

## LEGISLATIVE COUNCIL.

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 FRIDAY, 24TH NOVEMBER, 1950
 

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The Council met at 2.30 p.m., His Excellency the Governor, Sir Charles Woolley, K.C.M.G., O.B.E., M.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. 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. G. A. C. Farnum, O.B.E., (Nominated).

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

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

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. J. Carter (Georgetown South)

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

The Hon. L. A. Luckhoo (Nominated).

The Clerk read prayers.

The minutes of the meeting of the Council held on the 17th of November, as printed and circulated, were taken as read and confirmed.

**ANNOUNCEMENT.****COMMISSION ON CONSTITUTIONAL REFORM.**

The PRESIDENT: Hon. Members, I wish to announce that I have received a telegram from the Secretary of State for the Colonies informing me that the Constitution Commission consisting of —

Sir John Waddington — Chairman.

Professor Harlow — Member,

Dr. Rita Hinden — Member,

will arrive in British Guiana on the 15th December. Office accommodation for the Commission will be provided in the new Queen's College building where, in so far as Georgetown is concerned, their sittings will be held. But the Commission will no doubt wish to hold sittings at suitable centres in the country districts, and particulars of these will be announced later. Notices will also be published in the Press shortly regarding the arrangements for taking evidence and receiving representations.

**PAPERS LAID.**

The COLONIAL SECRETARY laid on the table the following document —

The Report of the Dental Mechanic Registration Committee.

## GOVERNMENT NOTICES.

## VENN COMMISSION REPORT.

The COLONIAL SECRETARY gave notice of the following motions:—

That, this Council approves of the action taken and proposed on the Report of the Venn Commission as indicated in His Excellency the Governor's Message No. 4 of the 26th of September.

## DENTAL MECHANIC REGISTRATION COMMITTEE REPORT.

That this Council accepts in principle the recommendations in the Report of the Dental Mechanic Registration Committee which has been laid on the table.

## UNOFFICIAL NOTICES.

## BRIDGING DEMERARA RIVER

Capt. COGHLAN gave notice of the following motion:—

WHEREAS in the interest of the economic development of the Colony and its social and cultural advancement it is essential that a bridge should be constructed over the Demerara River;

AND WHEREAS as a result of bridging the river it is estimated that great economies would be effected in the transportation of passengers and goods and that there would be a considerable increase in the volume of traffic, both passenger and goods, between Georgetown and West Demerara, and an outlet provided for the rapidly increasing population of Georgetown;

BE IT RESOLVED that this Honourable Council recommends to Government that immediate steps be taken to have preliminary surveys carried out for the purpose of obtaining subsoil borings so as to determine the value of the strata on which the bridge piers could be founded together with an accurate survey of the proposed site, and that on receipt of the report a Select Committee be appointed by His Excellency the Governor to decide on the finalisation of the design of the bridge to be constructed over the Demerara River;

AND BE IT FURTHER RESOLVED that for the purpose of carrying out this project of constructing a bridge this Council recommend that Government advertise for tenders and on Government's selection of a firm to carry out the work a loan for the required amount be floated in the Colony if possible.

## DUST NUISANCE OF PUBLIC ROADS.

Mr. DEBIDIN gave notice of the following motion:—

WHEREAS in dry weather the dust nuisance of the Public Roads of the Colony is seriously felt by motorists, pedestrians and villagers living alongside the Roads and there is a definite danger not only to pedestrians and motorists and others using the roads but also to the health of the villagers living alongside the Public Roads, due to the dust which rises up;

BE IT RESOLVED that this Honourable Council recommend to Government that immediate steps be taken to asphalt all those portions of roads passing through the Villages of the Colony.

## NOTICE OF QUESTIONS.

## GOVERNMENT PRINTING.

Mr. LEE gave notice of the following questions:—

1. Will Government state whether tenders have been received for the Government printing and from whom?
2. Will Government state whether the contract has been granted and if so, whether to one person or a Company, and whether it is executed?
3. Will Government consider the possibility of acquiring its own printery and stationery department as early as possible?
4. Is Government aware that the Daily Argosy Company has not given any increase in wages to their employees on the excuse that they are awaiting the new contract?

## ORDER OF THE DAY.

## FRANK DOBSON'S HIGH RELIEF.

Mr. ROTH asked and the COLONIAL SECRETARY replied to the following questions:—

- A. 1: Is it Government's intention to permit the erection on the General Post Office of Frank Dobson's high relief to which there has been so much public opposition?
- A. No. Work on Professor Dobson's model has been stopped and arrangements have been made for alternative designs for the sculptured relief panel to be prepared and submitted for approval.

**Q. 2.** Was Government's approval of this design obtained before Mr. Dobson began work upon it?

**A.** No. Provision for a sculptured panel was made in the plans for the building which were accepted by the Government, and the Architects regarded the selection of a suitable design for it as a matter which would be left to them to arrange and decide in the same way as any other ornamental addition to the building.

**Q. 3:** If the reply to Question 2 is in the negative does Government propose to pay for the work already done out of public funds?

**A.** That is a matter which would require consideration in the event of a claim being received.

#### FIREARMS (AMENDMENT) BILL.

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

“An Ordinance further to amend the Firearms Ordinance, 1940, with respect to the registration of firearms' dealers and for matters connected therewith.”

Under section 24(2) of the Firearms Ordinance, 1940, (No. 11 of 1940) an applicant for registration as a firearms' dealer is required to pay a fee of \$20 upon registration, and an annual fee of \$5 thereafter. Owing to the scarcity of registered firearms' dealers in the interior, considerable hardship is suffered by the Amerindians who have to travel considerable distances to obtain firearms and ammunition. This Bill now before the Council seeks to provide a remedy by reducing the registration fee to \$5 in the case of persons residing within certain districts, and to exempt from the payment of any fee upon the registration by any sub-protector of Indians or Government officer in charge of any Government trade store who resides within those districts.

Hon. Members will recall that other efforts have been made to avoid any difficulty to Amerindians so far as obtaining registration in respect of their firearms or ammunition and, as I said, this Bill seeks to reduce to a minimum that difficulty. I beg to move that the Bill be now read a second time.

Dr. NICHOLSON seconded.

Question put, and agreed to.  
Bill read a second time.

The Council resolved itself into Committee to consider the Bill clause by clause.

#### COUNCIL IN COMMITTEE.

Clause 4—*Second Schedule.*

The ATTORNEY-GENERAL: With the permission of the Council I ask that the words “insertion therein” be substituted for the words “addition thereto” in the second line, because under Ordinance No. 31 of 1947 the Second Schedule to the Principal Ordinance was repealed and consequently, as we are now putting a Second Schedule, the substitution is necessary.

Question put, and agreed to.  
Clause passed as amended.  
Council resumed.

The ATTORNEY-GENERAL: I move that this Bill be now read a third time and passed.

Dr. NICHOLSON seconded.

Question put, and agreed to.  
Bill read a third time and passed.

#### MINIMUM PRICE OF PADI.

The following motion in the name of the hon. Member for Eastern Demerara (Mr. Debidin) was next for consideration:

WHEREAS due to increased cost of production of rice due in turn chiefly to the steady rise in cost of living and the impact of devaluation, rice producers in the Colony, especially peasant rice farmers, have been finding that the cost of production exceeds the income derived from the rice produced;

AND WHEREAS now that subsidization by the Rice Marketing Board of the price of rice bags is being withdrawn and this and other causes such as adverse weather condition and lack of more adequate drainage and irrigation facilities, would tend to send up cost of production to a greater extent;

BE IT RESOLVED that this Honorable Council recommend that the minimum price of padi be fixed at a producers price of \$4.00 per bag and the price of rice in its various grades be proportionately increased.

Mr. DEBIDIN: With your permission and the permission of the Council I would ask that the second motion in my name be taken first. I do trust that it will meet with the approval of this Council.

The PRESIDENT: Is the hon. Member asking leave to defer consideration of the first motion?

Mr. DEBIDIN: Yes, Sir. As a matter of fact, if we have to take it today I would have to ask for a further deferment. I had expected this motion to come up long before the recent rice crop, the reaping of which is now on. At this time it will hardly affect the prices in the interest of the producers and, as the crop is still being reaped, further opportunity is being taken by me to procure the latest cost of production of rice in the various centres of the Colony.

The PRESIDENT: The hon. Member wishes to defer consideration of his motion, item No. 4.

