

LEGISLATIVE COUNCIL

THURSDAY, 20TH JULY, 1950

The Council met at 2 p.m., His Excellency the Governor, Sir Charles Woolley, K.C.M.G., O.B.E., K.C., President, in the Chair.

PRESENT:

The President, His Excellency the Governor, Sir Charles Campbell Woolley, K.C.M.G., O.B.E., M.C.

The Hon. the Colonial Secretary, Mr J. Gutch, O.B.E.

The Hon. the Attorney-General, Mr. F. W. Holder, K.C.

The Hon. the Financial Secretary and Treasurer, Mr. E. F. McDavid, C.M.G., C.B.E.

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

The Hon. Dr. J. B. Singh, O.B.E. (Demerara-Essequibo).

The Hon. Dr. J. A. Nicholson (Georgetown North).

The Hon. T. Lee (Essequibo River).

The Hon. W. J. Raatgever, (Nominated).

The Hon. V. Roth (Nominated).

The Hon. C. P. Ferreira (Berbice River).

The Hon. T. T. Thompson (Nominated).

The Hon. G. A. C. Farnum, O.B.E., (Nominated).

The Hon. Capt. J. P. Coghlan (Demerara River).

The Hon. D. P. Debidin (Eastern Demerara).

The Hon. J. Fernandes (Georgetown Central).

The Hon. Dr. G. M. Gonsalves (Eastern Berbice).

The Hon. Dr. C. Jagan (Central Demerara).

The Hon. W. O. R. Kendall (New Amsterdam).

The Hon. A. T. Peters (Western Berbice).

The Hon. W. A. Phang (North Western District).

The Hon. G. H. Smellie (Nominated).

The Hon. F. E. Morrish (Nominated).

The Clerk read prayers.

OATH OF ALLEGIANCE

Mr. John Gutch, O.B.E., Colonial Secretary, took the Oath of Allegiance and his seat.

The PRESIDENT: On behalf of Members I extend to you a very hearty welcome to this Council.

MINUTES

The minutes of the meeting of the Council held on the 13th July, 1950, as printed and circulated, were taken as read and confirmed.

PAPERS LAID

The COLONIAL SECRETARY laid on the table the following documents:—

The annual Report of the Transport and Harbours Department for the year 1949.

The Report on Meteorology for the year 1949.

UNOFFICIAL NOTICES.**ACQUISITION OF NEWTOWN**

Dr. JAGAN gave notice of the following motion:—

WHEREAS the residents of Newtown, East Coast, Demerara, are generally insecure, being month-by-month tenants of the proprietors of Newtown;

BE IT RESOLVED that Government acquire Newtown, East Coast, Demerara, and resell house lots to the residents on an easy payment plan over a period of twenty years.

NOTICE OF QUESTIONS

NORTH KLIEN POUDEROYEN

Dr. JAGAN gave notice of the following questions:—

1. Will Government state whether North Klien Pouderoyen was a Country District under the Local Government Board in 1931?
2. If so, what was the reason for reverting the North Klien Pouderoyen into a Rural District?
3. Is Government aware that in August 15, 1938, the residents of North Klien Pouderoyen petitioned Sir Wilfred Jackson to have the area declared a Village District and connected to South Pouderoyen Village District and the West Coast Drainage Scheme.
4. Is it true that an estimate of \$25,416 was made to carry out the reconditioning of drainage trenches at North Klien Pouderoyen, and that a meeting of the proprietors was held under the auspices of the Drainage Board on August 30, 1947, for the purpose of laying before the proprietors the plans, specifications, estimates, and a copy of the Order-in-Council No. 34 of 1943?
5. If so, will Government state reasons why drainage works have not yet started, and how soon it is expected that the job will commence?
6. Is Government aware that during the last floods, the dam separating North Klien Pouderoyen from Vreed-en-Hoop was cut to permit drainage of North Klien Pouderoyen through Vreed-en-Hoop and that recently this dam has been closed, causing serious floodings of the North Klien Pouderoyen lands.

ORDER OF THE DAY.

COLONIAL SECRETARY WELCOMED

Dr. SINGH: Your Excellency, before you proceed with the Order of the Day I

crave your indulgence on behalf of hon. Members of this Legislative Council to express a welcome to our new Colonial Secretary, because we do feel that we should. We have heard of his varied appointments in different Colonies and in England. We feel sure that with his experience in the different Colonies he is a fit and proper person to be the Colonial Secretary of this Colony. The duties of Colonial Secretary will be very exacting at times, but I feel sure that with his experience and his keen sense of justice and fairplay he will be able to overcome conditions in this Colony.

Today he has arrived in the Colony when the weather conditions are not so good, but we do hope that he will be encouraged, because we have a beautiful climate in this country and under that climate he will find his work easier to carry on. I feel sure hon. Members will support him and are ready to co-operate with him at any time when he does desire our help.

Mr. RAATGEVER: In associating myself with the remarks made by the hon. Member I would like to express the appreciation of this Council of the very valuable services rendered by Mr. Parkinson when he was acting Colonial Secretary. He gave of his best, and he did a good job on behalf of the Colony.

The PRESIDENT: The expression will be recorded in the minutes and Hansard.

BILLS — FIRST READING

The following Bills were read the first time:—

A Bill intituled "An Ordinance to amend the Registration of Births and Deaths Ordinance, (Chapter 139).

A Bill intituled "An Ordinance to amend the Marriage Ordinance (Chapter 142)—The ATTORNEY-GENERAL.

MOTOR VEHICLES AND ROAD TRAFFIC (AMENDMENT) BILL

The ATTORNEY-GENERAL: I beg to move the second reading of a Bill intituled—

"An Ordinance further to amend the Motor Vehicles and Road Traffic Ordinance, 1940."

Clause 2 of this Bill seeks to provide that any person, taking out a licence in respect of a motor vehicle for one half of a year or for one quarter of a year, shall pay one half or one quarter of the fee for an annual licence, instead of having to pay fifty-five per centum and twenty-seven and one-half per centum of the fee for an annual licence. I believe this will commend itself to all Members of the Council.

Clause 3 seeks to bring animal drawn buses within the provisions of the Principal Ordinance relating to Road Service Licences.

Clause 4 seeks to provide that appeals against decisions of the Prescribed Authority with respect to licences relating to the driving and operation of hire cars shall be made to the Governor in Council instead of to a magistrate so as to be in conformity with sections 65 and 65D of the Ordinance, which prescribes that appeals relating to road service licences and special licences for hire cars shall be made to the Governor in Council. The position now is, that this is the natural provision whereby the appeal is to the Magistrate of the district rather than to the Governor in Council. This provision seeks to put it on the same basis as other appeals.

Clause 5 seeks to impose a speed limit of 20 miles per hour on motor cars and motor cycles driven by learners. That also should commend itself to hon. Members in the interest of the general public and all road users. With these observations I beg to move that this Bill be now read a second time.

Dr. NICHOLSON seconded.

Mr. DEBIDIN: There are certain features of this Bill which must be welcome to this Council, especially those regarding the way in which licence fees must be paid and the question of licences in general. There are two points in this Bill which I must make reference to. The first is in respect of animal drawn vehicles. I know that these vehicles are plying for hire

between Georgetown and in some cases as far as Plaisance. Efforts have been made before to bring animal drawn vehicles within the same category as mechanically propelled vehicles, but it has been found almost impracticable, because with animals it is impossible to have a proper braking system applied without injury to the animals, and there are several other difficulties which must be obvious to everyone. Apart from that I would hesitate a great deal to impose too great conditions upon these vehicles. They have been doing a great service within a distance in respect of which the Transport and Harbours Department cannot sufficiently cater to the travelling public, and I feel that this particular clause in the Bill should not be rushed before some closer examination of the question of these animal drawn vehicles is made. I am extremely in sympathy with them. As I said, they do very little harm. They are char-a-bancs and do not compete as much as the taxi with the railway or even the buses which have been given a special licence. I for one very much loathe and certainly do not agree to the very heavy conditions which must apply if they are brought within the same category as motor vehicles.

