

LEGISLATIVE COUNCIL.

Thursday, 20th August, 1942.

The Council met at 12 noon, His Excellency the Governor, Sir Gordon Lethem, K.C.M.G., President, in the Chair.

PRESENT.

The Hon. the Colonial Secretary, Mr. G. D. Owen, C.M.G.

The Hon. the Attorney-General, Mr. E. O. Pretheroe, M.C., K.C.

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

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

The Hon. E. G. Woolford, K.C., (New Amsterdam).

The Hon. E. F. McDavid, C.B.E., Colonial Treasurer.

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

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

The Hon. M. B. Laing, O.B.E., Commissioner of Local Government.

The Hon. G. O. Case, Consulting Engineer.

The Hon. L. G. Crease, Director of Education.

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

The Hon. J. Eleazar, (Berbice River).

The Hon. J. Gonsalves, O.B.E., (Georgetown South).

The Hon. J. I. de Aguiar, (Central Demerara).

The Hon. Peer Bacchus, (Western Berbice).

The Hon. H. C. Humphrys, K.C., (Eastern Demerara).

The Hon. J. W. Jackson, K.C., (Nominated Unofficial Member).

The Hon. F. A. Mackey, (Nominated Unofficial Member).

The Hon. C. V. Wight, (Western Essequibo).

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

The Hon. T. Lee, (Essequibo River).

The Clerk read prayers.

MINUTES AMENDED.

The minutes of the meeting of the Council held on Wednesday, 19th August, 1942, were amended by the insertion of the following words, "The President addressed the Council" above the last line at the bottom of page 4 thereof.

The minutes, as amended, were confirmed.

REPORT ON ENMORE DISTILLERY TRAGEDY.

The Colonial Secretary laid on the table the following report:—

The Coroner's report on the fatal accident at Enmore Distillery on 12th May, 1942.

ORDER OF THE DAY.

BULK PURCHASES SCHEME.

Mr. McDAVID (Colonial Treasurer): I beg to move:—

THAT, with reference to Governor's Message No. 9 dated 8th August, 1942, this Council approves of the necessary financial arrangements being made to provide the Commodity Control Board with a working account for bulk purchases to an amount not exceeding \$1,000,000 either by way of bank overdrafts or by direct Treasury advances as may be found most convenient.

There is little I need add to what is stated in the Governor's Message. Whether we like it or not the trend of economic control which is being exercised by the controlling authorities

abroad is such that it demands that Government should take a large share in the securing of essential imported commodities which are vital to the life of the community. In the case of certain commodities it is impossible to obtain imports in any other way. Furthermore, when commodities are obtained by bulk purchase through the medium of a control organization which has been set up, it is probable that the goods will be secured at more favourable prices than otherwise, and what is, I think, more important is that the delivery of those goods is likely to be more certain.

The motion asks for what amounts to a vote of credit of a million dollars in order to finance the transactions of bulk purchase of the Commodity Control Board. The figure may appear to be somewhat startlingly high, but it is only a fraction, because the Board may at any time have to place very large orders which may involve correspondingly large commitments in the way of Bank advances. I may say that in Jamaica the Control Board has been furnished with a working amount of £1,000,000, so that our \$1,000,000 is on the low side. I do not anticipate that this will involve any direct cash advances from the Treasury but, of course, should that be desirable it would be more convenient to adopt the procedure which would be adopted normally. I trust that the Council will pass this motion to give cover to the Control Board.

Mr. AUSTIN seconded.

Mr. DEAGUIAR: It seems to me that some of my colleagues are not very anxious to participate in this debate, and perhaps the reason for it is that they probably do not know what it all means. The mover has told us of the difficulties we have to face nowadays in obtaining supplies, and of the necessary financial arrangements in order to carry out this scheme, but I thought he would have taken us a

little more into his confidence and told us how it is proposed to deal particularly with the financial side of it. If, as I understand the position, the request before the Council for this sum of money is only in the nature of a token vote which is going to be recovered by a resale of the goods in this Colony, then perhaps that explains the lack of interest Members of the Council have shown in the motion so far. I think we are entitled to know just how far and who will be responsible for all these financial transactions because, as the Treasurer pointed out, the scheme is likely to involve us in a considerable sum of money. As a matter of fact I envisage that this million dollars is only in the nature of a revolving fund, and in the course of time several millions of dollars will be passing through the hands of somebody. I am particularly anxious to know how and when, and what precautions are going to be taken for the proper accounting of these transactions. The reason for that is obvious.

I would like to know whether the operations of this fund—I prefer to call it a fund—will be kept apart from the ordinary transactions of the Board. I think I am right in saying that at the present time the expenditure of the Board on the administrative side is met from public funds, and I think I am right also in saying that the money is taken from the Emergency War Measures vote. I believe that is where all the money has been drawn so far to meet the running cost of the Board. This is an entirely different matter, and I want to know exactly how and what method is going to be used in carrying out this scheme. Is it proposed to transact this business in the same way as it is done in ordinary commercial circles—that is to say, that you make a profit sometimes and a loss sometimes? I think the intention is to make a profit; whether intentionally or otherwise I do not know. I observe here that at least it is expected that perhaps a loss may be sustained

by reason of the fact that it will not be possible to obtain invoices showing the cost of those goods when they are imported under the bulk purchasing system. So far as that goes, as a commercial man I must admit quite frankly that I do not understand it at all, and I do not like it at all because in these days of fluctuating prices and rates of war risk insurance none of those things can be properly estimated. I venture to suggest that, with the limited experience here, the Board will not be able to estimate those items, unless it is proposed to estimate on what is usually called the conservative side, in which case, of course, there would be a profit, and if the estimate is on the other side, obviously there must be a loss. I am not asking Government to give this Council to-day any estimate at all as to what the loss, if any, is likely to be, because it would be impossible to receive an answer to that question; but I am afraid that that loss is likely to be very heavy unless steps are taken to prevent it.

I see no reason why steps cannot be taken to ascertain beforehand, or at least when the goods arrive, the actual cost of those goods before delivery to the public or the merchants, as the case may be. This is not a lend-lease arrangement; it is a plain and straightforward commercial transaction. Why should it not be possible for the buyer to obtain from the Board, within a reasonable time, an invoice or statement showing the cost of the goods purchased? We have had the experience here before, and I see it being pressed here and elsewhere that it is impossible to get those figures. In my business it is true that on occasions, perhaps through faulty delivery by post or something like that, an invoice is delayed, but to say that it will not be possible for us to know the cost of those goods for a long time after receipt is an explanation that I cannot understand. I have been wondering what would be the position of the Control Board in these

circumstances I have just described, if Order 636 B had to be put into effect. That Order says that actual cost means so and so. Here we have it that a Government Department is unable to comply with that Order. Is it going to be in the same position as the unfortunate merchant? Would the officials of the Board be hailed before the Court to answer charges of profiteering? It seems to me that something will have to be done unless, of course, the Board will be able to put itself in the position to say what will be the cost of the goods. Otherwise, I do not see how it could function properly. Of course I know that that Order has been made under the Defence Regulations, and in circumstances of that kind it would be quite easy to pass a Regulation overnight, although in some other cases it seems to take quite a long time to remedy defects in that Order.