Council agreed and consideration of the motion was deferred.

#### EXPORT PRICE OF RICE.

Mr. DEBIDIN: I beg to move the following motion:—

WHEREAS rice is being sold under Contract by the British Guiana Rice Marketing Board to West Indian Colonies at a price considerably less than the world market price thereof, and at a price far less than those Colonies should pay and would be prepared to pay;

AND WHEREAS the Colony of British Guiana is thereby being permitted to lose greatly in her national income, and this in spite of a continued adverse trade balance and a weak economic position; and her rice producers are being caused unnecessary suffering and discouragement through low uneconomic prices for what they produce opposed to high prices for what they consume;

AND WHEREAS it is tantamount to British Guiana subsidizing the price of rice to consumers in the Contracting Colonies of Trinidad, Barbados, etc., when it should be the duty of the Government of those Colonies concerned for the Imperial Government so to do;

AND WHEREAS devaluation of the

sterling and various other supervening causes, which have affected and will affect cost of production considerably and which could not have been contemplated at the time the contracts were made between this Colony and the Caribbean Colonies concerned for the supply of rice at the prices fixed thereunder, would make it proper to repudiate, vary or re-open the said Contracts in so far as the selling prices are concerned;

AND WHEREAS the increase recently obtained in the Contract Prices is insufficient to cover the increased cost of bags to producers, the steady rise in commodity prices, and the continued impact of devaluation;

BE IT RESOLVED that this Honourable Council recommend to Government that they request the British Guiana Rice Marketing Board to approach the Governments of the Caribbean Colonies concerned, with a view to securing such an increase in the export price of rice, as will bring it on a level with prevailing average world market prices of equivalent grades.

Sir, this motion was seen to be extremely necessary during the debate on the Rice question recently in this Council. At this time in the Colony there is no question whatever that the cost of living of the people generally has risen considerably, since the contract or contracts with the West Indian Colonies had been entered into between the Rice Marketing Board and the Governments of those Colonies in respect of the supply of rice. It does seem that there has been a number of causes which will tend to show that the price which had been originally secured under the contracts is far too low having regard, as I said, to those circumstances and to certain peculiar circumstances prevailing in the Colony. I refer particularly to the cost of production of rice in British Guiana. There can be no doubt that in almost all cases it has been found uneconomical on the part of the producers to produce their rice for marketing, and that they have been able to do so is due to the fact that those engaged have had no other alternative but to continue in this particular industry. That can be regarded as one reason, and in respect of this reason one only has to turn to the Report which had been published on the Mahaicony-Abry Rice Development Scheme to the 31st December, 1948, and it will be observed that

that Scheme has sustained loss instead of gain, loss when it has to be recorded that they had constructed their mill which, in the normal course of things, ought to have provided a profit.

Then again we have to consider another very important reason, and that relates to devaluation of the Sterling. Devaluation has certainly had its effect upon the cost of living generally and also upon the particular industry in question, the rice industry, upon agricultural machinery, implements and everything else, all combined to make production extremely costly to the producers. I must turn, therefore, to the local position, the profits which the rice producers should make — and they ought to have a sufficient sum on the profits side of their account. When they take count of their production the sale of their rice should be large enough to my mind to give them a reasonable income per month. In other words, if a man is to live upon \$50 per month, then it seems to me very necessary that he must earn, when he takes his cost of production from the income that he obtains for his produce, around something like \$600 per annum. Sir, I challenge anyone in this Council to say that any one producer has been producing in such a manner as to secure a profit to his family of \$600 per annum, the man who has been cultivating 3 acres or even 5 acres and under. We know that in this Colony the majority of producers are those who cultivate an average of 5 acres and under. I have been able to check up upon certain figures which have been produced by the Rice Producers' Association in a memorandum which had been submitted, Sir, by them to the Government on the 19th September, 1949, in which they gave the cost of production of rice and made such an accurate calculation that there can be no complaint whatever as to the inference which can be drawn from the figures they have given. With your permission, Sir, I would read from this memorandum at page 10, paragraphs 38 to 41 :

“In order to compute the income from one acre of padi cultivation it was necessary to have the yield per acre and the price of padi. The acreage planted and yield of padi for the whole colony was available for the crop years 1942-1948. They are set out in

Appendix 6. From these statistics the average yield of padi per acre planted was calculated for the separate years and for the whole period. It has been calculated from the total production of padi, including that for stock feed and seed.

“The average yield per acre planted from 1942 to 1948 was 1,091 tons or 17,456 bags of 140 lbs. Since only a small fraction of padi lands are under broadcast padi, this tends to indicate the yield of transplanted rather than of broadcast padi. The official figure for the average yield of padi as revealed in Dr. Benham's Report is 18-20 bags per acre for transplanted padi and 14-16 bags for broadcast padi. “Calculating on the basis of the official average yield of 19 bags at the minimum price of \$2.70 per bag, the average monetary return received from an acre transplanted is \$51.30. A similar calculation on the basis of 15 bags from an acre of broadcast padi reveals a return of \$40.50.

“Comparison with production cost reveals a loss of \$16.15 in the case of transplanted padi and an income of 69 cents in the case of broadcast padi.”

When we take conditions as they are today — those are the figures given to September, 1949, and that was just about the time of the previous crop, not this last Autumn crop—it is not so far behind. Taking into consideration the fact that the cost of production has gone up about 33 per cent, and having regard to present prices, I have been able to calculate what the position would be based upon this very reasoning in the memorandum of the Rice Producers' Association. My point is that if it costs the producers a certain sum to produce their padi, and they are unable to make adequate profit, it is as much a loss, in my opinion, as if they made no profit at all. We must bear in mind that the Rice Marketing Board is the body which passes on any increase in price to the producers, and it can only do so if it secures adequate income from its handling of rice both for local consumption and in the export market. We know what the prices are for local consumption ; they are not very far behind the export prices, and that is to be regretted, because if our export prices were better than they are the Board would have been able, not only to give the producers more but also to keep down the price of rice for local consumption. If the rice producers of the Colony depend upon the Rice Marketing

Board for any increase in their income from the production of their rice it seems to me very important to observe what prices they are getting, and if instead of making a profit they are probably losing money the necessity will be appreciated for an immediate review of the contract with the West Indian islands so as to avert a crisis among the rice producers of this Colony. I think if we adjust our minds to that proposition we would be able to appreciate the full importance of the motion before the Council. If we find that the position of the rice producers of this Colony is insecure and economically unsound I think this Council would be within its right and in a strong position to tell the West Indian Colonies that it is impossible to carry out the terms of the present contracts as regards the price of rice, because of its effect upon the producers of this Colony.

With that background I will now deal with the production figures which have been very carefully worked out by the Rice Producers' Association. The figures compiled by the Association showing the cost of production per acre for transplanted padi are: Number of man days per acre, 29; at daily wage rate of \$1.68, \$48.72; Labour cost, \$8, hire of oxen, \$6; average rental (one crop), \$1.22; cost of seed (55 lbs. @ \$3.36 per 152 lbs.), \$1.22; total cost of cultivation, \$63.94; depreciation — tools and machinery (2½% of cultivation costs), \$1.60; bags and twine (proportionate charge for bags and twine @ 30 cents per bag) (one bag estimated to last for 3 crops), \$1.91; total cost of production \$67.45. Those are all very low figures which relate to transplanted rice. About the same period as this memorandum was submitted I took the trouble to visit various parts of the Colony, extending to the far end of the Courentyne to Bloomfield, where rice is produced, and contrary to what is stated in this memorandum, I found that the cost of production on the Courentyne especially amounted to \$115 per acre. That figure was given by all the people and checked by them at one meeting but, for the purpose of my argument, I am going to accept the figures given in the R.P.A. memorandum.