The other point to which I would like to refer is the one under clause 4 of this Bill which seeks to transfer a very important function of the Magistrates' Court to the Executive Council of this Colony. Over and over again I have referred to the very persistent attempt of Government to transfer more and more power to the Executive Council. It has reached the point where we regard it as an attempt to overdo it, so much so that I wonder how the Executive Council can cope with the amount of work which it has imposed on itself, and do it efficiently. A Bill will later come before the Council in which it is being sought to give the Executive Council more power.

Here we have a function which is peculiarly that of a Magistrate's Court, where evidence can be taken on oath and the pros and cons carefully gone into in respect of an application by a person whose licence has been suspended or cancelled. If such a matter goes before the Executive Council, whose opinion will

be taken? Is the Executive Council going to examine at long range the conduct of the individual by looking at him? Is it going to summon witnesses and examine their demeanour? I certainly do not agree with the provision that "every refusal by the Prescribed Authority to grant a licence to operate a hire car or to drive a hire car, and every suspension or revocation of such a licence shall be subject to an appeal to the Governor in Council." At present such an appeal is made to a Magistrate, and the applicant is allowed to go into the witness box and say something about his livelihood and his character, and to summon someone to give evidence on his behalf as to his character. That, in my opinion, is the true basis of democracy, and I certainly oppose the proposed amendment very strongly. What is even more undemocratic is the provision at the end of the proposed amendment in clause 4 that "the decision of the Governor in Council on every such appeal shall be final." I would prefer to see an appeal to a Magistrate from the refusal of the Prescribed Authority, and if there is a further appeal from the Magistrate to the Governor in Council the decision of that Council could then be final. That would be giving an individual greater latitude of which he can avail himself as a democratic right.

An appeal from the decision of the Prescribed Authority to the Governor in Council would be like appealing from Caesar to Caesar in most cases. I do not think this Council should agree to such a state of things. I recall the case of an application for a car licence by Dr. Cecil Ramdeholl, whose car was a left-hand drive, in circumstances which it is clear it would have been just for him to be granted a licence, because there was a scarcity of heavy cars and other persons had cars with left-hand drives. In Trinidad a large number of cars with left-hand drives were licensed, but in this Colony the Prescribed Authority refused to grant licences for such vehicles. On appeal to the Governor in Council it was left to the peculiar whims of the individuals who had to decide his case, and eventually it was thrown out. I tabled a motion in this Council in which a clear case was put up, and before the motion came before this

Council the Executive Council re-considered the matter and, in its wisdom, decided to grant the licence. Individuals who are less fortunate than Dr. Ramdeholl will be placed in the peculiar position of having to appeal to and probably lobby the Members of the Executive Council. It would be an untenable position, and I will object to the clause when the time comes.

Dr. JAGAN: Like the hon. Member who has just spoken, I desire to praise Government for bringing forward this Bill, especially in regard to the clause dealing with the reduction of licence fees when paid on a half-yearly or quarterly basis. This amendment will indeed go a far way in helping the very poor people who, on many occasions, cannot afford to pay the licence fees for a whole year.

I wish to draw attention to another matter relating to hucksters who have to pay licence fees for a whole year. I hope that Government in its wisdom will introduce some legislation to allow hucksters the concession of paying their licences in half-yearly instalments.

With reference to animal drawn vehicles, as the hon. Member has suggested, I do not feel that this clause should be passed at this time, because it is openly said that the Prescribed Authority has as much power as even the Governor in Council, and that many things he can do may not have the sanction of law, but in many cases they cannot be corrected. I hope that this clause will be removed from the Bill at the appropriate stage.

I should like to make another observation on the question of an appeal to the Governor in Council from a refusal by the Prescribed Authority to grant a hire car licence. In many cases a mimeographed form is handed to the applicant stating that he has had many convictions, and because of that fact a hire car licence cannot be granted, but it does not state what those convictions are, and whether they relate to driving. I may point out that in many cases individuals who are denied a hire car licence hold licences to operate a motor vehicle. In other words they can operate a private car, but because of their convictions they cannot

operate a hire car. I cannot see the difference, because if an individual is capable of driving a private car I see no reason why he should be denied the right to drive a hire car, especially when in the latter case he is earning a livelihood. If he is competent to drive in one case I feel he should be competent in the other. I hope this aspect of the matter will receive Government's attention and will be corrected very shortly.

Dr. GONSALVES: I feel that a sin of omission is as great as a sin of commission, and I would not have said anything with regard to this Bill, knowing that I had done something about it in Committee, but if Members had the privilege of seeing the minutes they would have seen that it was I who brought this matter up on the Committee of which I am a member—that it is wrong for a person to pay an extra percentage on quarterly or half-yearly licences

As regards the clause dealing with animal drawn vehicles I am sorry I do not feel the same way about it as my friends. Drastic as it may appear to be I feel that it is designed to make drivers of those vehicles have due regard for other users of the roads.

With regard to the point raised by the hon. Member for Eastern Demerara (Mr. Debidin) it is true that we have had some trouble with people who earn their livelihood as chauffeurs, driving hire cars and private cars, but I am loth to understand why is it that a person who is qualified and capable to drive one kind of vehicle becomes incapable and disqualified to drive another. If a person is qualified to drive a motor vehicle there should be no distinction between a hire car licence and that of a private car, unless there is a direct line of demarcation between a driver of such vehicles and one who drives a truck, because we find that if one does not go to the corner of the street he is often in danger of being run over by such vehicles. With these few remarks I conclude by saying that I am glad to see this Bill brought forward in so short a time. It has my complete blessing.

Mr. LEE: I would like to remind the Council that animal drawn vehicles play an important part in the lives of

the people in my constituency, in the islands of Wakenaam and Leguan, and if they are not permitted to pick up passengers on the way it would create considerable hardship on the people in those islands. The owner of the animal drawn van in Leguan lives at Good Intent, three miles from the steamer stelling, and his vehicle conveys passengers to and from Doorn Haag for the launch ferry service between Leguan and Wakenaam. If it is not permitted by the Ordinance to take up these passengers by the way what would become of those people who want to connect with the ferry between Wakenaam and Leguan. They would not be able to use a horse-driven van and it would go out of existence. I feel that the time is not yet ripe for this Government to impose such a condition on these people. There used to be one of these vans operating between La Grange and Vreed-en-Hoop; it took passengers from Bagotville and sometimes if they missed the bus it brought them to Vreed-en-Hoop. It did not go back from Vreed-en-Hoop the same time because the horse had to be rested, but it went back in the afternoon and did not interfere with the traffic of the railway. I feel that a hardship would be created on the owners of these animal-drawn vans if this Bill is passed.

I must agree with the hon. Member for Eastern Demerara that the Magistrate is the proper authority to whom applications for driving licences and appeal should be sent. If a Magistrate is in a district for any length of time he would know the men who are reckless in driving and there would be the Superintendent of Police to oppose their applications. Why should we burden the Governor in Council with these simple things when we can have the Magistrates who can dispose of them? I do not know by whom this clause was suggested, but I think if the usual practice is going to be varied the members of the Prescribed Authority should know it. I do appeal to hon. Members that in fairness to these men we should make provision for appeals to go before the Magistrate in the district in which the licence was obtained.

Capt. COGILAN: There is just one

point I would like to touch upon and that is with reference to 7IE. in clause 4, which reads:-

"7IE. Every refusal by the Prescribed Authority to grant a licence to operate a hire car or to drive a hire car, and every suspension or revocation of such a licence shall be subject to an appeal to the Governor in Council, and the decision of the Governor in Council on every such appeal shall be final."

I will give a very good reason why an appeal should be sent to the Magistrate instead of the Governor in Council. I have a similar case in mind where, not so long ago, one side engaged a lawyer who was a member of the Executive Council and the other side engaged a lawyer who was not a member of the Executive Council. The matter went to the Executive Council to be decided and, as was to be expected, the side which engaged the lawyer who was a member of the Executive Council succeeded. I think an appeal should go before a Magistrate who would have the opportunity of testing the veracity of the witnesses. We should leave it to him alone to try cases of this kind instead of making the Governor in Council a sort of quasi Court of Appeal.

