paying attention to the eventual

repercussions on our financial position. We have also been told that the introduction of this Bill to-day is due to the fact that we had a fairly short crop. We knew since last year that we would have a short crop; we knew that even before we agreed to import less items from Great Britain. Has there been any protest on the part of the Government to the effect that the Imperial Government should review the position to-day especially bearing in mind that the cost of articles imported from Great Britain is, in some cases, 400% more than that of similar articles imported from outside the Empire? We might raise this income tax to 18/- in the pound, but unless we pay due attention to this important phase of the question, we shall find that after we have collected all we can from the available businesses in the City, we will collect £200,000 instead of £90,000 less in Customs revenue over a given period than last year or in previous years. Either the British Government should be asked to redress the situation with regard to import restrictions or—

Mr. SPEAKER: I think the honourable member has said a lot on that point. He is really going into the question as to where our imports should come from and he is not dealing with this Bill.

Mr. CRAWFORD: I am sure that Your Honour will appreciate the fact that one of the reasons for the introduction of this Bill is that the receipts from Customs is less than they were before, and I am saying that we should have the situation redressed or take steps to make it possible for us to import essential commodities from whatever source we can get them.

Mr. SPEAKER: Is that any point in connection with the debate on this Bill?

Mr. CRAWFORD: It is a very important point.

Mr. SPEAKER: It might be an important point but not one which you can raise in a debate on this particular Bill.

Mr. CRAWFORD: It is merely a question of adopting a proper or an improper policy.

Mr. SPEAKER: The honourable member can bring up the question of policy in another debate but not in this debate.

Mr. CRAWFORD: I think that I have said enough to show that we are going to find that our yield from Customs will be appreciably low as long as the present policy continues. The senior member for Christ Church has said that the step taken in respect of this Bill was taken so as to bring Barbados into line with Trinidad and British Guiana; and the senior member for St. Joseph actually moved the reduction of the amount originally proposed because he wants to bring the proposed rate into line with Trinidad and British Guiana. Now what is the position in Trinidad? They were faced with a big deficit last year and it was proposed to balance the Budget by placing a cess on oil. The motion was defeated in Council and as a final recourse to balance the Budget it was proposed to increase the rates of income tax to the present figure for one year. Although it is true to say that the rate is now higher than ours, I merely want to point out for the sake of clarifying the record that Trinidad differs from Barbados in that the majority of the big companies which operate there are foreign companies. When, as we did here this year, Trinidad adopted the new system of collecting income tax, that meant that they would get the full rate of the income tax collected in the colony and the large amounts collected from foreign companies would not go abroad as hitherto so that even if there is justification for putting

our rate to-day at the same figure as the Trinidad rate, it is important to point out that the conditions which exist in Trinidad are different from those which exist here, and the reasons for making the Trinidad rate what it is today are entirely different from any reasons which have been advanced in this Chamber today. Moreover, before the Trinidad Government increased their rate to the present figure, they passed a Bill in the Legislature in which special exemption was given to new industries. The new industries were allowed exemptions from income tax for a number of years and they were allowed to import machinery and raw materials duty free. Placed on the Statute Books of Trinidad you will find all the conditions under which new industries can be started without the obstacles and the obligations which people have to face in this colony. In addition to that, also passed in Trinidad was a Bill known as an Aid to Industries Bill. Entirely apart from special income tax exemption, entirely apart from the duty-free allowances on machinery and raw materials, Trinidad passed an Aid to Industries Bill in which even existing business houses, when they are going to expand premises or when new business premises are going to be built, the proprietors are allowed certain facilities by way of income tax exemptions and I commend the action of Trinidad to this Government and ask them to get a copy of the new Aid to Industries Bill which was passed last year and which is of further assistance to the industrial development of the colony. After those things were done then and only then did Trinidad proceed to raise the rate of income tax to the same rate as obtains in England, and even then it was only for a year. And what has been the result? The result has been that though the new rates are high, the Aid to Industries Bill has given such a fillip to industrial expansion that all the business firms which have to pay an income tax rate of 9/- in the pound are spending the profits which they are allowed to spend in building new business premises. In almost every street in Port-of-Spain today construction work is going on so that carpenters and masons and unskilled workers are getting work to do. Now what is the position with regard to British Guiana? I have already quoted in this House that last year in presenting the Budget to the Legislative Council the Governor of British Guiana declared as regards new industries—and these include mining and forestry development and development of secondary industries—that the Government will seek their approval of substantial concessions with regard to income tax and is also prepared to grant relief in respect of Customs duties on imported material and equipment in order to stimulate the growth of these new industries and give them practical assistance in the early and risky stages of their establishment. In other words, the Governor of British Guiana made it emphatic to the Legislature that while they needed revenue and they were going to get it from the business which is being carried on in the country they would also grant certain concessions which would assist in increasing the national income and provide work for people. The local Government is saying that they are taking steps to follow Trinidad and British Guiana. I repeat; the senior member for Christ Church actually said that they were taking steps to bring this colony into line with Trinidad and British Guiana, and the senior member for St. Joseph actually moved a reduction of the original figure because he said that he was bringing this colony on a par with the Trinidad and British Guiana rate. Of course they know something of what is happening