The figures showing the cost of pro-

duction of broadcast padi are: No. of man days per acre, 13 (at daily wage rate of \$1.68) labour cost \$21.84; hire of oxen \$8; average rental (one crop) \$6; cost of seed (65 lbs. @ \$3.36 per 152 lbs) \$1.44; cost of cultivation \$37.28; depreciation \$2.53; total cost of production \$39.81. I may point out that rental has gone up by nearly 50 per cent. — from \$6 to \$9, and in some cases \$10 per acre. The cost of bags has also gone up, and in several instances we can clearly see indications of vast increases on the figures given in the memorandum. As a matter of fact I have been told by members of the Rice Producers' Association that on a very conservative estimate they could allow for a 33 per cent. increase on the cost of production as stated in the memorandum. So that if we add 33 per cent. to the figure of \$67.45 given as the cost of production of an acre of transplanted padi the cost would be roughly \$90 per acre. The price of padi today is \$3.15 per bag, but if we calculate on the basis of \$5 per bag, and on the basis of 19 bags of padi to the acre, as returned in the Benham report, the income to the grower would be \$95 as against a production cost of \$90, leaving a profit of \$5 per acre. So that for a man to get \$50 profit he must cultivate 10 acres of padi.

The PRESIDENT: Per annum?

Mr. DEBIDIN: Yes, Sir. A grower must live between crops, and if he has a family I do not see how he can live on less than \$50 per month. If he is to earn \$60 profit per annum it means that he must cultivate 120 acres of land. Those are figures which speak for themselves.

The FINANCIAL SECRETARY & TREASURER: But surely, Sir

The PRESIDENT: If we accept your argument it means that every rice grower in the country would have been bankrupt years ago. How can a man live on \$5 — if your figures are correct?

Mr. DEBIDIN: That is clear, and I am glad you appreciate the position, and that the figures have spoken so loudly. It calls for an explanation, and the explanation is that these people have by force of circumstances to eat food below

nutritional standard, and they can only eke out an existence, and clothe themselves and their children below the standard required today. They merely eke out an existence. It is true, because I have seen some of them myself. They plant a small kitchen garden and they eat some of the rice which they plant. They are entitled to retain two bags of rice for their own use. In that way they are able to eke out an existence between crops. I am glad Your Excellency appreciates the position of the rice growers — the tremendous hardship which they have to suffer — which entitles me to ask this Government and this Council to agree with me that we should ask the West Indian Colonies to regard it as impossible.

The PRESIDENT: I hope the hon. Member will not misconstrue what I have said. I made it clear that I could not accept his argument so far as the figures are concerned, because it would be absolutely impossible. I do not want the hon. Member to try to give the impression that I agree with his figures and his facts, because I do not.

Mr. DEBIDIN: I would ask you, Sir, to give me any other figures, and you will find that you can only halve the number of acres in order to make that profit. To get down to the ridiculous let us say that it costs \$30 to produce an acre of rice, and that you increase the price of padi to \$5 per bag. A grower would still need to have 60 acres in order to make sufficient profit to live on. I challenge any Member of this Council to give me any other figures of the cost of production and make his calculations on those figures. I am certain he would find that the cost of production is such that it is extremely uneconomical to the growers. It can be proved to any reasonable person that at a price of \$5 per bag, which the grower is not getting today for his padi, he can only make a profit of \$5 per acre. Your Excellency may say that you do not accept my figures but I challenge you, the Government, or anyone to say that they are off the mark by many dollars. On the basis of the present price of padi, which is \$3.25 per bag, we can see what is the position of the grower today.

If the rice growers decided tomorrow not to plant rice because they are suffering a loss by not making any profit, and they turn to some other pursuit it would mean that the contracts with the West Indian Colonies would be completely frustrated. The legal Members of the Council will support my argument that the fact that this Colony is unable to supply rice in such circumstances would be sufficient ground on which the contracts with the West Indies could be declared null and void. That is trite law. I am sorry the hon. the Attorney-General is not here to support or disagree with the proposition I am putting up. It is a sound proposition of law that if through causes beyond our control, or circumstances which could not be foreseen by the contracting parties at the time the contract was entered into, such as devaluation of the pound sterling, which has resulted in such a rise in the cost of living as to make the production of rice unprofitable to the growers and make it impossible for this Colony to fulfil its contract with the West Indies, the Colony would be discharged from its obligations under that contract.

All that the representatives of the Rice Marketing Board considered at the time the contract was entered into was the situation with respect to Burma rice. Nobody expected that there would be devaluation of the pound sterling. It seems to me that in the circumstances we would be justified in asking for a review of the contract in so far as price is concerned. It is the Rice Marketing Board that passes on any profit on the sale of our rice to the producers, because the Board fixes the price of padi to be paid to the producers. We also know -- and it has been referred to by the Financial Secretary during the recent debate on the Rice Bill — that it has been said that as much as possible of the profit made by the Rice Marketing Board would be passed on to the producers of rice in the Colony. It is the general complaint that the profits have not been passed on to the producers but have been sunk in the Mahaicony-Abary scheme.

The FINANCIAL SECRETARY & TREASURER: No profit of the Rice Marketing Board has been sunk in the Mahaicony-Abary scheme. It has been

used by the Board for building warehouses and in purchasing agricultural implements which are held for sale.

Mr. DEBIDIN: A considerable amount of the profits of the Board has been advanced to the Mahaicony-Abary scheme. That is stated in the Board's report. I am not saying that the Board used it all for that purpose. Some of it has been used for buying machinery for the rice producers which became more expensive because of the devaluation of sterling. It has certainly helped the farmers, but the fact remains that a considerable sum of the profits has been advanced to the Mahaicony-Abary scheme. The point I am making is: where does the Board expect to get its profits to pass on to the producers but from the export of rice? Having entered into contracts with the West Indian Colonies to supply rice at 5 cents per lb., which is one-third of the average world market price, it seems to me that the Board deliberately removed any opportunity to build up a tremendous fund from which it could have advanced from time to time the price paid to the producers without affecting the price to local consumers. My point is that the price of rice for local consumption is kept down regardless of whether the producers make a profit or suffer a loss. If the contract with the West Indies is not reviewed and the price increase the farmers will either have to continue to produce padi at a loss, or the price of rice for local consumption will have to be increased in order to enable the Rice Marketing Board to increase the price paid to the producers. It seems clear to me that it is absolutely necessary that the Board should take immediate steps to secure an increase of the export price of rice to the West Indies.

In this respect I must make reference to an important aspect of the matter which this Council must take into consideration. It is that we are subject to the legislative authority of the Imperial Government of Great Britain. From that flows this important point, that whatever is done in the interest of one Colony is of supreme importance and interest to the Imperial Government. Therefore, while on paper this matter may appear to be

merely an agreement between the Rice Marketing Board and the West Indian Colonies it is nevertheless a matter which directly concerns the Government of Great Britain. It seems to me that it has been a policy of the Imperial Government to assist the Colonies of the Caribbean, who are the contracting parties in respect of rice exported from the Colony, in so far as their purchase price is concerned. I cannot conceive it in any other way, because the Imperial Government knows, as I know and Sir Hubert Rance told us in this very Chamber, that Burma can never supply rice. The dislocation of her cultivation of rice is so known that he said she cannot by any chance, at least for a long time, supply rice to these parts. That is a fact which ought to have been known to the Colonial Governments and, therefore, I regard this contract which exists between British Guiana and the Caribbean Colonies as being one which has been largely dictated to by the Imperial Government.

The FINANCIAL SECRETARY & TREASURER: I must rise to a point of explanation! It has been said in this Council that the Secretary of State himself advised against the entering into a contract of long duration between the Rice Marketing Board and the Caribbean Colonies. That is a fact.

Mr. DEBIDIN: I accept that the hon. the Financial Secretary is speaking with authority and he has the communications to that effect, but this fact remains nevertheless that — let me put it this way, I am using the word not in a derogatory sense but with the ordinary meaning of it — the contract prices remain as they are with the connivance of the Imperial Government.

Mr. RAATGEVER: I object to the hon. Member's statement! The Imperial Government had nothing to do with the contract. I am speaking now as Chairman of the Rice Marketing Board, and my hon. friend knows that the late Mr. McDoom, to whom he paid tribute here, was one of the leading men who made that contract. He knows that, and I cannot sit here and allow him to make a statement which he knows to be absolutely incorrect.



Mr. DEBIDIN: Is the hon. Member making a speech? He has the right to reply to me later,

The PRESIDENT: There is a plenty of sympathy for the hon. Member's motion in this Council without his making that statement. Everybody knows that at the time this contract was entered into Burma rice was still on the market and there was always that threat and danger of competition. The Rice Marketing Board insisted that it should be a long term contract. The Secretary of State said it was unwise to enter into a long term contract. Those are the facts. Do not let us argue over it. We need not make any mis-statements. The hon. Member has got plenty of sympathy for his motion without raising any controversial matter.