Mr. SMELLIE: I think that in the Objects and Reasons of this Bill it is clearly set out that certain appeals would go to the Governor in Council and certain others would go to Magistrates. All that the Bill seeks to do is to make the particular system uniform. With regard to the remarks of the hon. Member for Essequibo River in connection with animal-drawn vehicles, I do not think it is the intention of the Bill to drive those vehicles off the road or to prevent them from operating, so long as they are fit to travel on the road. What it seeks to do is to prevent people from using the roads illegally, and to ensure that the harness, brakes and everything connected with the animal-drawn vehicle are in good order and good shape. If a mechanically-drawn vehicle has to satisfy the Authorities that it is in good condition to use the roads, it seems only logical that animal drawn vehicles should not be allowed to roam at will and be a menace to the public. I don't think there is anything in the Bill to preclude animal-drawn vehicles so long as they are in a condition to operate on the road.

Mr. DEBIDIN: The last speaker referred to paragraph 3 of the Objects and Reasons relating to the Bill, and seemed to indicate that there were cases already in which appeals went to the Governor in Council, but I would like to point out that that relates entirely to licences for buses and so forth.

The PRESIDENT: I think the hon. Member can bring that up when the Bill reaches the Committee stage.

Mr. DEBIDIN: Only that a wrong impression has been created.

The PRESIDENT: I think the hon. Member can bring that up in Committee.

The ATTORNEY-GENERAL: As the hon. Nominated Member (Mr. Smellie) has pointed out, it is necessary that all animal-drawn vehicles should be in a fit and proper condition on the road. That comes under Part VII., and the Prescribed Authority will deal with the matter as it thinks fit, having regard to the general conditions prevailing. Hon. Members are familiar with all the conditions under which these licences are granted. In other words, we want to provide that animal-drawn vehicles, because they are animal-drawn, should not go on the road in any condition. They should be in a fit condition as they are carrying passengers as well, and I suggest that it is necessary to bring them under some sort of effective control in the interest of the community. It will be seen that section 61 (1) in Part VIII. of the Principal Ordinance reads as follows:—

"61 (1). On and after the first day of January, nineteen hundred and forty-one, no person shall operate a motor vehicle as a motor bus in any area or route in the county of Demerara, including the city of Georgetown, or in any area or route which may thereafter be defined in any order made by the Governor in Council unless he is the holder of a road service licence."

This does not necessarily mean that it will be applied unless there is an Order in Council extending it to the district to which the hon. Member for Essequibo River refers, and for which he has much affection. As far as the point dealing with licences

before a Magistrate is concerned, section 65 of the Principal Ordinance reads:—

“65. Any person whose application for the grant of a road service licence has been refused or whose road service licence has been revoked may appeal to the Governor in Council against the decision of the Prescribed Authority and the Governor in Council shall, after considering the matter, make such order as to him may seem just. The decision of the Governor in Council shall be final.”

The point made by the hon. Member is dealt with in the Objects and Reasons. Section 4 (2) of Ordinance No. 21 of 1946 also deals with the matter, and states:—

“(2) This extension of sections sixty-three and sixty-five of the Principal Ordinance shall have effect in relation to the application of those sections to goods transportation licences as provided by section seventy-one N. of Part VIII of that Ordinance.”

Therefore, hon. Members will see that the question of the Governor in Council being the final determining body has already been put on the Statue Book. It was followed when the Principal Ordinance was enacted, and again when the amending Ordinance was passed. The only exception is the one which this Bill seeks to amend. I do not think what has been suggested by the hon. Member for Demerara River should be taken seriously—that because the counsel who appeared for a litigant was a Member of the Executive Council, that was the determining factor in any decision by the Governor in Council. I desire to repudiate that and I hope hon. Members will eradicate any such impression from their minds.

Motion put and agreed to.

Bill read a second time.

The ATTORNEY GENERAL: With your permission, Sir, I ask leave to postpone the Committee stage of the Bill.

Bill deferred.

RICE MARKETING (AMENDMENT) BILL

The FINANCIAL SECRETARY & TREASURER: Sir I beg to move the second reading of a Bill intituled:

“An Ordinance to amend the Rice Marketing Ordinance, 1946, with respect to the powers and functions of the Rice Marketing Board and the Executive Committee of the Board; and in other respects.”

This Bill, disguised as it is by an undistinguished title, and containing only eight clauses with a Schedule printed on two pages — on one sheet of paper — is, none the less, a profoundly important and significant measure. The great public interest which its publication has aroused is, perhaps, an indication of the measure of its importance. This display of public interest is, of course, a very healthy sign. It is true that in the course of public discussions and journalistic comments which have taken place the objects and reasons of the Bill and the underlying intentions of the Government in introducing it have been misunderstood, misinterpreted and, I fear, misrepresented. It is also true, Sir, that attempts have been made by mischievous persons, through selfish motives, to mislead and confuse and agitate the less well-informed. The task of propounding and explaining the matters which falls to us — and to me, in particular — is rendered more exacting and more difficult but, nevertheless, I feel sure that these manifestations are a very good demonstration of democracy at work, under conditions in which everyone can speak his mind freely — without let or hindrance — provided only that he keeps within the very generous limits of legal and constitutional privilege.

Sir, out of the welter of somewhat emotional comments and confused criticisms which this publication has inspired there have emerged one or two points of deep importance which must be answered fully and satisfactorily, if all reasonable doubts as to the wisdom and the justice of this measure are to be set at rest, and it will be my duty to answer those questions and to try to set those doubts at rest. I know that Members of this Council, all of them, can be relied on to consider this matter dispassionately and with sound judgment. I feel sure too, Sir, that our East Indian Members will take the greatest possible interest for obvious reasons in this measure. I feel, Sir, that I can rely

on the hon. Member for Demerara-Essequibo (Dr. Singh) in his approach to this Bill to use his customary sense of tolerance and fairplay; and I think, Sir, I can rely on the hon. Member for Central Demerara (Dr. Jagan) to bring to bear his usual intellectual and logical grasp of all subjects that come before him; and, I think too, my friend, the hon. Member for East Demerara (Mr. Debidin) will undoubtedly argue and I hope if he argues incorrectly I would be able to refute it.

I am going to crave the indulgence and forbearance of the Council if I speak at some length. The subject is very complex and it cannot be explained in the course of a few short remarks. I propose to sub-divide what I am going to say into three main parts. In the first part I want to deal with an outline of the origin, the history and the status of the Rice Marketing Board in the economic life of this community, and also to touch on some fundamental aspects of its structure and its constitution and its acts which seem to me to have escaped notice. In the second part I want to deal with the immediate cause of the criticisms and dissatisfaction which have arisen in connection with the functions of the Board itself and the relationship to clauses 2 to 6 and 8 of this Bill. And lastly I want to deal with what is the most important issue of all, and that is the question of the expansion and development of the Rice Industry, which is projected, and its relationship to clause 7 of this Bill.

On several occasions I have outlined the history of our Rice Marketing Board. The last occasion was in 1946 when the present Rice Marketing Ordinance was debated. As I pointed out then, there had been for many years before the war the most extensive efforts made to create an organisation of what may be termed a "single seller" for rice. As far back as 1933, the then Attorney-General, Mr. Hector Josephs, became the Chairman of a Select Committee of this Council and presented the outline of a scheme to that effect, but all efforts to bring that into being came to nought and were frustrated by the clash of sectional interests in the industry itself and also by the very difficult

financial arrangements which were necessary. Then there came the outbreak of war in September, 1939. A few of us, Government Officials, got together and considered that it was essential that there should be control of this vital food in the interest of the Colony and its West Indian markets. We considered that that opportunity should be used in order to bring about the creation of a single selling organisation. To do this, we advised that the Government should act under the powers conferred upon it by the War Powers Emergency Act. We moved swiftly. The war broke out in September, 1939, and by the end of October we had planned the structure of the Rice Marketing Board. We had drafted the necessary Control Regulations and presented them to the Governor and had his approval. So it came about that on the 1st of November, 1939, Sir John Waddington, a former Colonial Secretary who was then acting as Governor of this Colony signed the Regulations which brought the Rice Marketing Board into being.