I am very much concerned over the fact that the Board will not be able to say what the cost of the goods will be, because I am fearing that we are going to be laying out a considerable sum of money over a period. I do ask that every effort should be made by the Board to ascertain the cost of the goods before they are actually distributed. There is no reason why it should not be able to get the figures. I do not want to be told that even if the goods are distributed to the merchants at a loss it should be looked upon as another means of subsidization. I do not think that would be a sufficient answer. This proposal must stand or fall on its merits, and I am going to insist that the transactions under this scheme should be kept apart from the normal functions of the Board, so that from time to time the Board should submit its accounts to the Council or to the Government in order to show the working of this scheme. In short, if this Colony has to undertake to finance the administrative side of it from public funds, as it is doing at the moment, those trans-

sactions should not be in any way incorporated into the accounts under this scheme. The people of the Colony must know whether Government or the Board is making money out of it, or whether the taxpayers will be called upon to contribute towards any loss, and if so, how that loss is made up. I know it is not the intention of Government to earn profit. I do not think that is the intention. At the same time Government should take every precaution to avoid any loss on these transactions.

Mr. ELEAZAR: The hon. Member suggested that there was some indifference to the subject. I am not indifferent; I am very much concerned, and if there is diffidence on the part of the merchants I have risen to say that I think the motion should be supported. I am afraid that something is wanted in the motion. I think there should be added the words: "under proper safeguards by insurance of any goods that may be purchased." If that is going to be done then I think we need not worry over the amount, because I do not see that the merchants would have anything to complain about if Government purchased the goods and sold them to them without telling them how much they cost Government. The merchants do not tell the public how much they pay for their goods. They simply sell you an article for so much and you either take it or leave it. If Government treats them in the same way they should not complain when they are not told how much was paid for an article. The position is that Government wants this money for a purpose, and we are told what that purpose is. We are all agreed from experience that it would be better if Government bought those commodities and the merchants got their supplies from Government. At present a merchant hides his flour in his back store and sends some of it into the country. What I would like to be certain about is that Government will make sure that it is going to get

the goods, and if by any chance those goods are lost, that that loss would be covered by insurance. If that is done I think this motion is well placed. The idea behind it is very laudable and should receive the support of the Council.

Mr. MACKEY: I do not intend to oppose this motion because I realize that we are up against it at the present time, and we have to try to put up with inconvenience and possibly loss which might not occur in normal times. In view of the existing Regulations and shipping difficulties I see no alternative but to support the motion, but I do not agree entirely with the remark made by the mover of the motion. He said that because Government proposes to make bulk purchases it will have a better chance than the merchants.

Mr. McDAVID: I did not quite say that. What I said was that goods obtained through the medium of the Control organization set up abroad are likely to be more cheaply obtained than otherwise. I was not referring to the local organization at all.

Mr. MACKEY: In view of that I will not pursue the point any further, except to mention that I know of one firm at any rate—and I can only speak for one firm—which placed an order for very large quantities of goods many months ago. Those goods have been lying in docks awaiting shipment. They would have been here to-day but for the fact that two steamers never reached the port at all. Therefore, in many ways I cannot criticize the Control Board; they are up against the same difficulties as the merchants are.

The hon. Member for Central Demerara (Mr. deAguiar) mentioned the point about invoices. He said that very often they do not arrive. That is true, but it is equally true that they do arrive and sometimes well in advance of the goods. We have invoices now;

for goods which were ordered over six months ago, but they are no indication as to what those goods are going to cost when they actually arrive here. I will mention one item which is of interest to the Council—a stallion donkey ordered by the Director of Agriculture. I have the invoice but what it is going to cost by the time it arrives here Heaven only knows, because I know that on that donkey and a very large shipment of mules, all sorts of charges are mounting up for feeding, supervision and insurance. I go further and say that invoices, even when we do get them, are of little or no value at all.

On the question of loss there is not the slightest doubt that the Board will lose some of its imports. There are such items as claims in respect of shortage, as the hon. Member for Central Demerara knows too well. It is one thing to render a claim and another to get it passed. It does not necessarily follow when a shipment is ordered by the Board that a claim is going to be recognized.

Then there is the question of insurance which I mentioned yesterday. I do earnestly implore this Government, if it is going to open credit for merchant dealers, to take every precaution to see that it gets cover. Government would then know exactly where it stands. The Treasurer will find himself in a very difficult position if those goods were lost on the way down and he had not taken advice to have them covered by insurance against every possible risk, not only whilst awaiting shipment but on the voyage down. I give the motion my full support and wish Government the very best of luck. That is all I can do.

THE ATTORNEY-GENERAL: The hon. Member for Central Demerara (Mr. deAguiar) must change from peace-time to war-time thinking and talking. I submit that in these times one must think in war terms, not once or twice

but throughout his speech. The hon. Member, quoting a well-known business rule, said he would not sell any goods until he got his invoice. I am in a position, in the absence of the Director of Medical Services, to show one reason why peace-time thinking is impossible in war-time. Everybody will realize that in this Colony we must have a supply of drugs and medicines; it is essential to the life of the community. Those particular articles are to be purchased for us from this fund in the United States of America, and the particular officer who has been deputed to purchase them on behalf of ourselves and the rest is a Surgeon of the U.S. Army. He will purchase for this Colony and other Colonies in this hemisphere. He has said point-blank that for obvious reasons he will not state the prices for which he buys until after the war. Take the drugs under those conditions or do not take them. It is no use our talking about business methods, or that we must have invoices. He says "I will not tell you the cost of those articles until after the conclusion of the war." I ask the hon. Member what would he do? Would he close down all drug stores and stop all doctors prescribing drugs, or would he get down from his peace-time perch to a war-time position and say: "We will have those drugs and leave it to the Board to make equitable charges for those goods?"

The hon. Member referred to Order 636 B. I do not know how that Order has that particular title because, actually, that is the *Gazette* number, but I know what he means. He said he had no doubt that overnight Government would make an amendment of that Order if the necessity arose. The answer is, of course, that so long as the Regulations are in force that Order has to be altered from day to day to meet existing conditions. The Control Board and the Competent Authority have no idea what the position will be this day week. You cannot expect this Council to legislate in the ordinary

course of events, by meeting in this Chamber and discussing the matter, and over a period of three weeks produce an Order. Suddenly, cases arise even within a night, and action has to be taken during the night. It is being done constantly. These Orders have to be amended, and I wish to disabuse the minds of any other hon. Member who imagines that Order 636 B is anything in the shape of an Ordinance. It is not. Every list and every schedule is liable to be altered at the very shortest notice. Everybody realizes that voting a million dollars in this way is very unsatisfactory, and the best the Council can do is to pass it subject to the necessary safeguards. Having done that we are still in the hands of the people who are making the purchases in the U.S.A.

