

THUNDER

ORGAN OF THE PEOPLE'S PROGRESSIVE PARTY

Hark the rolling of the Thunder
Lol the sun and lo there
under
Risath wrath, and hope and
wonder
William Morris

No. 4 SATURDAY JANUARY 24, 1959 GEORGETOWN, BRITISH GUIANA Price 8c

STRAIGHT TALK ON THE BUDGET

by CHEDDI JAGAN

Tax will not kill Banks

HOWEVER much Mr. D'Aguiar may argue that beer is studded with vitamins and is a wonderful food, etc, the fact is that beer falls within the category of non-essentials. Other alcoholic products—rum, whisky, gin—and cigarettes fall within this group.

Anyone looking at the situation objectively — and keeping the interest of the country foremost in mind — must admit that too much national savings (\$124 million) is consumed in these non-essentials. The main point to remember is that the increased beer tax (25 cents per gallon) and no doubt will ultimately be passed on partially wholly to the consumers.

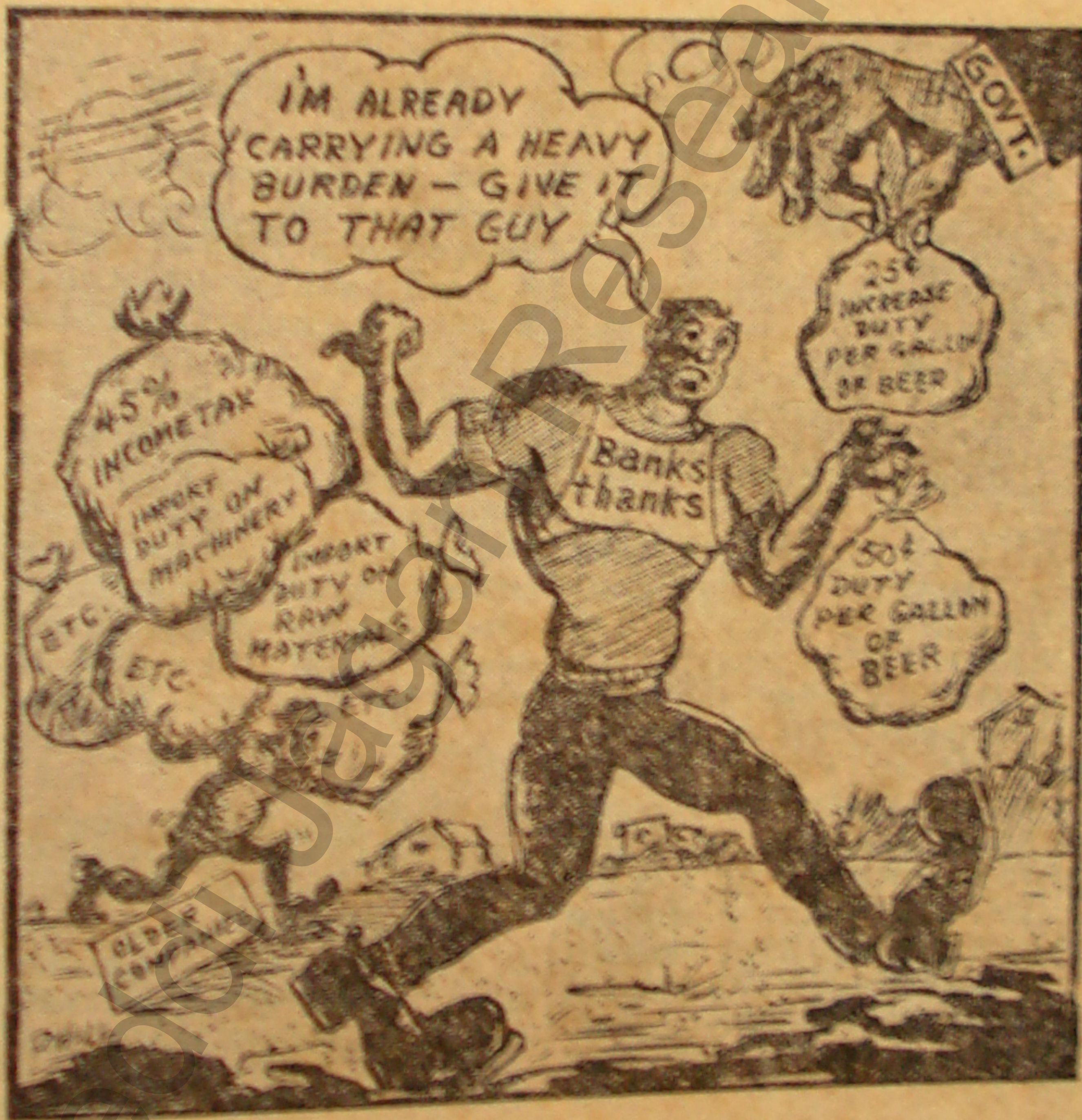
Main Grouses

What then are Mr. D'Aguiar's main grouses? Apparently they are two. It is argued, firstly, that the tax will stifle the industry and therefore there is a breach of faith on the part of Government; secondly, that the beer tax is too large in relation to other alcoholic beverages.

Will the tax kill the industry? Certainly not. Judging from taxation figures, about fourteen million bottles of beer were produced in 1958. This is about two and a half times that even the pessimistic Mr. D'Aguiar would have sold. The profitability of the industry was based on this

REACTION to the budget proposals has been a mixed lot. There are those who simply take a personal point of view. [Peter D'Aguiar falls within this category]. Others (J. Jardim, G. Cooper) take an objective view, and still others (P.N.C., National Labour Front) oppose for the sake of opposing.

The sugar tax of \$1. per ton has been criticised in certain quarters. Some allege that it is a discriminatory tax.



UNWILLING LAD!

Govt. Subsidises Cooking Oil

The British Guiana Government has decided to subsidise cooking oil. This is estimated to cost about \$125,000 per year. This is in keeping with the P.P.P.'s policy of subsidising basic items of foods in order to keep down the cost of living. Had it not been for this decision to subsidise, the consumers would have had to pay an increase in price of two cents, from thirty-three to thirty-five cents per pint.