At once the new Board was faced with considerable difficulties. It was faced with criticisms, with opposition and with, shall I say, misrepresentation of the greatest kind. The rice farmers were made to believe wrongly that this Board would be of no benefit to them, that they were going to be robbed and cheated of their rice. It was not long before, however, those criticisms and that opposition were completely met. The Board started its work, continued it and within a short period the benefits which it conferred on the Rice Industry and on the rice farmers began to appear. Those benefits are — for the first time the farmers knew precisely the value of their padi; as there was a minimum price fixed; they became more independent of the landlord and of the miller, and in turn the miller himself who had been dependent for finance on the merchant exporter in Water Street became more independent; the middleman, the man who operated between the miller and the merchant-exporter, frequently to the disadvantage of both, was completely eliminated and disappeared from the scene. I will not prolong this description of these benefits because what followed showed that the industry itself was pleased

to have continued the structure which was started under those war powers conferred by the Act of Parliament during the last war.

In 1945 when the war was approaching its end, consideration was at once given to the question as to whether or not the Rice Marketing Board should continue on a permanent basis governed by law, by an Ordinance of this Council and not by emergency powers legislation. To that end a Conference was held in June, 1945. The conference was presided over by His Excellency the Governor, Sir Gordon Lethem. Those who were present were all the members of the then Rice Marketing Board and all the members of a body which was known as the Central Rice Committee. That body was the predecessor of the present Council of the Rice Producers' Association. I led off on behalf of the Government and at its conclusion it was unanimously decided to give a mandate to the Government to proceed with the preparation of legislation to continue the Rice Marketing Board under an Ordinance. I may say, Sir, that it is a curious thing that most, if not all, of the speakers at that conference on behalf of the Rice Producers propounded the idea that as a condition of their acceptance of the Rice Marketing Board under an Ordinance Government should undertake that the Board should secure a guaranteed price under a long term contract for the export markets. Speaker after speaker insisted that that was what the industry wanted. Fears had arisen of the resuscitation of competition from the East—Burma and Siam—and we were informed that that was what the industry wanted. I shall come back to that later, but I just want to make that point, that it was a condition that when the Board was constituted it should use every endeavour to get a long term contract for export and a guaranteed price.

The next step was, Mr. Duke, then Legal Draftsman, and I then set about preparing the Bill. We did so and in September, 1945, we held another conference, on this occasion under my Chairmanship, at which the draft Bill was approved. Certain modifications were put forward to which I need not now refer.

Some were accepted, some were not, but eventually the Bill reached this Council and it became law as the Rice Marketing Ordinance of 1946, No. 5. Concurrently with this another Bill was prepared to create what is now the Rice Producers Association. That Bill was passed in May, 1946, and is now the Rice Producers Association Ordinance, No. 7 of 1946.

Here I want to remind the Council of another bit of legislation which was passed at the same time, and that is the Rice Farmers (Security of Tenure) Ordinance, No. 10 of 1945. That Ordinance was passed to give a reasonable measure of security to tenant rice farmers — security from dispossession of their lands in unjustified circumstances by their landlords. Still further may I remind the Council of the large sums of money which have been voted year by year for the last three years for what is known as Food Production Loans — two or three hundred thousand dollars a year, I think, all of which went to support the rice farmer and to make him more independent than he ever has been.

That is a brief outline of the present position of the Rice Marketing Board and of its history. I want to draw attention to the structure of the organisation of this body. I said just now that it has succeeded the organisation set up under War Powers (Control) Regulation, and it is not difficult to see why the present Ordinance has followed more or less the pattern of Control Regulations. The Rice Marketing Board as at present constituted (I do not mean its membership; I mean its structure) is a monopoly of the most extreme kind, containing in its constitution stringent restrictive powers with corresponding sanctions imposing severe penalties for infringement of those prescriptions. It is not in any sense of the word a true co-operative organisation — not even a compulsory co-operative. It is purely and simply a successor in the same form of the kind of control that is imposed on a vital industry during a war. Let me for one moment explain the nature of these very stringent restrictions and the classes of people whom they affect.

The general duty and power of the

Rice Marketing Board is to exercise general supervision over the disposal of padi produced in the Colony, and to control the manufacture, sale, distribution and export of all rice manufactured in the Colony. That is its general power. In pursuance of that power the law goes on to provide that nobody may export any padi produced within the Colony except the Board, and the penalty for contravening is a fine of \$500 or six months in goal. The law goes on to provide that every miller must deliver all the rice he manufactures to the Board for sale to the Board, except only such rice as he is allowed to retain for the domestic consumption of himself and any growers with whom he is connected.

The Board has the power and the right to fix the price of padi — the minimum price. The Board has power to fix the price of rice which is paid to every producer. The Board fixes the price of rice for sale for local consumption. It is true that all of these powers are subject to the approval of the Governor. Nevertheless, there it is. Those are the powers of the Board. The Board also has power to fix grades of rice, and not only grades at which rice may be bought but grades at which it may be sold. That is to say the consumer must take the grades of rice fixed by the Board. Finally, under this section the Board is the single exporter of rice. No one but the Board may export rice, and here again, if there is an offence against this prescription the penalty is \$500 or imprisonment for six months.

Ancillary to these specific powers the Board is empowered to do many things which affect the individual rice producer, be he miller or grower. For example no person may keep padi in his house if the Board considers that he is hoarding it. The Board has the right to order that padi be removed at once to a mill. The Board's officers have power to enter any premises in which padi or rice is stored, and what is more important, the Board has the power to suspend buying rice at all for any time, and if it orders the suspension of the purchase of rice it has the further power to order suspension of all milling in the Colony or in any particular area. Here again this power is

subject to the approval of the Governor, but as I said, there it is. The Board has the right to order milling to be suspended if it thinks that the time has arisen when there is enough rice which it can handle. Provisions of that nature, with legal sanctions of that nature, with severe penalties of that nature, do not belong to a normal co-operative undertaking. As I said, they are developed in this organisation because it is the child of something set up during the war; and the point I am now coming to is this: that where the natural rights of individuals are restricted in this way by law then it becomes essential that those who are charged with the control of the organisation granted those powers should be of the widest possible representation, and that is why, Sir, the Board is constituted as it is of rice producers, Members of this Legislative Council, public officers, and other people who may be said to represent the consumer. It is essential that that constitution should remain.

I have heard it said that the rice producers would like to gain complete control of the Board, and I am submitting to the Council that an organisation of this nature could not possibly be left under the control of one body, important though they are in the industry. Too many interests are affected even within the industry itself. There are too many sections who are interested. The consumer is interested; the community as a whole is interested. Consequently, I feel sure that I am right in saying that no Government and no Legislature could possibly permit the control of the organisation, constituted as it is, to pass wholly into the hands of the rice producers.

Lastly, in this part of my remarks, I want to point out how incompatible, how absolutely inimical the provisions of this Ordinance are to any enterprise for expansion and development of the industry on a great scale.

I now come back to contracts: Members will remember that I said that at the conference which preceded the enactment of the Rice Marketing Ordinance nearly all those who spoke on behalf of the rice producers emphasised the great need for long-term contracts

and guaranteed price, and so it came about that as soon as the Board was formed its very first job was to try to secure such contracts with its export markets. I for one had just left office on the Board, I did not for one moment believe that it could secure what it wanted. However, it pressed, and with the aid of the Government and facilitated by the Secretary of State it was able to secure long-term contracts with the West Indian Islands. I may say that the Secretary of State did advise that it was unwise to enter into the long-term contracts with a fixed price. Nonetheless those who undertook and succeeded in securing those contracts believed that they were doing the right thing. It is easy to be wise after the event, but I remember seeing a photograph in the office of the Rice Marketing Board picturing some very elated gentlemen holding glasses of champagne in their hands, congratulating themselves on what they had done.