in those countries, but they do not know everything they should know. What is the position in Barbados? Are we in the position of assisting industrial development here? Does there exist the necessity for granting concessions to people to come in and assist in the development of the colony? The senior member for St. Joseph said that it was a deliberate lie to say that the Government has been approached by foreign companies asking to be allowed to come in and do business here. Says the senior member for St. Joseph: "Only one firm has approached the Government." This is the first time that I have sat in this Chamber and heard a Colonial Secretary in this colony being called a deliberate liar for the simple reason that the statement that foreign firms have asked the Government for permission to come here and start industries was made by the Colonial Secretary in the Other Place as a result of a debate on industrial development initiated by Hon. Frank Hutson. In the course of that debate the Colonial Secretary said this: "On many occasions the Government has been advised that the introduction and fostering of new industries is essential to the welfare of the colony. There have also been," said that Colonial Secretary, "enquires from Great Britain and elsewhere with a view to setting up industries in Barbados." Now the senior member for St. Joseph says that the Colonial Secretary is a deliberate liar; well, I prefer to think that the Colonial Secretary spoke the truth. We know that within the last twelve months the Government has been approached by more than one representative of foreign firms which are willing to come here and establish industries if the Government would offer the same concessions which Trinidad, British Guiana and Jamaica are offering. I am sure that the Colonial Secretary would be interested to hear himself called a liar by a member of the Government who knows that it is not true to say that only one person has asked the Government to be allowed to set up new industries here. The senior member for St. Joseph went on to say that the sense of social justice in this country is apparently so dead that the appeal for co-operation would fall on deaf ears; that is of course, with reference to increasing the income tax rate this year. I should like to say that my remarks at this stage are nothing to do yet with the Bill itself; I am merely trying to point out the fallacy of the position adopted by the Government spokesman and to make it plain to the Government that whether they have a good case or a bad one, they should not present it badly. Only last week the senior member for St. Joseph declared when the Government wanted to subsidise rice at a given figure that they would make an appeal to the wealthy classes to buy the more expensive rice.—

Mr. SPEAKER: I do not think that the honourable member can refer to that.

Mr. CRAWFORD: What I want to find out is this; how is it that the sense of social justice in the community can be so dead this week when it was so much alive a week ago? If a week ago you could ask the rich to buy the expensive rice and they would do that, how is it that their sense of social justice has become so dead within seven days? To continue with what I was saying, the Government spokesman declared that for a long time we have been told that our rates of income tax are too low. As a matter of fact, the honourable junior member for the City actually quoted from Mr. Howie's Report. Mr. Howie reported in 1944 that the rates of income tax were too low and he went on to suggest that the Companies