Mr. DEBIDIN: Your Excellency made a statement which I was at pains to clear up in the last debate, that Burma — I quote the Food Production Committee report — "was not exporting rice when the contracts were entered into." I leave that point apart. I would like to discuss this aspect purely then from an objective point of view. The West Indian Colonies have certainly been receiving their food very chiefly from British Guiana for a long number of years, if we go back so far as when Burma was producing rice. They must realize that they have had a consideration and an advantage which they ought not to have had, if all the circumstances are fairly put before them. I do not know how far they will be cognizant of the arguments on this motion today, but they must be made aware that they have had an advantage for which they should make up today by seeing that equity and justice are done to the producers of British Guiana. They cannot and should not complain today, if we are asking them for an increase in the price for our rice which will enable our producers to produce at a profit and to be able to live in a decent manner. They know what it is to have the rising cost of living in this one commodity. If they have no rice in their Colony they would seek ways and means to get that rice, just as we have to do with our problem here. Had we not the rising cost of living and econo-

mic stress in this Colony we would say "Do not disturb the contract."

The question to be asked today is "Are we in a position to give the same benefits to the West Indian Colonies when we are having claims upon claims, strikes and rumours of strikes and economic stress? Are we in a position to play the fairy godmother as we have been doing in the past five years to the Caribbean Colonies? There can be no doubt whatever in my own mind — and I am asking the hon. the Attorney-General to bear that out in his argument on the legal position — that if we are unable to produce rice because the people are unable to be engaged in it, then it would mean the frustration of the contract with the West Indian Colonies, and I am going further to say that if we have had intervening Devaluation which has upset the entire economic cost of production in this Colony, it is tantamount to something on which we can properly refute that contract. I am going to ask permission to read from Halsbury Laws of England, 2nd Edition, Volume 7, at page 213, paragraph 296. I am reading from the middle of that paragraph:

"Where it appears from the nature of the contract and the surrounding circumstances that the parties have contracted on the basis that some specified thing, without which the contract cannot be fulfilled, will continue to exist, or that a future event which forms the foundation of the contract will take place, the contract, though in terms absolute, is to be construed as being subject to an implied condition. That if before breach performance becomes impossible without default of either party and owing to circumstances which were not contemplated when the contract was made, the parties are to be excused from further performance."

That is the proposition and, I think, the hon. the Attorney-General can peruse that proposition which I am putting forward. If the basis was the continued existence of a set of things without which the contract cannot be fulfilled, and if the people of this Colony are unable to produce and supply rice for the contract because they say they are not going to produce any more as it is uneconomical to produce rice, I would say that is something which frustrates the entire con-

tract and you will be excused. But the principle goes further because it is based on something else which is far more important. It goes on to say:

“If before breach performance becomes impossible without default of either party and owing to circumstances which were not contemplated when the contract was made, the parties are to be excused from further performance.”

In other words, Devaluation is something which is what we call in law “An act of intervention”, something which has supervened between breach and performance, and that something has created a set of circumstances which has altered the position, and which could not have been foreseen. We all know that Devaluation came in and what the results and circumstances are. Therefore I am asking, if we are to apply these principles, this Council to consider — and I am sure this Council will appreciate the point — if it is impossible to carry on at the price paid the producer and an increase of that price depends upon an increase of our export price, and if the reason for our being unable to carry on at the price of the contract has been through an act which has come about and which could not have been foreseen, even if not completely it does not excuse us from the performance of the contract. I say so, and it seems to me that we have all the facts here. I am not alleging that, because we cannot produce to supply the contract. I want that to be clear. If we cannot supply we have completely answered and this agreement would go by the board.

The ATTORNEY-GENERAL: You will have to have a reason for the non-supply and good reasons too.

Mr. DEBIDIN: That is why I argue and, therefore, where the reason for that non-supply is an act which has supervened and which has completely created a situation where the people are unable to supply, that is sufficient excuse. That is a proposition which is non-controversial.

The PRESIDENT: Would the hon. Member pass on to another point, if he thinks he has made that point?

Mr. DEBIDIN: I think you would appreciate more than anyone else the

reason I have to repeat something which is a legal proposition. It is because we are all not legal Members here. We know how necessary it is to do so. The skilful counsel repeats himself before a jury in order to convince them.

The PRESIDENT: Some times we can overdo it.

Mr. DEBIDIN: I feel sure, nevertheless, that the repetition I have made is that this Council may appreciate the the point which leads me to this conclusion that the West Indian Colonies can have no grouse whatever and it will be grossly inequitable on their part to have any grouse at all or to oppose any request by this Government of them to increase the export price yet further than it has been increased recently. And that brings me to this point. If they themselves could have seen the necessity not very long ago of increasing by one cent per lb. or \$1.80 per bag the export price, although there had been a firm contract, then it seems to me they have created the precedent for our putting before them now the case that the people of this Colony are entitled to and are asking for a substantial increase of the export price to an amount which will not vitiate their contract but will be within the minimum world market price. I will say what that is in a moment. If we can get that minimum world market price from them, I feel that this Council would be justified by a resolution here today on this motion to request that proper steps be taken, as an advice or recommendation of this Council to the Rice Marketing Board, to ask those Colonies to increase their price immediately to that of the minimum world market price, as the contract has a year more to go and within that year many people may suffer and have a sense of frustration in so far as the industry is concerned. I feel now is the time, after the reaping of our crop in this Colony, when we will be fulfilling our contract for the following year by exporting what we have just reaped and will be milling in the months ahead and grading and sending to them. This is the time when we should ask in respect of the present crop that we be given the minimum world market price.

But I have asked in my resolution for the average world market price. If we are to take the food production statistics relating to South East Asia and the cost of production given for the various parts of the world, we would see that the cost has gone up as high as \$76 and the lowest figure given for 1949 is in the region of \$38. Burma rice was sold at \$38, and that is only white rice that Burma was exporting. It seems to me that we are entitled to ask for a price for our rice which will bring us something very near to \$18.20 per bag as the average. May I give the export price of rice around us today? We have British Guiana rice selling at an approximate average of \$11.34 per bag. That is the average price of B.G. rice. Burma is \$15.80 per bag (that is the Indian minimum contract price as the result of which they are practically unable to supply to anywhere else); Ecuador rice is selling at \$18.20 per bag, Egypt at \$20.60 per bag and U.S.A. at \$22.40 per bag. Those are the latest prices for a bag of rice of 180 lbs. calculated in British West Indian currency. It seems to me that the average price based on those figures will be \$18 per bag which at any rate British Guiana ought to receive. The minimum price which the contract speaks of in the light of the minimum world market price seems to be \$15. I feel that this Council would be entitled to ask that we get the minimum price of \$15 per bag of our exported rice and to pass this motion to that effect.

It is only reasonable and is in the interest of the people who have got nothing to assist them by way of the increased cost of living. As I have indicated once before, we gave them help in loans, etc, but I suggest that does not help them with the cost of living in the rural districts. We have seen where the cost of living to the ordinary worker in the country is far more than to the person in Georgetown. I quoted those figures the other day. It seems then reasonable that this Council should accept this motion and tell the West Indian Colonies that we have done well for them in the past and they must be prepared to buy where they can cheaper or at our price less than which they cannot buy anywhere else in the world.

That is if we get them to agree to a minimum price of \$15 per bag. They must be prepared to do it right now and to do to us as much as we have done for them in the past eight or more years. This motion certainly commends itself. I feel sure it would be ingratitude on the part of the West Indian Colonies contracting with us for the supply of rice not to see reason in accepting the suggestion of this Council to grant a minimum price of \$15 per bag which they should pay next year when the contract is renewed and so help in our economic stress and our rice industry which needs help.

Mr. LEE: In seconding this motion I desire to point out that I will not take up the attitude adopted by the Mover, because after all the Rice Marketing Board is the recognised authority and, being recognised in the Caribbean area as such, if they enter into a contract it should be carried out if possible. But there is no doubt that at the present moment the rice farmer is very hard pressed. The increased cost of living hits him as it hits every other person, and if all the facts are shown whereby the rice farmers should be given a little more for their rice under the contract made by the Rice Marketing Board, I feel sure that the West Indian Governments concerned or the contractors would see reason. We have known from statistics that the cost of living in Trinidad and Barbados — I do not know about the other smaller West Indian Islands — has increased. If we point out that to them, I feel sure that consideration would be given to our request. Next year the contract will come to an end but they have the right of renewal, and as such the prices will have to be discussed. If they insist on the same hard terms of the term, then when the contract is ended and they cannot get rice from any other place it means they would have to buy British Guiana rice at a certain price which would cause their cost of living to go up. In my humble opinion, if this Council accepts this motion and this Government through the Rice Marketing Board requests the contractors to give an increase in the price, I feel sure that after they have heard the cry of the rice farmers they would give the matter due considera-

tion and, perhaps, we would get a little more price for our rice.