It comes with a little bad grace now from those who severely criticise the action of the Board and blame Government. Government has nothing to do with it. I think it is the easiest thing for one to be wise after the event. Today the Board has succeeded in securing an increased price over the original figure. It may surprise Honourable Members to know that the prices which are being secured by the Rice Marketing Board in its export markets now are not very far below what may be termed world prices. For instance, the price per ton which is being paid for good quality rice sold to Trinidad and Barbados is £32.7s. The Board has just secured a sale to Jamaica for some surplus rice and the price they have secured is £42.1s. per ton. I understand that Jamaica had been endeavouring to secure a supply from, firstly, Siam and, secondly, Burma; and that the Burma price was only £40.7s. as against what the Board is now getting — £42.1s. per ton. I also understand that in the last bulletin of the Ministry of Food which gives the current prices of rice in various parts of the world, these figures appear: Thailand (I am not sure whether this country is still known by that name) — £38 per ton; Burma — £38 and Australia (which has just come into

the rice market)—£36. As I have said, the present price which is being obtained from the West Indian Islands of Trinidad and Barbados is £32.7s. and from Jamaica it is £42.1s. per ton; so it is a mistake for anyone to say that the present position is grossly unsatisfactory to the rice industry of this Colony. So much, Sir, for the first part of my remarks.

I want to pass now to what I may call the immediate causes of dissatisfaction and friction in the functioning of the Rice Marketing Board, and their relation to clauses 2 — 6, and clause 8 of this Bill. That brings me right away to clause 2 which deals with the Constitution and the functions of the Executive Committee. I should like to go back, Sir, to the preparation of the original draft Bill and what we intended. Those who prepared this legislation intended that the Rice Marketing Board should be a sovereign body. In it are vested all the powers and functions, but since the Rice Marketing Board is comprised of 16 members—four of whom are Public Officers; two, members of this Council and two, commercial people, and eight are rice producers—it was recognised that that body would be unwieldy for the running of the day-to-day management of this Board. Consequently, it was agreed that an Executive Committee should be set up by law within the terms of the Ordinance, which, in accordance with the general policy of the Board, should conduct its day-to-day business. Indeed, it gives me considerable difficulty to find a formula for the original draft of this legislation dealing with the Executive Committee and, eventually, in collaboration with Mr. Duke we arrived at the formula which is set out in the existing Ordinance, at section 5 (3).

I may say, Sir, that when this matter was considered in the second conference, in September, 1945, the rice producers who were present were very jealous indeed of the powers of the Board *vis a vis* the powers of the Executive Committee. There was a proposition put forward that the membership of the Executive Committee should be eight. The Bill, as it then was, provided that the Rice Marketing Board should hold meetings quarterly — every

three months — but the rice producers insisted that in order that the Board should have full opportunity to review the actions and the acts of its Executive Committee, the Board should meet once a month. Eventually, we compromised on bi-monthly meetings, that is once every two months. Now, to go back to the formula for the Executive Committee, may I, Sir read in full the sub-section? It says:—

“(3) Subject to the directions and general control of the Board the Committee shall manage the business of the Board under this Ordinance and that in the name and on behalf of the Board exercise the powers, duties and functions of the Board under this Ordinance other than the powers duties and functions of the Board under sub-section (1) of section six, section fifteen sub-section (1) of section thirty and section thirty-six.”

It seemed to us — that is, Mr. Duke and myself — that the purpose of these words would be completely clear, but it has since transpired that that is not so. In fact, I think the Board has actually asked for a legal ruling as to what they mean. That ruling has never been given, but because of certain happenings between the Board and the Executive Committee — where certain members of the Board have felt that the Executive Committee usurped functions which did not belong to them or acted contrary to the policy prescribed by the Board, or have not brought to the notice of the Board certain matters for their advice and direction — because of these things and an idea that the Committee's acts are invalid, except specifically approved by the Board, it has been suggested that these words — “subject to the directions and general control of the Board” — should disappear, and that there should be words to the effect that the Executive Committee shall conduct the business in accordance with the general policy of the Board. Hon. Members will realise that under this particular section the Executive Committee has the power to do certain acts in the name of the Board, and that when done those acts are valid. That has been enacted and it must be so.

I want to illustrate the position of the Executive Committee by reference to what often happens in business where a proprietor — a businessman or a firm for that

matter — is not resident in the Colony and appoints an attorney. That attorney is often given what is known as a full power of attorney with certain specific restrictions. That full power of attorney enables the person who holds it to perform acts which are valid in law, so long as he keeps within the terms of reference of his power; that is, so long as he acts in accordance with the power delegated by the person who made him the attorney. So long as he does not attempt to do any of the restricted acts his acts are valid but, nevertheless, his acts are subject to review by his principal. So that the position is — whether or not these words in the subsection are altered—the Executive Committee must function as the instrument of management of the Board. It must do this in accordance with the policy laid down by the Board. The Board has the power to review, revise and, if necessary, reverse any action taken by the Committee so long, of course, as it does not affect the right of a third party in the meantime. In order to enable the Board to carry out that revision, the Board is by law compelled to hold a meeting once every two months. Now, in practice what happens? Minutes of the Executive Committee are circulated to the members of the Board, and if any member of the Executive Committee does not agree with a decision taken he can, by a minute in writing addressed to the Chairman, demand that the matter be taken to the full Board. Similarly, if any member of the Board, within the interval of two months between meetings, becomes aware of some act which is contrary to their policy, or with which he disagrees, he can either wait for the next meeting or ask the Chairman to summon a meeting and have that matter revised and, if necessary, reversed.

That is the position. I have said that there are some acts of the Executive Committee which cannot be reversed. Obviously, if the Board has decided as a matter of policy say, to purchase bags every year and the Executive Committee directs the management to carry out the decision and to place an order for bags, that is a contract and the Board cannot reverse it. I am only illustrating that the Executive Committee is the instrument of

management and is subject to the directions and general control of the Board; and that is the intention.

This particular section also seeks to add one additional member to the Executive Committee. There are now six members, and they comprise the Chairman, the Vice-Chairman, one member nominated by the Governor and three members who are appointed by the Board itself from amongst its members. Obviously, the Chairman and the Vice-Chairman are *ex officio* members of the Executive Committee, and the person appointed by the Governor is, normally, the Director of Agriculture. The position is that the Executive Committee, constituted in that way — with six members — is not, normally, a well-balanced body. It is always better to have an odd number. The Chairman has a casting vote but he should not be put in the position of using a casting vote as between two sides. I do not wish to infer that those persons who are nominated by the Governor and the Chairman and Vice-Chairman are necessarily anti-producers, but it may arise there is a difference of view and consequently it is better to strengthen the Board by the appointment of another member; and this Bill seeks to give power to the Governor to nominate the seventh member.

There is a great deal of suspicion thrown on this matter. Actually all the members of the Board are nominated by the Governor, all of them. This additional member to be nominated from the Board to the Executive Committee may be in any of the categories. He may be a Public Officer if the circumstances so dictate, as I think they do at present. It may be the Governor may nominate a Member of the Legislative Council, as the circumstances may justify his appointing another Member of the Legislative Council, or indeed he may find it necessary to appoint a Rice Producer of one class or another. It all depends on the circumstances at the time. So to sum up on this particular clause, why it should create in the minds of people this suspicion of something very wrong, I cannot understand. The clause will make no difference whatever to the status of the Executive Committee, and

the addition of a member will strengthen it and make it a stronger body. I must again repeat, that body is subject to the control of the Board and it must function in accordance with the policy laid down by the Board. So much for clause 2.