rate should be placed at 6/6 in the pound. That was his Report. The rate was made 6/8 because we were told that that was a better figure with which to deal. We brought out an expert who told us what the rate should be, and it was decided in the year 1944 at the West Indian Conference which was held in Barbados that West Indian Colonial Governments should make their economic policies attractive to industrialists from outside who might be willing to come in and invest some money in the Colonies and develop new industries if they were encouraged to do so. Honourable members will remember that since last year I raised the question in this House and in February this year I initiated a debate calling on the Government to declare its policy with regard to attracting new industries to Barbados. Only in June this year a representative of Pasolds, a big textile firm in Europe, came to Barbados and actually arranged for putting down a textile plant here. He arranged for a site at Waterford to put down a factory and he also arranged to lease the building in Lower Broad Street at present occupied by the Biscuit Factory in order to train workers until the plant was finished. Pasolds were willing to buy land if necessary in this colony, to grow their own cotton in order to manufacture shirts, underwear and hosiery at a reasonable rate for the people of this country. What happened? We spent about two hours with the representative one afternoon and he told us that he had heard no statement as to whether or not the Government would give the same concessions as Trinidad and Jamaica were giving him. He produced samples of shirts and underwear which are sold for one quarter of the price at which those articles are now sold in Barbados. I was told about two weeks ago that Pasolds would be putting down a plant in Trinidad, and we know that Jamaica knitting mills are producing shirts, hosiery and vests in Jamaica with cotton imported from our cotton-spinning plant and that those commodities are shipped back here to be sold to the people of this colony. Yesterday afternoon an engineer who works at Bowmanston Factory in St. John came to my office and told me that—

Mr. SPEAKER: Is that to show that what is not being done here is done in other countries?

Mr. CRAWFORD: So far I have been able to make my remarks relevant, and as long as I remain on my legs I will make them relevant.

Mr. SPEAKER: The whole point is in connection with the raising of the income tax. Is the honourable member showing that what is taking place elsewhere is not taking place here? I think he has mentioned that.

Mr. CRAWFORD: Precisely. I was saying that only yesterday an engineer who works at Bowmanston Factory told me that he came to Bridgetown to buy a pair of pyjamas and he was charged \$13 for them at Fogarty's. Is it fair to the people of this colony who are working for small earnings to be compelled to buy hosiery, shirts and so on, manufactured abroad, at these exorbitant prices when with a little assistance from the Government these articles could be manufactured in the colony and sold to the people at a much cheaper rate? Moreover, very often these articles are in short supply in Bridgetown. When you want a pair of socks all you can get is a pair for 5/- or 6/-; all the cheap ones are gone. If we were doing what British Guiana, Jamaica and Trinidad are doing, these articles could be produced here in Barbados; and we have

it on the word of the Colonial Secretary that enquiries have been made from Great Britain and elsewhere with a view to setting up industries in this colony.

Mr. SPEAKER: The honourable member is not dealing with the question of income tax.

Mr. CRAWFORD: The honourable senior member for St. Joseph has said that the Government has done everything that other West Indian Colonies have done in order to attract new industries. He said that this Government has done nothing less than what other countries have done so as to attract new industries; but they have done nothing in comparison with what other countries have done to attract new industries.

Mr. SPEAKER: If the House feel that way, they can raise the whole matter in an Address, but I do not think that it can be done in a debate on this Bill.

Mr. CRAWFORD: All I am saying is that the Government spokesman has said that they are following other colonies in fixing the income tax rate and we are saying that these colonies have first done things to attract industries.

Mr. SPEAKER: The honourable member is quite in order to show that this Government has not kept in line with other Governments but he need not go to any great length to show that nothing has been done in comparison with what has been done by other Governments.

Mr. CRAWFORD: There is no Act on the Statute Book which would show that we have taken the steps which other colonies have taken.

Mr. SPEAKER: I am only trying to shorten the number of instances you are giving.

Mr. CRAWFORD: I can appreciate that Your Honour is tired after a full day's debate, and if it is Your Honour's desire—I can assure you that I have only made one half of the remarks which I intended to make—we can adjourn if an honourable member will make the motion for the adjournment.