No one can deny the fact that the rice producers are being hard hit in the sense that since the contract has been entered into their cost of living has increased, and the Government has tried its best to meet them in every way. As you know the next motion, which is in my name, also deals with the rice industry, and there I shall bring out one or two other points. I do hope this Council would accept this motion and that Government would instruct the Rice Marketing Board to see what it could do in respect of getting a better price for our rice, and that the increase would be given to the rice producer and not to the profits of the Rice Marketing Board, although the profits of the Board are being converted to the benefits of the rice producers. I hope the Caribbean areas and Governments would see reason and give the increase so that it could be given to the rice producers.

Dr. JAGAN: I wish to support this motion because it is long overdue. Some revision should have taken place on this issue of price long ago. The hon. Mover of this motion has adduced certain arguments. There is no doubt that some of the arguments and figures he has given may be controversial, but nevertheless looking at the issue objectively it does appear that the people of this Colony have really missed a golden opportunity. To use a slang term "We have missed the bus". When prices were very high we in British Guiana were possibly selling rice, at the world's lowest price. It is an amazing fact that a low price producing country like the U.S.A. was then selling rice at the highest world price. We all know that price for price, I should say even at the present time but moreso before Devaluation, the U.S.A. was selling at a lower price than any other country in the world. But yet we find that so far as rice is concerned the U.S.A. was the highest rice producing country in the world. The American farmer was not a large producer of rice before the war, but noticing the trend of events the Department of Agriculture in the U.S.A. stimulated the production of rice, knowing the world situation in respect of grain, and today we find the U.S.A., perhaps, the

second largest producer of rice in the world. The American farmer has taken advantage of the position. Today he is provided with facilities for the mechanization of his rice fields. He has adequate storage facilities, money on the bank, and motor cars and jeeps to move around. He is secure; he knows that if there is a slump tomorrow in the world market for rice he can revert to a cash crop and thereby secure his position.

But what do we find in British Guiana? We find that when there was an opportunity to get the best prices we did not get them. Although the Secretary of State advised, as we have heard, that no long-term contracts should be entered into we find that the Board in its wisdom entered into a long-term contract to the detriment of the people of this Colony. I do not refer only to the rice producers but to the people of the Colony generally, because the same argument is adduced with regard to the sugar industry. We are always hearing of the position of sugar in the economy of this country, and it cannot be denied that the higher the price of sugar the more money goes into circulation in this Colony. In the case of rice we did not take advantage of that opportunity, consequently not only has the rice farmer suffered but the people and the Government of the Colony have suffered in many ways. The latest price for sugar is \$146.40 (£30. 10s.) per ton. An acre of cane produces between 3 and 4 tons of sugar, so that the yield from an acre of cane is indeed very high. It is true that it is not all profit, but it goes towards wages, and Government gets a large amount of revenue from that production per acre.

But what is the position as regards rice? The hon. mover of the motion gave us the production figures. If we estimate 20 bags of padi to the acre at \$3.25 per bag the yield is equivalent to \$65 per acre as compared with between \$400 and \$500 per acre in the case of sugar. We see at once that something is definitely wrong. If that continues we will find ourselves depending and concentrating upon the production of sugar, because if the price of rice is not remunerative the farmer will cease to plant rice. The hon. member made the point that the rice

farmer is only getting a profit of \$5 per acre per annum. That figure was not accepted, but perhaps he did not make it clear that the only reason why the farmer can live by cultivating rice is because he utilizes his own labour and that of his wife and children in his rice field. That is the only way he is able to live, and it is true to say that his profit is very small. By securing a fair price from the West Indian Colonies for our rice the rice farmers would be able to increase their cultivation, thereby enhancing the revenue of the Colony.

In view of the fact that a new contract will be entered into with the West Indies next year I feel that the opportunity should not be lost to demand minimum world prices for our rice. It is true that some of the West Indian islands are now contemplating the cultivation of rice, but let us look at the cost of production in those islands. In Trinidad it is estimated that if rice is cultivated there the price would be between 12 and 18 cents per lb., but it may be said in Trinidad that even at that high price it would be profitable to cultivate rice so as to help to relieve the unemployment situation in that island. The same may be said of Jamaica where they are spending money to drain their swamp lands in order to cultivate rice and relieve their unemployment problem. We have to keep in mind at all times the idea of federation which is looming on the horizon, and we have to keep in mind the advice of experts such as Prof. Lewis, of the F.A.O. who came to this Colony some time ago and investigated land settlement and agricultural problems, that we have to think in terms of a regional approach to agriculture; that it is no use thinking of growing rice in Trinidad at 12 to 18 cents per lb. when other things can be grown more profitably there, while rice can be grown more profitably and cheaper in British Guiana. By that I mean cheaper in the sense that we could supply them with rice at a cheaper price than they could produce it themselves. Trinidad has great possibilities for citrus cultivation, and in Jamaica I saw a modern mill for the canning of citrus juices, the making of oil and concentrates. I was told by the manager of the factory that they did not

have enough oranges and grape fruit to keep the mill going at full capacity. That is the problem all over.

We definitely have to economize as regards the cost of production. In this Colony we are trying to do so by the erection of central mills. When this regional approach for agricultural problems is accepted I feel that we would be on the high road to success and providing a higher standard of living for the farmer of this country and the West Indies. But so long as we continue to sell our rice at a very low price to the West Indies, and as long as the Governments in the West Indies persist in solving their unemployment problems by growing the same crops at higher prices than those at which we can supply them, so long will these Colonies remain undeveloped and so long will the standard of living be low. I hope that the question of federation will receive the early attention of this Council, and I also hope that when the new rice contract is negotiated next year the Governments of the West Indian Colonies will be urged to consider this aspect very seriously. If they are foolhardy enough not to agree to an increase of the price then we would have to think of ourselves. If we find that there would be a surplus of grain in the future, as we feared when the original contract was entered into, then we must think of so diversifying our agricultural economy in this country that we may not be faced with a slump in the future.

I do not want to go into the whole question of agricultural policy at the present time, but I want to urge Members of this Council to take an objective view of the whole situation. We cannot adopt a dog-in-the-manger policy any longer. I had to criticize very adversely some time ago the policy of the sugar estates in taking from the people lands which were under rice and ground provisions. In 1943 a Committee which was set up by Government under the chairmanship of Mr. P. W. King, to investigate conditions on sugar estates, found that people were only working two or three days per week on sugar estates, because they found it more profitable to work on their farms and rice fields. I have

figures to show that between 1943 and 1947 the sugar estates took from the people nearly 2,000 acres of rice lands and approximately 1,000 acres of land under ground provisions, even though they did not need those lands.

Mr. MORRISH: I have recently looked into the position with regard to rice lands on sugar estates, and I find that 10 per cent. of the acreage under rice cultivation is on sugar estate lands.

Dr. JAGAN: That does not deny my statement. I do not say whether it is 10 or 20 per cent., but I say that lands which were under rice cultivation and were not needed for cane cultivation were taken away from the people. That is the point. If we are faced with this policy of taking away from the people lands which can be properly utilized for rice cultivation, and on the other hand the rice growers cannot get a good price for their rice, it seems that they are squeezed between the two points of not having sufficient properly drained and irrigated land and the lack of a remunerative price for their rice. In the circumstances we cannot look forward to any development of the rice industry of this Colony.

I do hope that Members will support the motion, and if an immediate review of the contract is possible we should not wait until the end of next year. The present crop is already reaped and as the Board has fulfilled its obligations for this term the contract can be reviewed at the beginning of next year.

