

LEGISLATIVE COUNCIL

FRIDAY, 29TH JUNE, 1951.

The Council met at 2 p.m., His Excellency the Officer Administering the Government, Mr. John Gutch, O.B.E., President, in the Chair.

PRESENT :

The President, His Excellency the Officer Administering the Government, Mr. John Gutch, O.B.E.

The Hon. the Colonial Secretary, Mr. D. J. Parkinson, O.B.E. (Acting).

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

The Hon. the Financial Secretary and Treasurer, Mr. W. O. Fraser (Acting).

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. V. Roth, O.B.E. (Nominated).

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

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. C. Jagan (Central Demerara).

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

The Hon. J. Carter (Georgetown South).

The Hon. R. B. Gajraj (Nominated).

The Hon. D. C. J. Bobb (Nominated).

The Clerk read prayers.

The minutes of the meeting of the Council held on Wednesday the 27th June, 1951, as printed and circulated, were taken as read and confirmed.

PAPER LAID

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

Schedule of Applications for Gratuities from Dependents of deceased teachers.

PRICES OF COCONUTS AND CRUDE OIL.

Mr. DEBIDIN: I desire to move the suspension of the relevant Standing Rule and Order so as to enable me to proceed with a motion which is to be found in the minutes of the last meeting and which should have been moved by me on Wednesday last, for the removal for a short period of the controlled prices of crude oil.

Mr. ROTH: To a point of order! The hon. Member should have moved

this motion two days ago but it was not proceeded with. Therefore, he cannot move it again for at least six months.

The PRESIDENT: I am afraid that in accordance with the Standing Rules and Orders a motion for the suspension of these Standing Rules and Orders may be moved at any time. I would suggest, however, that we finish the debate on this motion relating to the Rice Marketing Board, rather than running the risk of confusing our minds with coconuts and edible oil. When we are finished, then the hon. Member may move for the suspension of the Standing Rules and Orders and, if that is agreed to, then we can proceed with the motion on coconuts.

Mr. DEBIDIN: If this motion relating to the Rice Marketing Board lasts for the whole of today we would have to come back next week. I venture to state that the situation relating to edible oil is so pressing that the postponement of the motion will have serious repercussions in so far as consumers on the East Coast are concerned. I do appeal to you, sir, to allow this Council to say whether it will take my motion now. It will hardly affect the motion relating to the Rice Marketing Board, because even if that is accepted it cannot be implemented within less than a year or so. This edible oil situation, I repeat, is a very urgent one. I have a letter in my possession from Mahaicony where the situation is regarded as being very serious indeed. The hon. Member for Central Demerara asked that the motion be taken as early as possible, but I have not heard anything about that. I thought it would have been on the Order Paper today and, I think, I am entitled to move for the suspension of the relevant Standing Rule and Order so that it can be taken today.

The PRESIDENT: I think it is a matter for the Council, but I am afraid the hon. Member's motion for

the suspension of the relevant Standing Rule and Order has not been seconded. We will, therefore, proceed with the Order of the Day.

SETTLERS AT HAGUE BACK LANDS.

Dr. JAGAN: Before the Order of the Day is proceeded with, I crave your indulgence, sir, to bring to the attention of this Council a matter of grave importance, and that is the situation relating to the settlers at Hague back lands, West Coast, Demerara. For a long period of time the people there have been prevented from building new dwelling houses, or even carrying out repairs to the old ones.

The PRESIDENT: Is this a matter of grave urgency? I think that if the hon. Member wishes to bring something of that nature before the Council he should do so in the form of a motion.

Dr. JAGAN: I do not wish to introduce a motion. What I want to point out is that for many years now the people, I have referred to, have been prevented from building new houses or from making extensions to old ones in that area. It seems to me that Government should take this matter in hand quickly, so that something might be done to relieve the situation. It is understood that the ban against further building was imposed with the approval of the Central Board of Health which felt that the area was insanitary. It was suggested some years ago that the settlers should be removed, but after the matter was dealt with by the various authorities concerned it was decided in Finance Committee that the proposal to remove them to the front lands be not accepted. Since then, no permission has been granted to these settlers either to erect new houses or to extend old ones. It is a matter of over four or five years that this was being done, and I would urge upon Government to take the situation in hand with a view to improving it.