This Council has always been told what business men would do in certain circumstances. It may be some satisfaction to the hon. Member to know that the particular officer of the U.S. Army who is dealing with our particular orders, is in fact a Director of a firm in England with a capital of over 70 million pounds, and in peacetime is accustomed to spending his whole time on the directorate of the firm. He is also a Director of another firm of the same character. A man with that financial standing must have the necessary financial ability to be elected to this particular Board. I am quite sure the hon. Member will agree that he will not let us in for things which are unbusinesslike. I do suggest that instead of criticizing those who are endeavouring to carry on in adverse circumstances we should sit back and say "He is a good man; leave it to him."

Mr. McDAVID: I would like to reply to a few points. I am always very grateful to the hon. Member for Central Demerara (Mr. deAguiar) because he usually asks questions and proceeds to answer them so satisfactorily himself that he very often leaves

nothing to which I might reply. He began by questioning the nature of the vote itself and then answered himself by saying that it was a token vote and a revolving fund, and of course it is all of those things. It is just financial cover, and in my remarks I said I did not think any actual cash would leave the Treasury. I hope not. The hon. Member then proceeded to ask for an assurance that the bulk purchase transactions of the Board will be kept separately. I give him that assurance. Mr. Heald is a member of the Board and he and I and a qualified accountant spent many hours in setting up a careful system of accounts in order to do just that. We hope to show the profit if there is profit, or loss if there is loss, on each of the various commodities which are dealt with. I do not say that we shall be able to do it with accuracy, because if there is loss it will amount to a subsidy which will have to be provided by the funds of the Colony.

As regards profit, there is a paragraph in the Message relating to the next motion in which it is indicated that any profit made by the Board on bulk purchases will be used to reduce any loss or the cost of subsidizing articles which it has been deliberately decided to subsidize.

The hon. Member said he did not like this arrangement at all. I like it very much less than he does. In fact I began by saying that whether we liked it or not we have to have this arrangement because it is the only way we can get certain classes of goods across. The Message says that this arrangement "involves the acceptance of a financial obligation by Government of unascertainable proportions." Government frankly says that. For the reason stated by the Attorney-General we cannot always get the cost of goods, particularly under the lease-lend arrangement. Some of the goods can be obtained for cash and some on lease-lend. It all depends on the method by

which the goods are obtained, and the transport arrangements for shipping, and so on. It is quite obvious that many of the charges cannot possibly be ascertained before the goods are ready for distribution, and it is just possible we may suffer loss on some goods. The Board may deliberately decide, with the approval of the Government, to sell at a loss in order to subsidize certain goods, but in such cases Government will approach the Council and let Members know beforehand.

There was some idea in the hon. Member's mind that the cost to the merchants will be definitely calculated. The cost of the goods to the merchants under Order 636 B will be the cost at which the Board distributes the goods. There is no question about that at all.

On the question of insurance I can give an assurance that all goods imported under a cash arrangement in the normal commercial way will be fully covered both for marine insurance and war risk, but I think I am correct in saying that the policy of the organization abroad in regard to goods supplied under the lease-lend arrangements is that they will not be subject to war risk insurance. That is a matter outside our control altogether. That is the same point which was raised by the hon. Mr. Mackey, but I would like to take this opportunity to reply to the remarks he made yesterday with regard to war risk insurance. I looked at the papers and found that we were acting on the advice of the Colonial Office that during the war, in the case of a Treasury-controlled Colony, no war risk insurance should be paid. We in this Colony are, of course, not now receiving Treasury assistance, but at the time that that advice was given we were on the border line, and we decided then to accept that advice. I propose, however, to re-open the matter and bring it up for Government's consideration, and to say definitely later whether I could ascertain figures to show whether it would cost Government more to take

war risk insurance or to carry the risk itself.

Mr. C. V. WIGHT: Is the cost of the goods to take into account the interest charges, and if so, how are they to be distributed? I see there is an alternative method of payment suggested in the motion itself. It may be that the interest charges will be present somewhere or other. Will it be borne by the Board as part of its working expenditure, or distributed among the merchants?

THE PRESIDENT: What particular interest charges is the hon. Member referring to?

Mr. WIGHT: If the Board is going to operate by Bank overdrafts there will be interest charges on those overdrafts. I have heard it suggested that perhaps a million dollars would be too small.

Mr. deAGUIAR: It has already been decided in another matter that Bank interest and things of that kind will not be taken into account in arriving at the cost of the goods. I happen to know that that decision has been made in respect of another matter, and I presume that it will be applied in this case.

Mr. McDAVID: I am not at all sure about that. I think each purchase transaction will be dealt with on its merits. There are a number of outstanding credits in particular consignments of goods, and I take it that in arriving at the cost of goods for distribution the interest charges on those particular items involving letters of credit will be taken into account. I am sorry that the Chairman of the Board is not here, but that is my impression.

Mr. DEAGUIAR: Personally I would be very glad if they would change that decision, because it has operated against the poor merchant.

THE PRESIDENT: Government has no alternative in this matter. It is compelled to take this step as I said yesterday. There are certain things we will only get from the U.S.A., on their conditions of purchase—the actual cost with a minimum of difference between the cost of supply and the cost of hauling them over to the consumer. The distribution to the dealers will be, of course, as near as possible to the prices prevailing. We have no idea of what rise in prices there will be, but we shall always be in a position to report to the Council. There is no intention of deliberate subsidies to any particular commodity, but if we desire to subsidize any commodity reference will be made to this Council.

On the whole matter of bulk purchase the Imperial Government is behind us, and I have no qualms myself of our being landed into any extraordinary financial difficulty thereby. I have no doubt at all that under this arrangement we will be saved very serious loss.

Motion put, and agreed to.

SUBSIDIZATION OF IMPORTED COMMODITIES.

Mr. McDAVID: I beg to move:—

THAT, with reference to the Governor's Message No. 14 of 18th August, 1942, this Council approves of the appropriation from surplus balances of such sum not exceeding \$300,000 as may be necessary to meet the cost of subsidization of imported commodities during the current year.

The general question of policy in relation to the subsidization of essential imported foodstuffs has been extensively debated in this Council on more than one occasion, and I hope it will not be necessary for me to cover the whole ground again. The view which has found more or less willing acceptance is: that it is essential for Government to intervene positively in order to keep down prices,

and not merely to rely on ordinary price control measures in order to do so. Let me recall very briefly the action which has so far been taken. The Council will remember that in January this year it passed a resolution providing for the allocation of \$200,000 for the subsidization of flour with a view to reducing the retail price to the consumer by one cent per pound. Very shortly after that, in March, the Council met again and passed another resolution, No. 15 of March 14, and also enacted certain measures by which, instead of a subsidy on flour as originally proposed, the price of sugar was reduced by one cent per pound, and the price of kerosene oil by three cents per pint. The reduction in the price of sugar was effected by removing altogether the Excise duty, while the reduction in the price of kerosene oil was effected by an equivalent reduction of the Customs duty on that article. In the case of sugar, the loss of revenue was covered by the imposition of a new duty on sugar manufactured in the Colony. In the case of kerosene oil, the loss of revenue is estimated at about \$180,000. That estimate is not true at present, for the simple reason that owing to the shortage of supply the Customs revenue would have fallen in any case.