Mr. RAATGEVER: I fail to see the reason for this motion, because the mover and the seconder are both aware that the contract with the West Indian islands was revised this year on the initiative of the Rice Marketing Board. Although there was no legal liability on the part of the Governments of the West Indian Colonies they agreed to increase the price by one cent per lb., and that increase has all been passed on to the rice producers. In other words the rice producer has benefited to the extent of \$1.60 per bag of rice which has gone towards meeting his extra cost of living. My friend, the hon. Member for Eastern Demerara (Mr. Debidin) was at pains to quote figures here which I would like to say are all

entirely wrong and misleading. The figures he quoted as having come from the Rice Producers' Association were given to the Rice Marketing Board, and when we went into them we found that they were totally incorrect and could not be used at all.

The contract has been rehashed here on so many occasions that I have no intention to do so again, but I would like to state that it was entered into in 1947 for five years, and not eight years as the hon. Member said. It was negotiated by four members of the Rice Marketing Board, two of whom were rice producers — Messrs. McDoom and Peer Bacchus —, the others being Mr. John deAguiar, Chairman, and Mr. John Fernandes. It was entered into at the request of the rice producers who wanted a long-term contract for 10 years, but as you have said, Sir, the Secretary of State disapproved of that on the ground that it would not be to the advantage of the producers, and he has been proved to be correct. The contract was entered into for five years with the right of renewal at a price to be negotiated which would not be below the world minimum market price for a period of three years from 1952. So that we do not have to negotiate any contract next year. The contract automatically goes on from the end of 1952 to 1954, but at a price not below the world minimum market price. On that basis the rice producers will receive a very handsome profit.

I would like to say that I visited the Courentyne Coast last week. I saw many rice producers and I also saw signs of prosperity all along the Courentyne Coast. Rice producers had put up new houses, some partly finished and others finished, mostly from profits made from rice. So that when the hon. Member says that the rice producers are losing money in producing rice I would like to have that statement contradicted, because I saw those houses with my own eyes. I discussed the subject with many of the people there and I am quite satisfied that rice is a remunerative industry today. Apart from that it must be borne in mind that rice cultivation is not a whole-time job; it is a part-time job. The rice growers work on the sugar estates or at other occupations

for most of the year. Rice planting is a part-time occupation, and they are well remunerated for it.

Mr. LEE: I would like to correct the statement which has been made by the Chairman of the Rice Marketing Board. The official figures issued on the 30th September show that on the 1st January, 1950, the price fixed for Super rice was \$9.50 per bag, and on the 1st October, 1950, the price was \$10 per bag. I cannot therefore see how the rice producers received an increase of \$1.60 per bag as the hon. Member said.

Mr. RAATGEVER: The increase in the price of Super rice was 70 cents per bag from the 1st October this year. The hon. Member is entirely wrong. Those are the official figures in my possession.

The hon. Member for Eastern Demerara (Mr. Debidin) made two statements which I would like to correct. The first was that H.M. Government had given instructions about the contract, and that they were instrumental in getting that price fixed. As far as I am aware H.M. Government had absolutely nothing to do with the fixing of the price which the rice producers of the Colony are receiving from the various Islands. It was done by the representatives of the Rice Marketing Board with the full knowledge and consent of the rice producers themselves. They had two representatives on the delegation.

The hon. Member also said that a substantial amount of the profit made by the Board was handed over to the Mahaicony-Abary scheme. A sum of \$150,000 of the money made by the Rice Marketing Board was put into a pool along with Government for the purpose of purchasing and renting machinery to rice producers at very reasonable rates in order that they might increase their production of rice for their own benefit and advantage. So that it was in their interest that that money was put into the Mahaicony-Abary scheme. The money is only lent.

The next point was that the rice producers are subsidizing the people of the Colony by reason of the fact that

rice was being sold so cheaply locally. The hon. Member has been a Member of this Council since 1947 and he should know that the people of this Colony have been subsidizing the rice producers for many years by means of schemes for drainage and irrigation. They have not only been subsidized by the people of this Colony but by the people of the U.K. by grants made by H.M. Government for drainage and irrigation, a large portion being free grants and not loan. So that if the people of the Colony are getting rice at a cheaper price they are entitled to it because they contribute towards the cost of producing that rice.

That is a fact which has been lost sight of by many of the rice producers and many people in the Colony. Personally I agree that the price of rice is low but not unremunerative. A contract has been entered into, and a contract is something which all people of honour are bound to respect. We cannot tell the West Indian Colonies that we are no longer prepared to supply them with rice at the figure stated in the contract, neither can we break the contract. We have to look to the future. I hope this Colony will be a very large producer of rice. We want the West Indian market, and if we tell them now that we are going to break the contract entered into many years ago I feel that there would be very little future for the rice industry. Members are forgetting that Burma rice must come back into the world market, and when it enters into competition with our rice, unless we have the goodwill of the people who are buying our rice at the present time I am afraid that we will not retain the markets that we hold today. Further than that, we want to extend our rice industry. Jamaica is willing to take our rice, but if we are going to charge abnormal prices for our rice they would not buy rice from this Colony when they can get their supplies elsewhere.

Those are points which Members should consider very carefully before they ask Government to *direct* the Rice Marketing Board to negotiate for a further increase in price before 1952. I would say *request*, because the Rice Marketing Board is a statutory body and the Govern-

ment cannot direct the Board; it can only request it. Apparently many people think that the Governor, the Governor in Council, or this Council can order the Rice Marketing Board to do certain things and they have to be done. With all due respect to you, Sir, I say that you cannot order the Board. It is for the members of the Board to decide on a policy and carry it out. The Board, as at present constituted, includes eight members of the Rice Producers' Association, and two of those members negotiated the increased price with the West Indian Islands this year. They could not get one penny more. As a matter of fact some of the Islands did not give us any increase at all. Only Trinidad and Barbados, and some of the smaller Islands agreed to the increase of one cent per lb. The other Islands would not agree to an increase of the price, and said that if we did not supply them with rice at the old figure they would not take any more rice from this Colony. I trust that hon. Members will be reasonable in considering this motion and throw it out, because it seems to me that it is electioneering propaganda.

Dr. SINGH: Sir, we have heard so much about rice this afternoon, especially from the hon. Mover of the motion who went into much details and was further supported by some other Members. I do not wish to pursue that course, though I am in sympathy with the motion. I feel that the price of rice should be increased, and whatever increase is obtained it should be borne by the export market and not locally. The local price of rice should remain as it is. We all know that the increased cost of living is really interfering with our domestic budget to such an extent that you cannot control it and, as the hon. Member for Essequibo River (Mr. Lee) has said, that applies to everybody and the rice producers are not immuned and have the same experience. In order to produce rice the farmers have to make preliminary arrangements before they can start planting. That means money to them, and they have to buy articles at enhanced prices and at harvesting season they have to pay more for labour than they used to before. For this reason I feel that the price of rice should be increased for export.

The FINANCIAL SECRETARY & TREASURER: I think it is a little unfortunate that the Mover of the motion should take what is so reasonable a proposition and almost kill it, beat it to death, by the tremendous fallacies which he uttered in the course of his speech. It is useless for anyone to attempt to work out by any process of what the hon. Member calls "pure" mathematics but what I call "impure" mathematics the cost of production of rice to the farmers of this Colony. The hon. Member for Central Demerara (Dr. Jagan) is quite right in his observation. The farmer sells his labour to himself. He is quite right to do that. Rice, as some Members have remarked, is a part-time crop and he can afford to employ himself reasonably cheaply. If he did not do that he would be wasting his time. Consequently in a position like that for anyone to attempt to evaluate the cost of the individual labour at current market rates and thereupon and thereby arrive at the absurdity that his product is being produced at a loss is absolutely, as I said, propounding a fallacy.

The hon. Nominated Member, Mr. Raatgever, is quite right. Evidence that that is not so in respect of those engaged in the industry stares everyone in the face as one passes along the Coast of this Colony. I have not visited the Courentyne rection! I think it is wicked to mention Abary area that evidence is most striking. New houses are going up and new motor cars are being purchased all out of rice profits. I say "profits" because I mean profits. I mean over and above the normal maintenance of the individual during the course of time he is engaged in planting, nurturing and reaping his crop.

Mr. DEBIDIN: To a point of correction! I think it is wicked to mention facts that cannot be supported — that the rice producers themselves are to be seen purchasing motor cars and building houses. I am going to ask the hon. Member for an explanation and to give instances of those people who have put up houses or bought motor cars out of rice profits.