The PRESIDENT: Very well; the matter will receive attention.

ORDER OF THE DAY

REPEAL OF RICE MARKETING BOARD ORDINANCE.

Council resumed the debate on the following motion tabled by Mr. Debidin:—

"WHEREAS the rice industry in British Guiana is one of the largest industries and offers greatest scope for expansion and absorption of the Colony's steadily increasing population;

AND WHEREAS the Rice Marketing Board functioning under the Rice Marketing Ordinance, 1946, has been controlling the price of paddy as well as is the sole marketing organisation for the export of rice;

AND WHEREAS the present price of paddy is uneconomic for the majority of rice farmers;

AND WHEREAS the cost of production and other circumstances demand that the price of paddy be not less than \$5.00 per bag of 140 pounds;

AND WHEREAS the ability to pay this purchase price for paddy would depend on the Board securing immediately for the unexpired period of the contracts between the Board and the contracting Colonies in the West Indies at least the minimum world market prices for the rice exported to these Colonies;

AND WHEREAS the following motion was carried in the Legislative Council on the 24th of November, 1950, "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 would bring it on a level with prevailing average world market prices of equivalent grades";

AND WHEREAS the Rice Marketing Board took no action on this Resolution;

AND WHEREAS it should be apparent to the Board and to the contracting Colonies that devaluation of 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 the Board ought in all the circumstances to have taken steps to secure payment immediately of at least the minimum world market prices by the Contracting Colonies;

AND WHEREAS the functioning of the Board is to be regarded as being highly unsatisfactory and inimical to the interest of rice producers in the Colony;

AND WHEREAS the Rice Marketing Ordinance, 1946, is not in the best interest and aspiration of Rice Producers and the industry;

NOW THEREFORE, BE IT RESOLVED that this Honourable Council recommend the repeal of the Rice Marketing Ordinance, 1946, and all amendments thereto, and the abolition of the Rice Marketing Board, upon the establishment of a co-operative organisation for the rice industry as referred to hereunder;

AND BE IT FURTHER RESOLVED that this Honourable Council recommend to Government that it should take immediate steps to organise and place the industry on a truly co-operative basis in the direct interest of the Rice Producers of the Colony."

The PRESIDENT: The hon. the Sixth Nominated Member (Mr. Gajraj) was speaking when the Council adjourned.

Mr. GAJRAJ: When the Council adjourned last Wednesday afternoon, I was tracing the chaotic condition of the export trade in rice in the years prior to World War II. I endeavoured to show that on account of that situation there was no security for the producers as regards stability of prices and guarantee of export markets. On the other hand, the Island buyers felt that they could not look upon British Guiana as a dependable source of supply, and the point, which I lay great stress on, is that there was no guarantee of price. In other words, the industry was suffering from the worst of all

things—not bad organization or poor organization, but no organization at all. The opinion of those who had a great deal to do with it was bordering, more or less, on utter disintegration. It is from that point, sir, that endeavours were made to organize the industry. It was organized, naturally, for the benefit of those who were engaged in the production of rice rather than for those engaged in the production of padi, and the selling and distribution of it.

I think that then, as now, the primary object in endeavouring to organize this peasant industry should be to protect the producer. Of course, it was a very big task to engage the attention of those people who were not permanently connected with the industry. There were lawyers and businessmen and others, and all of them put their heads together to find out how the organization could be achieved. The idea was to try and organize all the parties concerned, but on account of the various factors involved it was difficult to propound a scheme satisfactory to all, so it was considered that it should be done in stages. The first stage was the growing of the rice; then endeavours were made to eliminate the cut-throat competition among a certain class of exporters which resulted in poor returns to the producers. Later on we came to the question of stabilising the export market, and that is where the idea of the single-seller came into being. I have heard persons all around say that it would be good for the producers and the industry as a whole if we were to have this single-selling organization.