This increased subsidy has become necessary because of the increased price structure which was agreed upon at the Oils and Fats Conference in Trinidad.

PUBLIC MEETINGS

Sunday, Jan. 25 - Coverden... 4.30 p.m. Friendship - 6 p.m.
Hertelling - 7.30 p.m. Speakers: B.H. Benn, A. Kayam,
A. Remington, Fred Bowman
Sunday Jan. 25 - Uricrust - 2 p.m. Leonora... 4 p.m.
Anna Catherine... 5.30 p.m. Speakers: Ramkaran,
G. Robertson, C. R. Jacob Jr. E. M. G. Wilson

The point seems to have been forgotten that the abolition of this tax was strongly opposed in 1952 by the P.P.P. which both in its 1953 and 1957 election manifestos categorically stated that if elected it intended to re-impose this tax.

Those who argue that the Government is being discriminatory and unduly severe should be reminded that from 1942 to 1952 when the sugar production tax was \$1 per ton, the price of sugar varied from \$100 to \$180 per ton. Today the tax remains at the same figure, but the average price of sugar is around \$215 per ton.

Incidentally, this is how Sir Frank McDavid, then Financial Secretary, put it in his 1952 Budget Statement.

Accordingly, it is only right that I should give a warning that the sugar duty may have to be revived if it becomes essential to raise additional revenue for these purposes and the circumstances of the industry justify a direct contribution from sugar producers. This admittedly implies in effect a conditional suspension rather than the final abolition of the sugar duty. Aside from the sugar tax, the taxation proposals fall within three broad categories—tax on luxuries, tax on non-essentials and protective taxes.

Motor Cars

In the luxury category may be included such items as motor cars, motor cycles, watches, cameras, perfumes. It should be noted here that nearly \$2-1/2 million are spent annually for imports of new cars. This is a large outflow.

(Cont'd on page 9)

TWELVE FOR HOME ECONOMICS

Government will introduce a new one year training course in Home Economics at the Carnegie Trade School.

Applications have been invited and 12 persons will be selected for the course which will start in February.

It is intended to select from the graduates of the proposed course teachers for the Home Economics departments, six of which are to be established in various parts of the country.