The FINANCIAL SECRETARY &



TREASURER: I now pause on this controversy. Much of the hon. Member's legal arguments seem to have turned on the proposition that it is completely compatible with legal principles to abandon this contract. That may or may not be the case. But surely no one in this Colony wants to abandon the contract, wants to determine it. Purely and simply what the hon. Member wants and all appreciate is to get more money for the rice which is being exported on contract to the Caribbean Islands. But that is a different matter altogether. It is true to say that memories are so short in this Colony. It was during the course of the last debate on the Rice Marketing (Amendment) Bill that a full statement was laid in this Council entitled "Memorandum on the facts relating to the history and policy of the Rice Marketing Board." Several paragraphs in that memorandum were devoted to recording the history of what took place in connection with the negotiations and execution of this so much criticized contract, and I think that it is necessary to repeat them and to repeat them over and over again so as to correct these fallacies and mis-statements so often made in this Council and outside of it.

In one of those paragraphs it is pointed out quite clearly that one of the conditions on which the representatives of the rice industry agreed to the formation of a statutory Rice Marketing Board was that immediately that Board was created the members of the Board should at once proceed to the West Indian Islands and secure a long term contract. That was a condition on which they agreed that the Government should introduce the Rice Marketing Board Bill. Paragraph 38 of this memorandum to which I have referred — it was laid in this Council — says:

"The final outcome was that Government was given a formal mandate for the establishment of the Board on a permanent basis under an ordinance.

In the course of the discussion, representatives of the industry urged that steps should be taken to stabilize rice prices by means of long-term contracts with the Governments of the British West Indian Islands and the assurance was given that the securing of these

markets by way of the long-term contracts would be given priority attention by the new Board as soon as the necessary legislation had been introduced. In the matter of the prices at which the long-term contracts should be negotiated, it was the general feeling of the meeting that it would be in the interest of the industry to accept prices at a level of 90 cent below the then existing prices if by this means they could secure stabilised prices for the ensuing ten years."

That meant the mandate that was given to the new Board was to try and get the best prices it could and, if necessary, get a contract for ten years and take even 90 cents per bag, or a half cent per lb., less than they were getting in 1940. As a matter of fact the Board secured a half cent or one cent more. Everyone congratulated himself on this because a long-term contract for five years was secured at one cent more per lb. than was expected to be got. It was an error of judgment, everyone knows that now. It is easy for one to be wise after the event. It may have turned out, if certain things had not happened, that we would have been patting ourselves on the back, but we now know that when we had thought the war was over it was not. It is not over yet, and conditions have got worse. The converse happened. Prices have gone up and we have not been able to get the benefit of it. I also desire to say that the West Indian Islands have not been very unfair. I think they have given us two increases during the period of this contract. I think one cent per lb. is the second.

Mr. RAATGEVER: It is only one!

The FINANCIAL SECRETARY & TREASURER: At any rate they have given an increase on representation made. The small Islands have not found it possible to do so, and the Board does not think it is desirable to press them so to do or to do what the hon. Member suggests — abandon the contract. Therefore we come to the point that in the middle of 1951 the Board will have to send representatives to the Islands not to negotiate a new contract, because there is a valid and good contract, which they hold on to for all they are worth. Now is the time to call on the other parties of the contract to pay us a price equivalent to the

minimum world market price. So never let us talk of abandoning the contract. It is now a liability no longer but an asset, and we can now get on the better side of the bargain. I hope, Sir, on that argument the hon. Member will not pursue his motion.

There are one or two other points I want to make comment on. I notice that the hon. Member for Central Demerara (Dr. Jagan) took this opportunity to pursue the matter along a very much wider field. I am always congratulating him on some of the remarks he makes in this Council and his approach to some of our problems, and this is one of the instances I do so again. He is perfectly right, if we in the Caribbean are thinking of federation then the point to which he referred, the point of centralization of economic endeavours, must come to the fore, and it does come with some heart-burning to hear that our neighbours in Trinidad and Jamaica are pursuing policies of rice production along uneconomic lines when we in this Colony are perfectly convinced and, I think, they are too that this is the place in the Caribbean for rice production on the lowest possible economic level.

The hon. Member for Central Demerara who spoke those words, I believe, had some close associations with the hon. the Minister of Agriculture of Jamaica whilst he was here and I sincerely hope he impressed his views on the Minister during the time he was so much associated with him. I am sure if he urged it as strongly as he presented the case in this Council the Minister would be convinced that he is right. I do not think it worthwhile arguing this matter at any length. Everyone sympathizes with the position, everyone realizes what has happened and how it has happened, and everyone knows now what it is proposed to do.

There is one other point I should refer to, and that is this — the relationship between the export price and the local price of rice. We hear discordant views all over this Colony. One voice is crying "Increase the price for the farmer's produce; increase the price of sugar, the price of rice; the farmer is

suffering". On the other side there is another voice saying "The price of produce is too high; we cannot live, the cost of living is going up and up". The point I want to make is this: If the export price of rice is increased, what is going to follow? There will have to be an increase in the price of rice for domestic consumption. I do not think myself it can be avoided. Some may argue it is justified from the point of view of the rice producer, but on the other hand the consumer may have to face the situation where the local price of rice may go up correspondingly with that increase, and there will be a corresponding substantial rise in the cost of living. That is the problem we will have to face and find a solution for. That increase in the price of rice for export must produce an increase in the price of rice for domestic consumption. It cannot be denied.

So I come back to where I left off. I do hope that the hon. Member would find it convenient, now that this motion has been ventilated, to withdraw it and leave it in the hands of the Rice Marketing Board who, I am quite sure, will very much be seized with the requirements of the situation and what they have to do next year just before the expiry of the contract under which they are bound to a specific price.

Mr. DEBIDIN: I am certainly most alarmed and astonished at what I have heard today. When I expected the Chairman of the Rice Marketing Board to support this motion, I found to the contrary that he advocates the cause of the Caribbean Colonies, and some other Members have followed in his trail.

Mr. RAATGEVER: I am not advocating the cause of the Caribbean Colonies. I say, we have a contract to honour and we have to observe that contract. That is what I have said.

Mr. DEBIDIN: If he said as much as that it might be reasonable.

The PRESIDENT: The hon. Member did say that, but not in so many words.

Mr. DEBIDIN: It is more than that. What I suggest is that the very West

Indian Colonies themselves should revise the price in the light of the circumstances and should do so immediately on account of the condition of things in this Colony. What surprises me more is the fact that this Nominated Member of this Council, who is not answerable to any district in which rice is produced as I have to answer and have to face every day the complaints, wailings and sufferings of the people in my constituency where there are vast areas under rice production, should have such a corrupt mind as to say this is political gab.

The ATTORNEY-GENERAL: The hon. Member is not justified in using the word "corrupt".

The PRESIDENT: I must ask the hon. Member to withdraw the word. It is not parliamentary to say a Member has a corrupt mind.

Mr. DEBIDIN: If I have to do so it would not remove my feelings and sentiments towards this Member. That is why I feel that the rice producers have every reason to be alarmed and to try to find a place in the sun, having such an individual at the head of the Board, a person who knows nothing about the production of rice and who knows only to eat it. He can have no interest in rice whatever to express sentiments like that. If we in this Council have a duty to the people and have the interest of the people at heart, does it mean that every move I make in the interest of the people is for political reasons? It is only when someone's mind is subversive that one can say that. It is this sort of thing that causes the Colony to go backwards. It is this that is causing the people to have no confidence in the central legislative body, when we have sentiments like that expressed here. The hon. Member attacks the first point I made about the figures. Let us see his experience as Chairman of the Rice Marketing Board. Let him give us the figures as to what it costs to produce rice. The hon. the Financial Secretary very plainly said the people can employ themselves cheaper. What a conclusion to come to? Surely they are entitled to live, and the cost of employment must bear relation to their cost of living, and that is an economic truth; but he says they must

employ themselves cheaper. He seeks to ask me to withdraw the motion on an argument in which he stressed the history of the Rice Marketing Board, when I had nothing to complain about the Board. My whole motion is based on the fact that Devaluation has crept in since that glorious history he has told us about, and we know what changed circumstances have taken place. That is the pivot of the motion. We sometimes tell him he has a very acute mind so far as figures are concerned. Would he adjust that mind to the debate of this motion?