Mr. SPEAKER: You can make the motion yourself, but I would call your attention to Rule 142.

Mr. CRAWFORD: I know the Rule and I am quite willing to run the risk. Regardless of the merits or demerits of the Bill, I want to utilise this opportunity to make it perfectly plain to the people of this colony that the present policy of the Government will lead us into further disasters than those in which we now are. As an essential prerequisite to this Bill, this Government should have taken certain steps. If the income tax rate in this colony approximates that, say, of Great Britain which is already industrialized, and we have taken no steps in the first place to attract people to come here and start industries, we shall find ourselves not only without any Customs revenue, but with few commercial firms to pay taxation, with no industrial development, we will be compelled to import goods for which we have not got the money to pay and the colony will be in complete bankruptcy. I beg to move that the debate on this Bill be now adjourned.

Mr. DOWDING: I beg to second that.

Mr. COX: I suggest to honourable members that they should not agree to the motion for the adjournment of this debate. After all, we have remained here for the whole day and we have listened to very lengthy speeches by honourable members whether they know anything about the Bill or not. From the attitude of the honourable senior member for St. Philip, it is clear that he is

attempting to assist the members of the Electors' Association—

Mr. CRAWFORD: I cannot have the honourable member who is incapable of following the debate—

Mr. SPEAKER: The honourable senior member for St. Michael can only speak on the motion for the adjournment of the debate.

Mr. COX: I was merely counselling the honourable member to have the decency like the honourable junior member for St. James to allow the motion for the second reading of the Bill to be put to the vote instead of attempting to filibuster the Bill.

The question that the debate on this Bill be now adjourned was put and resolved in the affirmative, the division being as follows:—

Ayes: Dr. WILSON, Messrs. SYMMONDS, BRANCKER, CRAWFORD, GARNER, MOTTLEY, HAYNES, DOWDING, GALE, S. A. WALCOTT, WILKINSON and WARD.—12.

Noes: Messrs. SMITH, HUSBANDS, F. L. WALCOTT, COX, FOSTER, MAPP, LEWIS, TALMA, ADAMS, BLACKMAN and Dr. CUMMINS.—11.

THE ADJOURNMENT.

The Order Paper having been fixed,

Mr. ADAMS: I beg to move that this House do now adjourn to Thursday next at 12.30 p.m.

Mr. COX: I beg to second that.

Mr. WILKINSON: I beg to move that the words "Thursday next, at 12.30 p.m." be deleted

and the words "Tuesday next at 12 o'clock noon" be inserted in place thereof.

Mr. HAYNES: I beg to second that.

Mr. SPEAKER: A motion has been made that this House do now adjourn to Thursday next at 12.30 p.m. An amendment has been moved that the words "Thursday next at 12.30 p.m." be deleted in order to insert the words "Tuesday next at 12 o'clock noon." The question is that the words proposed to be deleted stand part of the motion. Honourable members in favour of that will please say "Aye", those against will please say "No", I think the "Noes" have it.

A division was taken as follows:—

Ayes: Messrs. SMITH, HUSBANDS, F. L. WALCOTT, COX, FOSTER, MAPP, LEWIS, TALMA, ADAMS, BLACKMAN and Dr. CUMMINS.—11.

Noes: Dr. WILSON, Messrs. SYMMONDS, BRANCKER, CRAWFORD, GARNER, MOTTLEY, HAYNES, DOWDING, GALE, S. A. WALCOTT, WILKINSON and WARD.—12.

Mr. SPEAKER: The question has been decided in the negative eleven honourable members voting "Aye" and twelve honourable members voting "No". The question now is that the words "Tuesday next at 12 o'clock noon" be inserted in the blank created. Honourable members in favour of that will please say "Aye", those against will please say "No", I think the "Ayes" have it.

The question that this House do now adjourn to Tuesday next at 12 o'clock noon was put and resolved in the affirmative without division.

Mr. SPEAKER adjourned the House accordingly.