Since that resolution was passed and those measures were taken conditions have deteriorated rapidly, and it was urgently necessary for Government to take some steps to subsidize other articles. Having consulted Members of the Council and obtained their general concurrence, Government took steps to subsidize flour, cornmeal, condensed milk, gas oil and Diesel oil, and what is more, in addition to the subsidy on kerosene oil derived by the reduction of the duty, a substantial subsidy was applied in order to keep the price down at 5 cents per pint. I may say that the whole intention is to "peg" prices as far as possible and may be advisable, having regard to the cost of supplies

and other relevant factors in these matters.

The object of the motion is to provide cover for the measures already taken to the extent of \$300,000 for the remainder of the year. When the proposal was first mooted it was anticipated that the cost would amount to \$48,000 per month, of which \$33,000 alone would represent the cost of subsidizing flour. The other items are rather small. The whole position is quite fluid. These matters change from day to day, and the whole matter will be subject to review, certainly before the end of 1942. The motion is to provide cover until the end of the present year, and I hope it will be passed by the Council.

Mr. AUSTIN seconded.

Mr. deAGUIAR: I had hoped that in the course of his remarks, the Treasurer would have cleared a little doubt I had in my mind as to the actual amount this Colony would be paying this year for subsidizing certain articles of food. In this particular motion the figure of \$300,000 is mentioned, but I am somewhat confused as to whether that figure is in addition to the sums that were passed before in Council. He referred to a resolution involving a sum of \$200,000 which was passed early this year, and I think, speaking from memory, there was a subsequent resolution. Now we have the sum of \$300,000 referred to in this motion. I would like to know whether those three resolutions are to be put together in order to ascertain what is the estimated cost of subsidizing those articles before I continue to speak.

Mr. McDAVID: The position is this: that the earlier resolutions for the subsidization of flour to the amount of \$200,000 was practically rescinded by the steps subsequently taken in March providing for the removal of the duty on sugar and the reduction of the duty on kerosene oil. No action was taken on

that resolution, so that we can eliminate the original \$200,000. The abandonment of the Excise duty on sugar involves a loss of revenue of \$190,000 which, as I said, is covered by the new sugar duty. The abandonment of the duty on kerosene oil was supposed to have cost \$180,000, but the fact that we are getting in such a small quantity makes that estimate far from true, because we would have lost that owing to the shortage. So we come back to the figure in the resolution, \$300,000, which is arrived at by taking the estimated cost of these articles specified in the Message at about \$48,000 per month for six months, which makes \$288,000, and leaving a small balance over for any other additional items we may find it necessary to include.

THE PRESIDENT: It is all dependent on our getting the supplies.

Mr. DEAGUIAR: As I understand it, the position now is that, apart from the remission of duty on sugar and kerosene oil, the actual direct subsidization of articles will cost this Colony \$300,000 for this year.

THE PRESIDENT: Yes; not more, but it may be less.

Mr. deAGUIAR: I would probably have kept this Council occupied perhaps for the balance of the afternoon on this question if it had not been for the last line of Your Excellency's Message. I accept that as a definite assurance that before 1943 the whole question will be reconsidered again. Your Excellency is probably aware that I am opposed in principle to the question of subsidization, especially in the form it is, for the simple reason that I personally do not think there is need for it,—certainly not at the moment. I have at the back of my mind that I was told some time ago that this question of subsidization was one of general policy, and perhaps a little later on when the war is over, which we hope will be very soon, it may become an Imperial policy. I

would be the last person, if our finances are sound, to ask the Imperial Government to pass us back something from which the public of the Colony has benefited in the way it is proposed.

In this Council, not so very long ago, I think the Conservator of Forests, who is Chairman of the Board, made the emphatic statement that Government had chosen the alternative because it appreciated the danger in "pegging" prices, and it is on that phase of the matter I would like to say a few words. Unless it is proposed to abandon the subsidy I am firmly of the opinion that if we continue to subsidize the articles named in this Message to the end of this year we will require much more than \$300,000, and the reason for that, of course, is due to the fact that this Government has now decided to "peg" prices. The danger which Government realized when the question of subsidies first came up is one on which there seems to be a change of front, and it is only too willing to accept. To-day, with the rising cost of production and the rising cost of freight and war risk insurance, it is absolutely impossible to say what we are going to land ourselves in as the result of the decision to "peg" prices. I know already that in the case of two of the principal items here stated in this Message the actual subsidy that will be paid out in the next few months will be higher than the estimate already prepared.

I make that statement as a result of my personal knowledge of the facts, and so we should not feel content that in accepting this motion all we will have to pay will be \$300,000, unless, of course, Government suddenly decides to change its decision again and to continue the system of "pegging" prices. If that is going to be done I am afraid there will be a lot more to be said about it, because I know what is going on, and Government knows too. The charge might be laid at the door of Government later on—and quite

rightly too, if it decides not to "peg" prices any longer—that Government has committed a breach of faith. I can well imagine what would happen if Government suddenly decided to cancel its decision to "peg" prices, and I can also imagine what would happen if Government suddenly decided not to continue with the system of subsidization of those articles; but that is a matter in respect of which a Biblical term might be useful. I will simply say "Sufficient unto the day is the evil thereof."

We should not accept this resolution in the belief that it will only cost us \$300,000, unless Government will change its decision later on and decide not to accept the principle of "pegging" prices. "Pegging" prices to-day is a very dangerous thing, and I know already that this amount will be exceeded, and by an appreciable sum.

Mr. C. V. WIGHT: It is difficult to understand why condensed milk has been specially singled out as one of the articles to be subsidized. Is it not a fact that condensed milk is largely used by the Government institutions? If that is so isn't Government going to benefit as greatly or perhaps to a greater extent than the average person who pays taxes? I know there has been a definite pronouncement against the policy of restricting subsidies entirely to imported commodities. There has been a considerable amount of soaring in the prices of ordinary local foodstuffs. Why not extend a small measure of subsidization to those local foodstuffs which are at present showing a process of inflation.

The suggestion I make is that the farmer should no doubt come into his own now and reap some benefit in view of what he has suffered in the past. At the same time the prices to the consumer might be "pegged" at the Depot which has been put up by Government. In other

words, the *Depôt* should purchase food-stuffs from the farmers at the ordinary market rates and sell them to the consumer at reasonable rates. That would in a very short period tend to "peg" prices, but it would necessarily mean that the *Depôt* would have to get some support in the form of subsidization to offset the loss which would be entailed. There can be no doubt about it that there is a considerable number of middle-men who are causing this abnormal rise in prices to the consumer which does not necessarily benefit the farmer himself. I suggest that consideration be given to the suggestion I have made.

Mr. PEER BACCHUS: I am very much concerned about this subsidization because I do not think we have the practical sympathy of the community. I doubt whether the benefit of these subsidies will reach the consumer. We have had the experience a couple of months ago of articles which were controlled, but they could not be obtained by the consumer at reasonable prices. If a practical system could be evolved the policy of subsidization would receive my full support. The consumer pays far and above the price fixed for every controlled article. Therefore, as the result of subsidization of those articles the consumer pays twice over for his goods, as taxpayer and consumer. I do not know if the Board is satisfied that the fixing of prices of articles is effective simply by placing them on the schedule. I think Government should have taken more drastic steps to control prices even if it meant the creation of another Department. If Government finds it difficult to enforce the prices fixed by the Board under the present arrangement, then it would be of no benefit to the consumer to subsidize those articles, because the consumer has to pay far and above the controlled prices for the goods he needs.