I know that as far as this motion is concerned it is extremely practical. It is something which is necessary and vital at this moment, because for one year before the contract period is up the people's cost of living will be soaring and the cost of production in this Colony will certainly be high. What we do know, and everybody seems to appreciate, is this fact: There are those people who cultivate an acre only. Those are the people who will be able to take on some alternative job in between cultivation. It is because of this reason that in the past years when we had not developed the industry that the rice production was more than, as you had a greater army of small producers then. But today we are inviting people to take up five-acre plots at Cane Grove and to make that their substantive means of living. Those are the people who cannot make two ends meet and have no alternative jobs to turn to. Those are the people for whom everyone should ask the West Indian Islands in their wisdom to show goodwill and equity by giving an increased export price. What is more reasonable and equitable than to expect the Chairman of the Rice Marketing Board to make every effort in the producers' behalf and not for the sake of argument oppose the motion and make remarks which are so derogatory. I challenge the statement. As I said, I am amazed to see Members create a fallacy in thus wickedly creating facts, expressing the derogatory statement that the figures quoted in support of this motion are not true, and cowardly refusing to give figures which are right. The hon. Chairman of the Rice Marketing Board said the figures I have given, are not

right, but whatever he makes it the people will be still producing at a loss.

The PRESIDENT: Are the hon. Member's figures correct? He has proved conclusively on the figures given that it will not pay the people to grow rice even at the world market price, when he speaks of \$15 a bag.

Mr. DEBIDIN: Why cannot we logically accept that it is an intolerable state of affairs in the rice industry? No; we prefer to say those figures are not right because the people are living all right. I think that argument is not the right type because the fact remains that the people are suffering and in a manner that we ought to investigate it. I am going to investigate that point fully. I was on the point, when you spoke, of how easily it is for Members for the sake of refuting argument and pulling the Council around to their way of thinking just to state that the rice producers of the Mahaicony district own cars. I seem to know every car-owner in that particular district — a druggist has a garage, a coconut-producer has a car and a beautiful house as well, but I have not seen a rice producer with a car; he may have several corials in the creek. I want to ask the hon. Member which rice producer owns a car, as I have been passing through that district every day and have failed to see those fancy houses he speaks about. It is a wicked thing to let it go forth to the West Indian Islands that the rice producers here are wealthy and are building houses. It is absolutely untrue and a wicked statement to make. It will make the people in the Islands feel that we were wrong to take that one cent per lb. increase. But just to meet this debate one would tell a lie on his own Colony.

Mr. RAATGEVER: I cannot sit down and let the hon. Member make a statement like that!

The PRESIDENT: If the hon. Member refers to any individual he would be completely out of order.

Mr. DEBIDIN: We have a colloquialism "Who the cap fits pull the string". It certainly seems to fit him.

The PRESIDENT: Would the hon. Member get on with his reply to the debate?

Mr. DEBIDIN: I am trying to ask — one Member makes the blunt statement that the Imperial Government is doing so much in giving money for irrigation and drainage — if he refers to the grandiose scheme, Torani, which we know to be so essential for the sugar plantations of the Colony? That only shows the state of mind in which we approach this question.

Mr. MORRISH: I understood that the Torani Scheme was to make it possible to develop the Courentyne Coast.

Mr. DEBIDIN: Which the C.D.C. will not take up. I have been asking this Council, why the triangular area between the Berbice River and the Canje River is not taken up in rice? known the reason. It is intended to irrigate the Canje Canal and to irrigate the sugar plantations on the Courentyne — Rosehall Canje, Albion, Port Mourant.

All I would say, even if the figures which I have given in respect of the cost per acre of production as given by the Rice Producers' Association are not accepted, I have done my own calculation and I stand here convinced that the cost of production is far more than what the Rice Producers' Association themselves have given. It is true, I must say, I have taken into account the labour of the people. Why should we not take that into account? Is it not a costing matter? The hon. the Financial Secretary is a student of economics. I ask him, why that is not to be taken into account in respect of rice production?

If my motion is accepted and put into effect it would tend to reduce the cost of living in this country because, in the first place, our national income would be improved, and we would then be able to assist the producers without increasing the price of rice to local consumers. I am asking this Council to accept this motion which recommends that Government request the Rice Marketing Board to make another effort to obtain an increased price on our contract with the West Indian Colonies.

## LEGISLATIVE COUNCIL.

The Council divided on the motion and voted:—

For Messrs. Luckhoo, Carter, Peters, Kendall, Debidin, Lee, Dr. Jagan, Dr. Nicholson and Dr. Singh —9.

Against — Messrs. Morrish, Smellie, Phang, Farnum, Raatgever, the Financial Secretary and Treasurer, the Attorney-General and the Colonial Secretary — 8.

Motion carried.

## SALE OF RICE BAGS TO PRODUCERS.

The next item on the Order Paper was the following motion by Mr. LEE:—

WHEREAS the Rice Marketing Ordinance No. 5 of 1946 was enacted for the purpose of controlling and managing the rice industry in the Colony of British Guiana,

AND WHEREAS during the War of 1939-1944 Government controlled the rice policy and production of rice grown in the Colony of British Guiana;

AND WHEREAS rice bags were purchased by the Rice Marketing Board and sold at a price at which the producers could obtain and purchase same in order to meet the controlled price of rice thereby subsidising the producers of rice;

AND WHEREAS it is made known to the producers that the Rice Marketing Board will no longer purchase these bags and sell at a subsidised price to the producers;

AND WHEREAS it will be a great hardship on the producers of rice to purchase bags over and above 33c. each.

BE IT RESOLVED that this Honourable Council recommend to the Rice Marketing Board the continuance of this form of subsidisation of the rice industry and for the Board to meet the cost thereof or that the General Revenue of the Colony be made to meet this cost, or alternatively, that the price of rice be further raised in order to meet this increased cost of production.

Mr. LEE: I tabled this motion before the Rice Marketing Board decided to increase the price paid for Super rice by 70 cents per bag. I therefore propose to ask leave to withdraw my motion, but before I do so I would like to point out that the increased price does not offset the increased cost of the bags, and apart from that many of the farmers do not produce Super rice.

I suggest that the Board be asked to give further consideration to the question of the price of rice. The Board has been subsidising rice bags which were sold to farmers at 33 cents each, but as the Board has decided to withdraw its subsidisation the bags will now cost 72 cents each. The rice farmer has to provide two empty bags for the purpose of taking his padi to the mill, and as he has only been given an increase of 70 cents per bag for Super rice it means that he still suffers a loss even if he is able to produce Super rice. On lower grade rice his loss will be greater.

I do not know if two crops are planted in the Mahaicony-Abary district or on the Courentyne, but on the Essequibo Coast and in districts where two crops are planted, the cost of living is very high and they do not get very good prices. I may mention that Government and the Board have agreed that there should be no increase in the charges of rice milling. With those remarks I beg to withdraw the motion.

Motion withdrawn.

CHRISTIAN CATHOLIC CHURCH  
(INCORPORATION) BILL.

Mr. PETERS: I desire to thank you, Sir, for the indulgence granted me. I found it impossible to be here on time. I beg to move the second reading of a Bill intituled:

“An Ordinance to incorporate the Christian Catholic Church.”

The Christian Catholic Church, which sprang originally from the Congregational Church, was established in this Colony about 1939 by the Rev. Edgar Stanley Jeffrey. The organization originally took root in the U.S.A. in the State of Illinois. The work took root in this Colony in 1939 and about three or four years after one of the Secretaries came to the Colony to inspect it and was quite satisfied that it gave promise of development in a very satisfactory manner. The Rev. Mr. Jeffrey started the work at Bartica and a second church was established at Two Miles on the Bartica-Potaro Road. Today there are about 30 students in the Colony and

about six ordained ministers and three paid workers. All this has been done under the general oversight of the Rev. Mr. Jeffrey. All property is held in the name of Mr. Jeffrey but it is considered desirable that the Church should be incorporated and that its holdings should be held by a body rather than by the Superintendent of the work locally. The ritual of the Church is very simple, based on evangelical lines. I heartily recommend that the Council be moved to grant to this organisation leave to be incorporated as one of the religious bodies of our Colony. I formally move that the Bill be read a second time.

Dr. JAGAN seconded.

The Council resolved itself into Committee and considered the Bill clause by clause without discussion.

The Council resumed.

Mr. PETERS: I move that the Bill be now read a third time and passed.

Dr. JAGAN seconded.

Question put, and agreed to.

Bill read a third time and passed.

The Council was then adjourned until 2 p.m. on Thursday, November 30.