Clause 3, Sir, deals with grades of rice. I think I have already mentioned in the course of these remarks that the Board has the power of fixing the grades of rice and not only the grades at which the Board may purchase rice but also the grades which the Board may sell to the local consumer and for export. Let me explain the procedure which takes place in fixing these grades: Every year the management of the Board prepares what are known as Guide Samples. They do that from the first deliveries of rice evidencing the kind of crop for the year, and it has always been the idea of the Board to try and keep up the standard or quality as much as possible. In fact, as the Council probably knows, the Board spent an enormous amount of money on a Pure Line Seed Development Scheme with just that object in view. That is as regards purchasing rice. I should explain, when these samples are obtained and approved, they become guide samples of purchases for the year, the standards for purchases for the year. Notices of them are issued by the Board stating what the various grades are — super, extra No. 1, No. 1, No. 2 and so on — giving the percentage number of broken grains allowed and the colour and stating that those grades must come up to those Guide Samples which they have approved and which are kept in the Rice Marketing Board's office.

As regards selling grades, that is a different matter. What happens there? The Board takes all the rice, blends it into two or three types or grades and produces a grade for local sale which is called Grade A, and then blends up as much as it can of the balance and that becomes Grade B. So you can see, Sir, that the quality of rice which is sold for domestic consumption very much depends on the quality of rice which is produced. Similarly with the export grades. The Board sells in the export markets normally in accordance with

the type samples. The Trinidad merchants, or whoever it is, stipulate as to the quality or standard of rice which they require, and this too must depend on the quality which the Board buys.

I have said, Sir, that the Board's objective has been to lift these standards of quality as high as possible, but recently, I am sorry to say, it has been reported to Government that the standard of Guide Samples was lowered. The Director of Agriculture and other members of the Board had protested and since then Government has written and, I believe, that decision is to be reviewed. But in the meantime it is thought desirable that there should be inserted into the law a reserve power to the Director of Agriculture to approve the grades which are fixed by the Board for these purposes. I think Members would agree that the Department of Agriculture is responsible for the quality of rice produced in this Colony and, therefore, it is certainly something which the Director should be able to do. He should be able to see to it that no action is taken by the Rice Marketing Board which would interfere with the standard of quality of rice produced in the Colony generally. That is all this particular clause is intended to do—to give the Director of Agriculture a reserve power, a power of veto which he need not use. I hope that as a member of the Board he would convince the Board as to the correct standard year by year, but nevertheless if there is no agreement he has the power of veto.

While I am on grades I want to mention a matter which has no relation to anything in the Bill, but it is something which has caused a certain amount of public dissatisfaction, and it arose out of the recent action of the Board. Members know that the practice and procedure of the Board is to have all the rice delivered at Georgetown. That is to say, all the rice produced by the mills in the country is purchased in Georgetown and actually delivered in Georgetown, the reason being, as I said before, for the rice to be blended into various grades for local sale and for export. In that way, of course, the Board makes a considerable profit because, instead of selling the highest grade and the

lowest grade in a certain category, they are blended into one and greater profit is thereby secured from the price received. Because of this procedure the law provided power for the Board to establish sale depots in the country districts, so that who have their business there should be in a position to get rice purchased from the Board at convenient spots. Acting under that power the Board previously had set up numbers of sale depots along the coastland. I remember that the railway stations were used. Bags of rice were kept there and the station-masters were given commission for being selling-agents. The Board has since by a decision which, I believe, was not a majority one, caused those sale depots to be closed, or has decided that they should be closed. What is the result? The result is, a country shopkeeper must come into Georgetown to buy his rice and pay the freight back. He may have the mortification of having his shop within 100 yards of a mill, but it is an offence to buy from that mill. As a matter of fact he would be sent to gaol for doing it and so would the miller. So he has to take it from Georgetown back to his shop and pay freight on it, and in that way he loses money because the retail price is uniform throughout the Colony. The Board realised this and asked that the retail price for sale in the country districts be increased by a half cent per lb. If that request had been approved you would have had this substantial anomaly of rice grown in the country being sold in Georgetown at a half cent per lb. less than in the country district where it is produced. That matter has been causing a certain amount of dissatisfaction among shopkeepers who resent having to pay the extra freight, and the Government has written to the Board about it and, I believe, that the decision will be reviewed. There is nothing in the Bill which affects it, but I think I should mention it as a matter of some dissatisfaction.

Clause 4 of the Bill provides that the allocation of exports to countries shall be approved by the Governor, and the reason for that is clear. We in this Colony like other countries are subject to an international obligation arising out of the war and post-war emergencies. Everybody knows that food is scarce in the world

today, and so a body known as the International Emergency Food Council, set up some years ago, actually directs the areas in which each producing country shall sell its grain, and we in common with other producing countries have been so directed from year to year. Naturally our area is the Caribbean, at least the Eastern Caribbean, and we are subject to this direction. Consequently it is only right and proper that this legislation should have within its ambit sufficient power given to the Governor to approve the allocation of exports to countries. Here again this has some reference to a recent act of the Rice Marketing Board. I refer to a sale made to Jamaica quite recently. I understand there was some idea in the minds of some that it would have been better if the available rice had been diverted to Venezuela where a better price might have been obtained. That would have been quite impossible because, as I said, we are subject to direction as to the movement of our exports. We are still subject to that direction. It is unfortunately so, but there it is.

Clause 5 refers to the recent purchase of agricultural machinery by the Rice Marketing Board and their resale on a hire-purchase basis to rice farmers and others in the industry. All the new paragraph does is to validate action already taken by the Board. Here, Sir, I would like to remark that this is another action of the Board which appears to be the subject of some criticism. It has been said that the Board had gone too far and fast, that in adopting this policy of a somewhat wholesale purchase and distribution of agricultural machinery, before the experimentation period was completed and before it was known whether it was a good thing for all the farmers in this Colony, the action of the Board is open to criticism in this respect. I think that is most unfortunate, because when the Board decided on this scheme of purchasing agricultural machinery, I think, it was welcomed throughout the length and breadth of British Guiana. It certainly was welcomed to all engaged in the rice industry. The Board pointed out to the Governor it had no specific power in its legislation to enable it to do so, and the Governor encouraged the Board to do

what it thought well and promised that validating legislation would be enacted. There is some criticism. I myself, in my capacity as Financial Secretary, have written strong criticism on the financial implication of the Board's action. I feel that in expending a million dollars of their reserve fund when they knew that it was required for working capital and also for their new building, they were looking for financial trouble. That is very often done in this Council. I am frequently pressed to spend the same money for two or three purposes. That has led the Board into great difficulties. They had to borrow money heavily from the Banks and to make economies.

On the question of the policy of buying agricultural machinery I do not think for a moment that the criticisms I have heard are justified, and I do hope that the Chairman of the Rice Marketing Board's expectations will be realised. He said to me that in a few years' time the whole community will pay him, and those who supported him in this policy, a due measure of praise for what they have done. He feels sure that the use of that machinery will serve to expand the industry and will indeed bring about a great change in its fortune. I do hope that will be so.

Clause 5 has a sub-clause (2), the object of which is to give the right to the Governor to approve grants which may be made to the Rice Producers Association to defray its administrative expenses. I myself am not happy about this clause; I am disappointed that it should be necessary, but the point is that the Board should exercise careful scrutiny of the use of funds which it provides for the administration of the Rice Producers Association. I am told that some members of the Board feel that no such scrutiny should be exercised, and I am told too that some members of the Board would prefer that the Governor should have the right of approving the grants which are made to that body. Personally I feel that if this clause is passed the Governor will probably give some directions as to the action to be taken by the Board in calling for estimates from the Rice Producers' Association, and in seeing that the money

which is provided is expended for purposes which are appropriate to the functions of the Rice Producers Association.

Clause 6 is a supplementary sanction. It provides the Board with power to seize and detain padi, rice or bags which will afford evidence of the commission of an offence. I read in one section of the Press that this clause, in the opinion of the writer, must have emanated from the bureaucratic mind of some distasteful official. Nothing is further from the truth. This clause was introduced at the request of the Rice Marketing Board. The fact of the matter is that some offence was committed and the offender was hailed before the Magistrate, but the action which could be taken was deemed to be not sufficient. The Board therefore passed a resolution and requested Government to introduce legislation of this nature. This is a drastic power but, as I have previously stated, the Board has many drastic powers and sanctions in its constitution.