Besides the controlling of prices there

is the question of even distribution. I do not know what is the intention of the Control Board in the matter of distribution of the bulk purchases, whether each firm will be given a quota according to its past business and, if so, whether those firms that had a limited business in the past will be given such a quota as to be sufficient to meet their customers. The quota given the small places may not be sufficient to meet the demands of their customers, whereas that given other firms may be more than enough to meet the demands of their customers. I think that very careful consideration should be given to an even distribution, otherwise while the customers of A can get two weeks' supply the customers of B cannot get two days' supply. That question is very pronounced in the minds of people throughout the country. I must admit that owing to present conditions importation is also limited, but I feel certain that with some agreed and even distribution that situation can largely be minimised.

I am thinking whether it will be too much to ask the Control Board that every sale be done under the roof of the Control Office. I think that is the only way to safeguard the customers and to ensure that they are paying the fixed prices for the goods which are being controlled. The system I have in mind will not take away business from the merchants in the Street. Each merchant will be given his quota but will place a clerk in the Control Board Office who will sell to the shopkeeper who deals with his firm. The shopkeepers will then be certain that they are paying the controlled prices. Delivery orders can then be given from the Control Board to the firms concerned with the sales. To leave it open as at present—just fixing the prices on paper and leaving the public to the mercy of the merchants in Water Street—is not good enough. The gap, I think, in such a system may appear too simple to be stopped by the Control Board, but if the

Control Board give it some consideration they can improve upon the system. It is just to narrow the gap between the purchaser and the seller that the transaction should take place inside the Control Board Office itself, and I am appealing to Government to give further consideration as to the method by which customers will be protected, as all these efforts are being made by Government to protect the consumer.

Mr. PERCY C. WIGHT: I happen to have no connection with the Control Board or with any provision business, but I am thoroughly satisfied and do agree with a good deal of what has been said by the last speaker. I know that some of it is in existence at the present moment. Take the question of cement. You go to the Control Board and they give you an order to the firm on which is stated the price fixed for the commodity. But what puzzles me is paragraph 4 of the Message which reads:—

Where supplies obtained by the Commodity Control Board by bulk purchase on Government account can be distributed for sale at prices yielding a profit to the Board the amount of such profit will be taken in reduction of the general cost of subsidization.

I see the price of flour has been fixed. I want an explanation as regards that, whether this Commodity Board is going to issue *pro rata* to the different merchants a proportion of that commodity which they may sell per annum. I am going to protest very emphatically against that procedure. I know and, if necessary, I can give a concrete case which was brought to my notice specifically that flour is being sold in the Street at a price above the fixed price. A man purchasing 10 bags is requested to give his cheque for the fixed price but he is supposed to pay in cash a sum of money at the counter, as much as \$4 per bag, extra I know. It is a very serious accusation to make in a place like this, but I can assure you it is practised by some of the merchants in Water Street. Some reputable firms I deal with, I know, do not practise it, but

this matter has been brought to my notice and I am in a position to prove it.

The Control Board is composed of certain persons who are familiar with the provision trade. I have heard the learned Attorney-General say that the bulk purchases made will be duly done by a Director of a Company in London with big capital. That is all right. I have heard the hon. Colonial Treasurer tell us that on this Board there are three accountants. That is not sufficient. I know accountants are very clever people, but I can assure you there are small merchants in Water Street far more clever than they, who will set out and get the better of Government. Apart from that, there is this aspect. These superfluous profits do not go into the books of the business. Government does not get anything through the Excess Profits tax in regard to that. There is a particular man, not in Water Street, who does that regularly and I cannot understand how it is he has not been found out yet. Take another instance — galvanized sheets. The price has been fixed at one amount but one cannot get it at that price. If, however, you pay the price demanded you are told "You take the sheets but, if the Police stop you and ask you where you have got them from, I have not sold them to you." That is a fact. I know that plain sheets have been sold for 15/- and 16/- each and a few days after a very reputable firm south of Georgetown sold those sheets for 6/6 and 7/- each in conformity with the regulations. That is going on now, and I would like an explanation in regard to paragraph 4 of the Message.

Government has adopted a similar method in dealing with cement. The last speaker has said entirely what I would have put to you, and it is no good making a repetition. I consider it necessary that before flour or any of those commodities listed are sold there should be given from the Control Board an authorization to the firms to sell at

the fixed prices, and then there can be none of this back payment which goes on and which does not appear in revenue or profits. I think Government on discovering that kind of thing is in existence should seize the entire stock and deal with it. That is the only way to put a stop to this imposition on the poor people. If it is going to cost Government money to do it, I for one would come here and support a vote for it. The practice is most villainous. I had thought that those representatives here of firms would have been able to get up and make that statement, but I have done it because I feel it is highly improper and reprehensible, as a decent profit is allowed by Government. I agree with the suggestion of the hon. Member. I think it is a necessary thing to do. Firms should make legitimate profits. I have no connection with the provision trade, and I know nothing about it except what has been brought to my knowledge.

Mr. LEE: I would like to point out to Government that there is something wrong with this commodity Control Board. If something is not wrong with it, then the administration of it is wrong. Your Excellency, it is not fair to the public that there should be a subsidized commodity and at the same time the public be made to pay more for that commodity than the price fixed by Government. That is a definite fact which has been brought to my knowledge by shopkeepers. They say that the stores to which they are obligated and from which they have to make purchases every week demand for certain controlled articles extra money which is not entered in the firms' books and the cash is paid over the counter. The shopkeepers have to suffer thereby or penalize the public. In my humble opinion if the public is going to pay for the subsidization of such articles, the relief should pass from Government to the consumer direct and not through any of those people. In defying the law they do not realize

that they are defeating the object of the effort. I sincerely hope that as the result of the remarks made in this Council Government will take notice that in the subsidization of all articles there is equal distribution to the consumer. For instance, in the matter of the distribution of gasoline I know that all persons like myself are given seven gallons for seven weeks, which is insufficient for me to carry on my own work and to do work in the service of Government. But what do you find? Several people are driving cars everywhere and anywhere and on joy rides. It is also to be found that people are selling coupons for more than 50 cents per gallon. The fault and evil lie in the distribution and, if that is controlled by Government, all those vicious acts by those people would stop immediately.

Mr. D'ANDRADE (Comptroller of Customs): May I make some remarks in explanation. With regard to the comments made on prices control and even distribution of imports, it is stated by the hon. Member for Western Berbice (Mr. Peer Bacchus) that the control is only on paper. He seems to imply that no effort is made to check up on the sales of articles. I think that the numerous cases which have been brought before the Magistrate during the last few months is an answer to that remark. I would also point out that those people, who are being taken advantage of in having to pay much more than the prices fixed, know that they should not pay the other prices and that by so doing they are also sharing in the "black market". The Control Board feels that all the people who are asked to pay more than the prices fixed should let it know something about it so as to enable it to get the necessary evidence to secure a conviction.

