

M.P. 2497

8th December, 1920.

My Lord,

I have the honour to submit for Your Lordship's consideration sealed copies of two Acts, viz: Act No. 19 of 1920 and Act No. 25 of 1920, entitled respectively The Bermuda Development Company Act and The Bermuda Development Company Act, (No. 2), together with the Attorney General's reports thereon.

2. These Acts, though of a private nature, are of special importance as they provide for the incorporation of the Company organized by Messrs Withy & Company which is to undertake the special development of an area of land known as Tuckers Town, close to Castle Harbour, with a view to the establishment of a tourist colony, including a large hotel, bungalows, golf course, riding paths and other amusements. This is the scheme to which reference is made in my telegram of the 1st March, 1920, in which I inquired whether Your Lordship would be prepared to approve of the Company being granted powers for the compulsory acquisition of land. The legislation

The Right Honourable

The Secretary of State for the Colonies,

8 Downing Street.

dealing with the matter has been divided into two Acts, the first giving the usual powers of incorporation and the second dealing principally with powers for the compulsory acquisition of land. The only parts of the first Act to which special attention need be drawn are Sections 25 and 26, which provide for a majority of three-fifths of the shares being held by British subjects. I have made special inquiry into this aspect of the scheme and have been assured by Messrs. Furness Withy & Co. that the greatest care will be exercised to insure the control of the Company being kept in British hands.

3. - The second Act which deals with the acquisition of land provides three alternative methods of procedure, ^{Beginning with} ~~xxxxx~~/an inquiry before three Commissioners appointed by the Governor at which an endeavour is made to reach a voluntary agreement. It will be observed that the powers of the Commissioners in respect to fixing the price to be paid by the Company are complete but that they cannot enforce the acceptance of that price by the vendor. Should an agreement not be reached two methods of procedure remain at the option of the vendor, viz:- settlement either by arbitration or by appeal to a jury. The provisions of these sections appear to me to provide ample safeguard against ^{overbearing} ~~xxxxxxxxxxxx~~ action on the part of the Company, and they have in fact operated to the advantage of the vendor. The area of land to which the provisions of the Act apply is something over 500 acres, but out of this only a limited portion has been dealt with under the clauses of compulsory acquisition. In some cases resort has been had to these clauses by the consent of the parties interested in order to secure a

title free from doubt. This procedure has, I understand, been applied especially in the case of undivided interests where the whereabouts of some of the parties concerned cannot be discovered.

4. The Act has been in operation since August and has operated on the whole successfully. I strongly recommend that both this Act and Act No. 19 be allowed to remain in operation. The scheme which they authorize is one of the greatest importance to the development of the tourist trade, and the Company have shown every indication of being prepared to carry it out in the most thorough way. There was some protest by a few residents in the neighbourhood against the compulsory acquisition of land by the Company, but there is no doubt that the Acts as they stand represent the wishes of the great majority of the inhabitants of the Colony. Act No. 25 passed the House of Assembly by a majority of 17.

I have the honour to be,

Your Lordship's most obedient,

humble servant,

General, Governor
and Commander-in-Chief.