Here I want to refer to one cause of criticism of a recent action of the Board. The Board has those powers and duties which I have detailed — powers of supervision over rice mills and other places; power to prevent hoarding of and the removal of padi and rice from one place to another, and so forth; and in order to carry out those duties they set up a supervisory organisation in the country districts. I do not remember myself how many supervisors there were or how many mills each supervisor was expected to control, but recently the Board, as a measure of economy, has come to the decision that this country supervision by inspectors of their own choice and appointment should be abolished. I understand that the decision also is that such supervision as there is should be transferred to the agents of the Rice Producers Association. I submit that that is completely wrong. The Board has certain specified duties and responsibilities under this Ordinance. It is its duty to see that its prescriptions, severe though they are and restrictive though they are, are properly carried out. It is its duty to see that an honest producer who is obeying these restrictions is not prejudiced by the dishonest ones. Consequently, I submit that the Board ought

certainly to reverse that decision and restore its supervisory organisation in the country districts. That matter, too, has been represented to the Board by the Government and I hope that that decision will be reviewed and reversed in due course.

I omit clause 7 for the time being to deal with clause 8 which is simple. All that it intends to do is to make the changes set out in the Schedule, and that is to provide the same protection for the new post created of Assistant Manager — the same protection as is provided for the Manager — and the Secretary. That is to say, the Board may not appoint a Manager and Secretary without the approval of the Governor, and may not dismiss those officers without the approval of the Governor. All that this clause seeks to do is to include the Assistant Manager with those protected officials. I need not go into the reasons for it. This is also the request of the Board.

The other section of the Schedule is designed to permit the Board to offer as security for Bank loans assets in its possession other than padi or rice. The Board will now be empowered to offer as security assets such as agricultural machinery in its possession, rice bags and so forth. This is also a request from the Board.

I now come to the last part of my remarks, and that is the matter of expansion and development in relation to clause 7 — a matter which is the most misunderstood and misinterpreted. Yet the doubts which have been expressed are completely reasonable, and that they must be set at rest goes without saying. I will deal at once with the clause, and perhaps if there is time, say something later of what is projected in regard to large-scale rice development enterprise in this Colony. The clause itself seeks to exempt rice development undertakings from the provisions of the Rice Marketing Ordinance, rice development undertakings being those of a large-scale comprehensive nature declared to be such by the Governor in Council, and in which public funds are invested.

The proviso to this clause is intended to give the Governor power to direct that, notwithstanding the exemption of it from the provisions of the Rice Marketing Ordinance, the undertaking shall nevertheless support the Rice Marketing Board by delivering rice to the extent which is set out in the Order of the Governor. That is what the clause says on its surface. The proviso is for the protection of the industry, of course, but I do admit that reading it as it is it does not go far enough in explaining what is really intended. The great significance of the words in this clause — “any company in which public funds are invested” — seems to have escaped notice by every commentator on this particular matter. Those words are the most important of all. The object of the provision, as it is put in the Bill now, is to enable the initiation of preliminary steps to the formation of a large-scale company or corporation, and for that purpose it is, I submit, from what I have already said, essential that all those restrictive provisions shall not face those who will be interested in the financing, or will assist in the financing of such an undertaking. Assuming that such negotiations bear fruit and a company or corporation is about to be formed, quite obviously, since it must be a company in which public funds are invested, this Council will become the authority for determining several things—firstly, whether public funds are to be invested at all; secondly, the terms and conditions under which public funds are to be invested, and thirdly, if no funds are to be invested in actual cash but assets are to be transferred — for example those of the Mahaicony—Abary Scheme—the terms and conditions under which that is to be done.

As I visualise it, Sir, if this legislation is passed enabling these first steps to be taken—that is, steps to interest and secure the necessary finance for large-scale development — then negotiations will have to be pursued as to the terms and conditions in which the undertaking is to be carried on. In other words, when the time is ripe an agreement — a formal agreement — will have to be drawn up under the auspices of this Government and we shall have to press as hard as we

can for the best terms possible — terms which will not only protect the Company, but will serve to protect and promote the interests of the rice industry as a whole and of the rice farmers in particular. When that agreement is ready we shall have to come to this Council for approval of the whole matter — the amount of public funds to be invested, the terms and conditions of the agreement, and so on. It seems to me that the great significance of the inclusion of these words — “in which public funds are invested” — has escaped everyone and it is assumed that some foreign undertaking is going to be permitted to come into the Colony and that an arrangement will be made which will serve to deny the fruits of the hardship and toil, and the loss suffered by the Rice Marketing Board and the rice producers during those years when contracts at low prices existed. On the contrary these arrangements would be made so as to secure for the Rice Marketing Board and the rice industry the maximum protection, and it is inconceivable that the Government and this Council would do anything or sanction any arrangement with a new organisation which would deprive the industry of its hard-won markets, or would not serve to improve and promote their interests.

I hope I have made the point clear. I blame myself for not having foreseen that this particular clause would have led to criticism; not because the clause is wrong, but because it was not obvious on the face of the clause, as drafted, what the intention was. Therefore, I have consulted the Attorney General and I would like to propose an amendment to this clause which would make it quite clear. The amendment would be something in this wise: Paragraph (b) of 36A of clause 7, reads:

“(b) by any company in which public funds are invested and which is declared to be a public rice development undertaking by Order made by the Governor in Council.”

I would suggest to the Attorney General that it would be better to say:—

“(b) by any company in which public funds are invested with the approval of the Legislative Council under conditions and terms set out in an

agreement to be ratified by the Legislative Council."

If words of that kind can be introduced they would make it clear to all that the whole question is to be determined by this Council. It would make it clear that the Governor and all others and the Council would, of course, see to it that nothing in the arrangement between the new organisation which would be set up and the Government will in any way deprive the Rice Marketing Board or the rice industry as it now exists of anything that they have gained; and in fact would see to it that the new organisation will support and advance the interests of the the Rice Marketing Board and of the existing rice producers. You may well ask how that can be done, but I will say that a new large-scale undertaking may have the technical ability (provided it gets the rice) to absorb markets which we are unable to supply at the moment. I feel sure that the arrangement which can properly be made is that all should share in any new markets which are more profitable than the existing markets, and I feel sure also that the new undertaking would wish to support the present Board in fulfilling all the demands and needs of the present market, and to supply a fair quota of rice for local consumption. That, then, is the position with regard to this much misunderstood clause. Assuming that the clause did have the underlying meaning given to it, I myself would join in criticising it. All those criticisms fail because the premises on which they are based are completely fallacious.

I hope I have not tired the Council too much, but I did promise to give some idea of the situation as regards projected large-scale rice enterprise in British Guiana. Perhaps I may be allowed to quote from a very interesting despatch received from the Secretary of State recently. It contains a paragraph which strikes me quite forcibly and I would like it to be published. He begins by saying:—

"I have recently been reviewing the possibilities of expanding rice production in the colonial dependencies and I have reached the conclusion that the opportunities for expansion are no where greater than in British Guiana."

That is something remarkable when it comes *ex cathedra*, so to speak.

Now, Sir, the finance which is required for large-scale undertakings of the nature which we envisage is immense and, I may say, quite beyond the resources of the Colonial Government. Hon. Members may have read what is now known as the Beachell-Brown report in which recommendations are made for a most comprehensive expansion of the rice industry — for the taking in of large areas of land and putting them under water control under schemes which are being prepared now by our Consulting Engineer. Recommendations are also made for the establishment of more than one central mill and for centralised mechanised farming in some places alongside the existing peasant farmers engaged in the industry.