Mr. C. V. WIGHT: To a point of explanation! Those people are not going to come forward and inform the Board, as if they do they are not going

to get any further articles and so would have to close down their shops. If you speak to the shopkeepers they would tell you that they are prepared to pay the prices demanded, as if they did otherwise they would not be able to get goods.

Mr. D'ANDRADE: It is unfortunate that the retailer is so much in the hands of the wholesaler that such advantage can be taken of him. With regard to distribution, that is being done as far as possible on a quota basis fixed on the wholesale. At present we cannot adopt any better method. The suggestion has been made that before any sale is made by the wholesaler the Board should issue an authority to sell to the individual retailer. That is a very difficult matter, but it will receive the attention of the Board. The wholesaler is in a position to handle the distribution far better than the Board, as they know what quantities will suffice. It will take some time before the Board will be able to get the average consumption of articles in the several districts of the Colony. The Board will consider the suggestion and, if possible, try to give effect to it.

With regard to the question raised by the hon. Member for Essequibo River (Mr. Lee) as to the sale of coupons for gasolene, it has come to the notice of the Board that what has been stated is going on. We have considered it and have provided that the coupons should be non-transferable, but that will not get over the difficulty. There is nothing to prevent a man who sells coupons from taking his car in respect of which he gets coupons, filling it with gasolene at the fixed price and selling that gasolene at an advanced price. The Board will certainly do all it can to circumvent such vicious practices and to stop them if possible.

Mr. ELEAZAR: The hon. Member for Georgetown Central (Mr. Percy C. Wight) is one Member who speaks

very little in this Council, but whatever he says can be backed up as it is nothing but the truth. What I cannot understand is that Government is attempting to defend positions that are absolutely indefensible. No one wants to blame the Control Board for indifference to the fact that "Black Market" exists. Why should they not know of it? They should know, and knowing they should be able to recommend to Government what measures might be taken to prevent what is going on. There is "Black Market" from top to bottom. On one occasion in New Amsterdam a man was fined \$300, while another man in the Street was doing it without compunction and with utter disregard for the law. In the Berbice Chamber of Commerce of which I am a member they complained that they were buying from wholesale merchants in Georgetown commodities at a price plus the percentage of profits allowed by Government and, therefore, they got nothing for themselves for the handling of those commodities and the selling of them. The wholesale merchants took the whole of the cost plus the percentage of profits. Those firms credited the people buying from them and, therefore, could sell them in that fashion, but they are as much guilty for doing that as the people to whom they sell. That is the position. Government has got to find a remedy for that and that is, the establishment of a proper tribunal to deal with those people. People are sent to gaol for other matters and why not for this matter. Those people defy Government with impunity.

When a man is caught, neither his position nor his wealth should save him from going to gaol. He is a breaker of the law. Send him straight to gaol. If one can make \$1,800 profits and pay a fine of \$300, who will not take that risk? Profiteering is going on. There is no question about it at all. Government ought to be able to formulate measures to prevent that sort of thing. Let Government make a law that who-

ever is caught will be sent to prison. The poor people of the country should be relieved from those people. The thing is rampant.

Mr. MACKEY: I did not intend to speak on this question but as mention has been made of gasolene, I think I should say something as I happen to be Chairman of the Committee which deals with gasolene and the distribution of it. I would like to make it perfectly clear that any remarks I now make may not necessarily be the views of that Committee. As a Member of this Council I may state that it is not only a question of supply at the actual source but there are two other difficulties, namely drums and ships—schooners and steamers—which can only be used in this part of the world. Therefore at certain periods there is not the slightest chance of getting a supply, though the Board is criticized for the supply running out. As against that I would remind hon. Members that the only way we can be certain of keeping up our supply is by turning round the drums promptly. We cannot hold up the drums indefinitely. I know one oil firm in this Colony at the present moment has 3,000 empty drums, another 1,500 and yet another 500. If we get those drums every one can be returned early, as the crafts which are coming down can take a cargo of 1,500 drums each. It is up to the Advisory Board to make recommendations as to how that cargo should be checked. Some may say “ship gasolene,” others may say “ship kerosene.” I do not think they are very far wrong. There is one argument which must be borne in mind and that is to keep essential industries going.

One hon. Member made some remark about being unable to get coupons. At one time I told them that the supply was not short, but there is no gasolene now to supply. The question of restriction and distribution, I admit, is a very

difficult one indeed. Reference has been made to “Black Market.” Take the buses which run on the East Bank road. That road is not in first-class condition, and it very often happens that in one whole day three or four buses use very much more than they have got for a week's supply. We have been told that the price is 50 cents, but I understand that it has gone up. I heard that a lawyer often got his fees paid by this means. No one in these days should use gasolene unnecessarily. From the point of view of what is necessary for war effort, unfortunately I cannot carry out my own idea. We have tried as far as possible to help those who are unable to get to their places of business unless they have the use of their cars. What I do object to is the gallivanting about with cars and going up to Dixie. I disagree with those who believe that one should use his car in any way he likes. The hardship people are putting up here with is nothing in comparison with that people in other parts of the world are putting up with. Think of what the people in England are suffering. It is not the fault of the Board that the supplies we expected did not arrive here.

Mr. McDAVID (Colonial Treasurer): I shall be very brief in my reply. The trend of the debate has taken quite a different turn from what is before the Council, namely the question of subsidization in principle in regard to certain specific items. Those hon. Members who have spoken confined their remarks to price control or the lack of effective price control, the alleged sins of commission and omission of the Commodity Control Board, “Black Market” and uneven distribution. The hon. Comptroller of Customs dealt briefly with those. As I am not a member of the Board, I do not propose to go into the question in detail. The question of price control must be associated with the question of subsidization. The hon. Member for Western Barbice (Mr. Peer Bechus)

has said that Government's subsidizing of an article makes the taxpayer pay twice for the same article and, therefore, where an article is subsidized it is up to the Control Board to use means of control to keep that price where fixed. It is almost a maxim that price control measures are almost bound to be ineffective in the case of commodities in short supply. That is illustrated by the case of kerosene oil. Kerosene oil is one of those items which have been subsidized. But in view of the shortage of supply the consumer is not wholly benefited by the subsidy.

As regards the remarks of the hon. Member for Central Demerara (Mr. deAguiar), he spoke of the danger of competing prices and warned Government about it. What he said is quite true. The Message intimated there is no proposal to keep pegged any particular article. The Message very carefully pointed out that all the facts have to be taken into account, the cost of supply and other relevant factors, and it is possible only in the case of one or two articles to peg prices.

The hon. Member for Western Essequibo (Mr. C. V. Wight) mentioned the case of condensed milk and wondered why it was selected for a subsidy when so large a proportion of it is taken up by Government institutions. I can assure the hon. Member that only about 5 per cent. of the total supply is taken up by Government institutions. I would also assure him that condensed milk is very largely used by the labouring classes in Georgetown and a large quantity by workers in the interior.

Mr. C. V. WIGHT: The hon. the Colonial Treasurer is perfectly correct and the reason is, I am suggesting, it is cheaper to buy condensed milk than fresh milk.

Mr. McDAVID: I think we are all agreed that it is a question of social economy that people in town prefer to use it for its better keeping qualities

and for the fact that it goes further. It is easy to keep and it is much easier for a family living in a small room to have a tin of condensed milk and use it from time to time rather than fresh milk. He referred generally to the question of subsidization of local foodstuffs. Your Excellency has dealt with that subject in your memorandum issued to this Council at its last meeting. Since then we have done something. There is a resolution providing \$18,000 for cassava production and for the production of preserves and the action to be taken by the Central Food Committee. I think it is well-known that the prices are going to be guaranteed.

The hon. Member for Georgetown Central (Mr. Percy C. Wight) referred to paragraph 4 of the Message which refers to the procedure in regard to profit made by the Control Board. When that paragraph was written in the draft Message, I had in mind what had taken place in regard to gas oil. A certain portion of gas oil has been obtained in the Colony in bulk by the Control Board with the object of supplying the rice millers in the Colony. As that supply has been obtained in the bulk by a tanker we got it much cheaper than if it had been supplied in drums buying retail at the same price. Therefore the Control Board is taking payment of the profit and this Message states that the profit obtained in that way will be used in the reduction of the general cost of subsidization of the articles. I do not think there are any other matters I need deal with. The hon. Mr. Mackey has dealt effectively with the question of gasoline and coupons, and there is nothing more to say.

THE PRESIDENT: Hon. Members have debated this matter for an hour and ten minutes and 80 per cent. of it was irrelevant to the subject of the motion. Two hon. Members only addressed themselves to it. I took it that hon. Members desired to have

much say about the Commodity Control Board and its operation, and so I allowed much latitude on such a subject. As to that, I might refer hon. Members to what I said last December when we embarked on this slippery ride in an endeavour at stabilization. We tried to find a solution to problems which has not been successfully found in any country. We had to embark on it with our eyes open knowing that it is very largely a system of experiment and errors, and we have to take the circumstances as they arise. That is exactly what we find and, though a community gets exactly what it deserves, we have to make efforts to help them. The solution of the difficulty in control and distribution is to make further checks which will need more and more policemen, more and more inspectors, more and more clauses in the Regulations for Control and Distribution. That may be one reason, and not that bulk purchasing is against the interests of the merchants, that it is not yet embarked upon; but that may have to come. Government will do everything possible to check profiteering. I agree with the hon. Member for Georgetown Central (Mr. Percy C. Wight) that stricter control of distribution is what we want.

As regards the question of subsidization to which only two hon. Members addressed themselves, the hon. Colonial Treasurer has answered those points. But I may take one point raised by the hon. Member for Western Essequibo (Mr. C. V. Wight)—the subsidization of local products. The Central Committee, seven members of which are Members of this Council, had that particular point before them and they do not propose to go on buying local food-stuffs at fancy prices and selling to consumers at a lower price. There may be one or two particular things that may be handled in that way, milk being possibly one, but it means as in the case of rice that Government will have to take over the whole purchase of that commodity. What we have to

do is to inflate the subsidization put over already. The Marketing Board may take on the question of milk and so on.

The hon. Member for Central Demerara (Mr. deAguiar) has warned us that an attempt to stabilize prices may land us in very heavy expense indeed. That is perfectly true. We propose to keep our eyes upon that possibility. If he has any particular information as to what may happen, he may hand it over to the Board or to the hon. Colonial Treasurer. The estimate has been made for the rest of the year, but before the year comes to an end we propose to review the whole matter. The question has been largely dealt with in the circulation of papers to Unofficial Members of Council already, and I have every reason to believe that this Council is agreeable to having the subsidization of those two essentials to the end of the year. With that belief I propose to put the question "That the motion standing in the name of the Colonial Treasurer be adopted and passed".

Question put, and agreed to.

Motion carried.

IMPROVEMENT OF GOVERNMENT ANNA REGINA ESTATES.

Professor DASH (Director of Agriculture): The motion which I am about to move is set out clearly and concisely and there is no need for me to add anything to it. I therefore beg to move—

THAT, with reference to proposals, circulated to Members of the Legislative Council by direction of the Governor and approved by the Finance Committee of the Legislative Council, for carrying out further improvements and development at the Government Estates, Anna Regina, Essequibo, this Council confirms approval of (a) the grant of \$8,186 from the Development Trust Fund to cover the cost of clearing and fencing 423 acres to provide additional pasturage and breaking down a further 180 acres of rice lands; and (b) Supplementary provision of \$2,000 on the 1942 Estimates for removing, re-erecting and furnishing a house on the front lands of the above-mentioned Estates,

Mr. WOOLFORD seconded.

Mr. LEE : I desire to call Government's attention to the fact that I don't believe that \$2,000 would be sufficient if the house is to be properly furnished when it has been removed and re-erected. I would like to find out from the hon. mover of the motion what are the items which make up that amount.

Professor DASH : It is contemplated that the furnishing will not be luxurious. The Director of Public Works will be able to supply certain items of special furniture. We are hoping that the sum will be sufficient.

THE PRESIDENT : (To Mr. Lee) Move that it be increased !

Mr. LEE : I am only drawing Government's attention to it for the reason that as far as I know, several items from the Department of Agriculture generally come up here and when the final reckoning is made we have to give more money. That is a thing, I would like, to be stopped.

Professor DASH : I would like the hon. Member to give a single instance in which my estimates have been exceeded.

Mr. LEE : I can.

Question put, and agreed to.

Motion carried.

GRANTS IN AID OF AGRICULTURAL ASSOCIATIONS, EXHIBITIONS AND COMPETITIONS.

THE PRESIDENT : This is an instance of a paper circulated to Unofficial Members of Council as members of the Finance Committee and having met with considerable conflict of opinion it has been thought proper to take no action without confirmation by the full Council. It is therefore put before you to-day.

Mr. PEER BACCHUS : Before the

motion is put, I desire in view of Your Excellency's statement and the depleted state of the Council to ask, if it be convenient, to postpone consideration of the motion to another day.

THE PRESIDENT : I would rather not. It is very bad procedure. It is the fourth item on the Order Paper and hon. Members who are interested in it should be here, unless there is any particular and sound reason for Members absenting themselves. I think it is convenient to proceed with the motion though we may not proceed with the vote on it, if something transpires to make it desirable to have a fuller House. We would be holding up the business of the Council if we defer consideration of the motion.

Professor DASH (Director of Agriculture) : Pursuant to notice I beg to move—

That, with reference to Governor's Message No. 12 dated 15th August, 1942, this Council approves of additional expenditure of \$2,000 from sub-head 11—"Grants in Aid of Agricultural Associations, Exhibitions and Competitions" of Head III.—Agriculture in the 1942 Estimates, being included in a schedule of additional provision for the current year to cover the cost of posters, leaflets and other forms of propaganda for the carrying out of agricultural competitions in the various districts of the Colony in order to encourage production of agricultural products and livestock by the award of prizes.