Well, Sir, quite recently Brigadier Mount of the Colonial Development Corporation came to British Guiana and started the first preliminary negotiations for assisting us in promoting an undertaking of this nature and he left an outline of the kind of proposal which we can put forward for consideration. What we have in mind, of course, is the formation of a company or corporation — call it what you like — in a partnership between the Government and the Colonial Development Corporation, the latter providing the necessary cash. The immediate plans which we have conceived are, first of all, the improvement of conditions at Mahaicony-Abary, and at the adjacent estate of Onverwagt. Now, the amount of money invested by the Government itself in the Mahaicony-Abary scheme has already reached a total of over \$2,000,000. Most of that money has come from the Development and Welfare Organisation, but there are numerous items which should be carried out in order to make that scheme the comprehensive scheme it should be. We want to operate the mill eventually on a 24-hour a day basis, 200 days in each year, and in that way the potential output would be raised to 300,000 bags per annum. Hon. Members may know that a great deal of rice planting has been done recently in areas adjacent to and behind the scheme itself on the Abary River.

Then there is Overwagt which Government has purchased in order to extend the cultivation along the Abary river apart from the scheme at Mahaicony itself. The factors which are necessary for expanding the capacity of the mill are the provision of increased drying capacity, electricity supply and so on — the cost of the additional driers, etc., and the cost of extending the cultivation itself, will be in the vicinity of \$1,200,000. This Council passed a resolution on the initiative of the Hon. Member for Eastern Berbice, last year, strongly urging the provision of a central mill on the Corentyne. Since then, Mr. Hutchinson, our Consulting Engineer, supported by Messrs. Beachell and Brown, has been strongly urging a drainage and irrigation project in Essequibo in connection with the Lake system there, principally the Tapacooma. I need not go into the details at the moment, and Hon. Members will find some explanation of it in this report. That scheme is not, relatively speaking, an expensive one. I understand that the first estimate was something like 1½ million dollars, but it will provide some 30,000 acres of new land for rice cultivation and it is proposed to establish a central mill at Anna Regina to replace the existing mill there which is in such a state of deterioration that it is not likely to last many years longer. Part of the scheme would be that there should be a mechanised farm of some 12,000 to 18,000 acres. The cost of these two mills, based on the Mahaicony-Abary pattern, is as high as \$1,837,500 each, in local money — British West Indies currency. A large portion of the machinery and equipment, of course, would have to come from the United States of America. The mechanised farm at Essequibo to which I have referred, would cost, in the provision of its internal drainage and irrigation arrangements, building and the necessary agricultural machinery, and so on — another \$1,650,000.

Altogether, if these plans are to be carried out new money to the extent of some \$6 500,000 would be required. As I see it, Sir, what will take place if those proposals find favour with all concerned, is that a new Company should be established with an immediate capitalisation of something like \$10,000,000; and if the

Government transfers to the Company its assets in the Mahaicony-Abary scheme it would, of course, take shares in proportion to this value. Here I pause to give another important bit of information which I hinted at quite recently in Finance Committee. It is that His Majesty's Government are supporting an application by this Colony for Marshall Aid under what is known as E.C.A. — The Economic Corporation Administration which is an agency of Marshall Aid. That application will cover the cost in U.S. currency of all the machinery and equipment for the two rice mills to which I have referred — one for the Courantyne and one for Essequibo. If that application succeeds it would mean that we shall have a free gift of this machinery, a free gift to this Government of something like \$1,000,000 (U.S. currency) in value.

I should like to explain that the terms under which this Marshall Aid is given in this respect provide for the deposit by the recipient country of the equivalent amount of sterling. That is to say, the Americans give the assets, whatever it may be, at the American cost and the recipient country is expected to lay down on deposit in the Bank of England the equivalent value in sterling. That Deposit Account is used partly for meeting the American expenses and partly in other ways with the approval of the American Authorities. But in this instance His Majesty's Government has informed us they for their part will provide the sterling equivalent. In other words, if we succeed in getting this aid, it would be a gift, a complete gift with no strings attached, to this Colony. I do not want to raise any false hopes. We have been informed that His Majesty's Government are supporting the application strongly and will themselves make this equivalent sterling deposit. I do not, as I say, want to raise any false hopes, but nevertheless let us all hope that the application would succeed. If it does, it means this: In this new Corporation, which I have envisaged, the Government will have assets to put into the pool so to speak — the Mahaicony-Abary assets at some \$2,000,000 and mill machinery and equivalent received from E.C.A. at some \$1,800,000. Eventually, I think it

would work out that the respective shares of capital as between Government and the Corporation would be in the proportion of 4: 6 — Government's share 4 and the Corporation's 6.

This is just a brief sketch of what we have in mind, and the purpose of this Bill is to clear the decks to enable us to initiate negotiations for financing schemes of this nature. I hope in my early remarks I made it quite clear that there is no possibility whatever of attracting the necessary capital unless the undertaking can be exempted from what were really wartime emergency control restrictions since put into the law. It is quite obvious that the Rice Marketing Ordinance still meets our own needs. It developed for the war; it worked smoothly. I hope it may still work smoothly. These restrictions the people have got accustomed to. The consumers have got accustomed to the restriction prohibiting them buying a bag of rice direct from a miller. I am a lover of rice and I know an Essequibo miller who makes good rice and is willing to sell me a bag when I want one, but I cannot avail myself of it and must buy what is provided by the Rice Marketing Board. If I went and bought my favourite type of rice from that miller I would be opening myself to imprisonment and he too. It meets our situation at the present time, but it cannot do so under the conditions which we are now envisaging, and I do hope that Members and all concerned would realise that. Assuming that we can get in our negotiations satisfactory arrangements which will at the same time protect our existing growers, I think everyone should welcome this step.

I would like to conclude on a slightly personal note. Some time ago I was a member of a committee which was appointed to make representations for the relief of Essequibo. One of the things we were supposed to do was to recommend what steps could be taken to provide a central mill for Essequibo. That was away back in 1939. I myself advised a plan which is now a dead letter. Since that time and particularly since the war, I have had the most abiding interest in the fortunes of the rice industry and in the fortunes of the people engaged in it. One

newspaper article made a pertinent remark. It said Governments do not as a rule put forward Bills or schemes intentionally to harm an industry and to harm the people engaged in it, and I would like to add that Public Officers like myself do not go to all this trouble in order to do something harmful. I myself am reaching the stage where I should sit back a little and even retire, but here am I actively pursuing an objective of this nature because I do feel I am in a unique position to offer to the people of the Colony and to the Government I serve a contribution which cannot always be secured from others.

There are two incidents since 1939 which, I think, are turning points in the fortunes of the rice industry. One was when Sir John Waddington very courageously signed the Rice Control Regulations in 1939 which brought the Rice Marketing Board into being, and the second was in 1944 when another acting Governor, this time Mr. Heape, also very courageously signed a despatch to the Secretary of State asking for the funds to set up what is now the Mahaicony-Abary Scheme with the view of finding out whether mechanised rice cultivation in British Guiana would be a success, and whether a large scale mill would be an improvement and a benefit to the industry. Mr. Heape signed that despatch with some trepidation, as it was the first attempt at an undertaking of that nature. He knew he would be criticised for adopting a policy of development along what is sometimes termed "plantation lines", but he signed it; and Members have seen the result of the Mahaicony-Abary Scheme — mechanised rice cultivation is possible and beneficial in this country.

There ought to be a third turning point, and that I hope would be the result of this legislation after — further action has been taken, — the implementation of an agreement between, let us hope, the Colonial Development Corporation and the Government and possibly the Rice Marketing Board as to the formation of a company for large scale comprehensive rice development here. That, I submit, would be the third turning point. I have already taken up much of the Council's

time and I now formally move the second reading of the Bill.

The ATTORNEY GENERAL: I second the motion

The PRESIDENT: Hon. Members! I am sure that all of you would like a little time to consider the very comprehensive exposition of the implications of this Bill which we have just heard. We have all listened with considerable interest

to the hon. the Financial Secretary, and I feel that he has cleared up some of the misapprehensions which exist about the Bill. As I said, I am sure Hon. Members would like a little time to reflect on it, and, as I also said at the last meeting of the Council, Government has no desire whatever to rush this Bill hurriedly through the Council, I propose therefore that the Council should now adjourn until Friday, 28th July, 1950, at 2 p.m.