Before doing so, may I make this comment on it : I think if the motion is read as printed it may perhaps give a wrong impression. It seems that the particular aspect of it to which I refer is like the cart placed before the horse. I would suggest, if the Council would like, having it amended somewhat as follows :—

After the word "year" in the fifth line insert the words "in order to encourage production of agricultural products and livestock by the award of prizes for the carrying out of agricultural competitions in the various districts of the Colony and " and delete all the words after the word "propaganda" and substitute there, for the words "in connection therewith."

This project has been on the tapis for some time. It came up early this year as a recommendation of the Food

Production Committee and it was felt by members of the Committee and also by members of the Board of Agriculture and other Bodies which had an opportunity of discussing the subject that these competitions are the best things, or among the best, for the encouragement of production and quality of production. With that idea in view the proposal came forward for colony-wide competitions on organised lines. The series of competitions were drawn up and sent forward with the recommendation.

There was a certain difference of opinion about it. I cannot understand why. Perhaps it was that some Members thought that we were encouraging exhibitions, and the award of prizes for exhibits. It is not that. The prizes are for field competitions—work done in the field on definite lines. We have had tremendous success with that method in connection with the building up of our pure line padi and other efforts of that nature, and very recently with the allotment competition. There is no doubt in my mind and in the minds of others who know about these things, that field competitions constitute one of the best means of crop improvement. It is with that object in view the proposal was put forward.

Considerable delay has taken place since the project was recommended and, as I told the hon. Colonial Treasurer this morning, it would be quite impossible to spend all this money this year as certain readjustment and reallocation would have to be made. It will be necessary to start now to organize and prepare for the competitions, circulate all information about them and all the necessary propaganda and, therefore, the awards of many of the prizes cannot take place until early next year. It is necessary to begin at once to tell people how the competitions are to be run and what is expected of them. I would be very grateful indeed for the passing of the vote in connection with which this

motion deals. I beg to move that the motion standing in my name be passed.

Mr. C. V. WIGHT: I second the motion. As a member of the Committee I went very fully into this matter, and it is practically well known that the opinion of the Members of that Committee is that it will give a considerable amount of fillip to the "Grow More Food" campaign which has been instituted by Government. I do not know whether hon. Members think agricultural shows and prizes distribution will help agriculture in any way. Perhaps we will hear "No" and that the agricultural methods of one country cannot be applied here. Perhaps we will hear that the young sheep or heifer or bull which has won a prize somewhere cannot be offered here. I suggest to hon. Members that will be taking a very narrow and insular view. The prizes which take the form of money will assist considerably in the annual production of the various agricultural products and live-stock. Hon. Members may also feel, perhaps, that the nature of the exhibitions, as said by the hon. mover of the motion, will serve no purpose. I do not know if hon. Members were of that opinion when they went to a certain show held in the Botanic Gardens. It is true, we do not have the stock to develop a trade in large quantities and that if a man wants 10 tons of the guaya jelly which has won a prize we cannot supply it, but it shows what can be done in the Colony. It advertises the Colony. It shows a very short-sighted policy should there be any opposition to this motion. Hon. Members may say "Put the money in the irrigation and drainage scheme." That \$2,000 will not help our irrigation and drainage problem one way or the other, as it needs thousands or, perhaps, millions of dollars to put it in order.

Mr. LEE: I am opposed to this vote for the simple reason that I have not heard sufficient from the hon. mover to convince me that there will

be supervision over the several farms or gardens by the Officers of the Department. Who will be overlooking the farms in order to award the prizes? If prizes are to be given for the exhibition, then it would be a waste of time and money unless there is supervision, because some people who exhibit products do not themselves plant or produce what they exhibit. I think that in such a case it will be a waste of time to hold the exhibitions and a waste of money to give prizes. If the Department of Agriculture is going to register the farms or issue pamphlets calling upon farmers to register their farms so that prizes can be given in respect of those farms which are being kept in a manner as to be beneficial, then I say it will be an inducement to the farmer to have his farm registered in order that he may obtain a prize. Your Excellency perhaps must have heard that several farmers have applied to the Department of Agriculture for cockerels, hens, and pigs, and have been told they cannot be supplied now. The prices of 3/- and \$1.50 that used to be paid have gone up to \$1.50 and \$3.00, respectively, for hens and cockerels. That is the price at which they were supplied to me. I bought four hens from the Department's place at Leguan.

What I do say is that if this money is spent for the purpose of allowing farmers to have the use of boars or bulls or cockerels in the several districts by making it convenient for them to be lent to farmers in order to improve their livestock, if this money is spent for the purpose of seeing that the farms are properly manured and providing for the distribution of manure, then it is profitable to give prizes at the exhibition. If the farmer cannot read enough to understand the agricultural terms used in the pamphlets issued by the Department, then it is a waste of money in that expenditure. That is why I am objecting to the motion. If the Agricultural Instructors are given a traveling allowance to go about the farms and speak to the

farmers and teach them on their farms, then I say that the money spent on such propaganda is money spent in a proper manner. It has been said that there was an Agricultural Superintendent who when he saw a ricefield asked if it was grass.

Mr. ELEAZAR: I will correct the hon. Member. The Agricultural Superintendent said to the man: "Why don't you cut down this grass, John?" John replied "This is not grass, boss; this is rice."

Mr. LEE: Many of the agriculturists in this country do not and have no time to read pamphlets distributed by the Department of Agriculture. That is why I say it is a waste of money.

Mr. PEER BACCHUS: If I had the slightest belief that this vote would in any way assist the peasant or the drive that is being made to grow more food I would unhesitatingly support this motion, but I am very doubtful that it would carry the campaign any further. We have had similar prize-giving in the past and I doubt very much whether it has given any results. I have had something to do with this proposal at another place. If I remember correctly, I do not think I supported it even there. I hold the view that instead of assisting this drive for growing more food it will take away the attention of the growers in another direction, instead of growing more food in bulk they may just concentrate on growing prize plants. That will not benefit the Colony at this time. I believe I know the people in the country districts as well as other hon. Members do, and that is my firm and considered opinion, with due deference to what may have been and may be expressed by other Members of the Council. I would suggest that instead of spending \$2,000 in this way to give prizes which may cause disaffection among the farmers themselves, this money be spent in establishing demonstration plots, each District Agricultural

Superintendent being made to be interested in such plots in his district. That will do 100 per cent. more good and will be an incentive to the farmers in the various districts than spending \$2,000 in the way proposed.

If I had the slightest belief that it would do any good to the farmers, this motion would receive my hearty support, but I doubt very much it would do any such thing. As I have said, we have had past experience in so far as exhibitions are concerned. They had served no purpose. I challenge the hon. Director of Agricul-

ture to say there was any result whatever from the exhibitions which had been given in the past. If there was, we might have had an annual vote of something of this nature to increase production. Even in his own mind, the hon. Director of Agriculture has a doubt as to whether it would be of benefit.

At this stage, 2.30 p.m., the debate was adjourned owing to an alarm for the general try out of Civil Defence measures in the City.

The President adjourned the Council *sine die*.