Although the Rice Marketing Board has been subjected to very violent criticism both in and out of this Council, we have heard hon. Members say here that as a marketing organization it has done its job very well indeed. There might be nothing wrong officially with the Board, but something

might be wrong with the individuals who comprise the executive that has to look after its important affairs. If there is anything wrong it would be only natural, because the Board is comprised of human beings and it is human to err. We have had the hon. Member for Georgetown Central, who is the Chairman of the Board, admitting that errors have been made, but we must benefit from those errors and do not destroy the edifice that has been built in order to satisfy the feelings of a few. If there is anything wrong with the administration or the provisions of the Board, we should have it remedied so that it might reach a stage which would be nearer perfection.

I will not delay this Council today by referring to what the Board has accomplished for the benefit of the producer, the miller and the consumer. I think we are all satisfied that it has done some good, but I think the producers have been and will continue to be far from satisfied because of that one important question—the question of prices for their produce. That is my humble opinion, and I think hon. Members will agree that if the prices were such as to satisfy the producers they would have had greater faith in the Board. That is where, I think, we have got to profit from what has happened in the past. The representatives of the Board, who went to the West Indies recently to negotiate a long-term contract for the sale of the exportable surplus of British Guiana rice, went with the blessings of the producer. They want to have some measure of security, so that whatever they produce within a period of time will be sold.

I am sure that no Member of this Council will insinuate that he will be happy to engage himself in production in any branch of agriculture in this Colony if he has to sell his produce at a price which, in his opinion, was definitely lower than what he should get. In other words, it was

felt by the members of the delegation as well as the members of the Rice Marketing Board and the members of the Rice Producers' Association subsequently, that they had done a very good job for the Colony. But, changed conditions and present world prices have so altered the complexion of things, that prices which then appeared to be satisfactory are now very unsatisfactory. I know that hon. Members are bound to be sympathetic with the rice farmers for they know that the world price of rice today is much greater than what they are getting. It is not that the Rice Marketing Board would not like the farmers to get more, but the Board is hemmed in by the legal contract.

Whilst there has been a suggestion in this Council that International developments were not foreseen when the contract was entered into and that this Colony should have abrogated the contract, I, as a member of the commercial community and someone with a stake in the country, would be the last person to say that such a contract should have been abrogated. Whatever people in other parts of the world would do, I would be the last to say that we should engage in what I would call commercial immorality. The claim of the rice producer for more money for his produce is understandable, however. He has to buy the goods which are imported into the Colony at world market prices and that must have some effect upon his cost of living. But it is not his fault. As a human being he has the right to grumble and to say that he should get more for his produce, but I believe that the rice producer himself would be the last to say that he would like to see this rice marketing structure, which has been built up by so much effort and so much industry, completely removed by the stroke of a pen.

The second part of the resolution deals with a proposal to Government that the rice industry should be organ-

ized on a truly co-operative basis as soon as possible. If that were the only resolution in the motion I could see some measure of acceptance by this Council, but to say that in organizing the industry on a co-operative basis the Rice Marketing Board should be abolished is, I think, a suggestion which the people of the country will never agree to. As a commercial man I say that what we need is not to destroy what must always remain as the pivot of the relations between the producer and the consumer, but to build and widen the base of the triangle, with the Rice Marketing Board sitting at its apex.

I suggested on Wednesday that there should be producer co-operatives all over this Colony, and I am sure that arising out of this debate Government will see the wisdom of directing the Co-operative Department to take a greater interest in urging the rice farmers and the rice millers in the rice-producing areas to get together and form producer co-operatives whereby they could pool their resources, buy machinery for the purpose of cultivating their land, thus enlarging the area of cultivation, increasing the quantity produced, and earning for themselves and for the Colony a greater degree of material prosperity. Of course I am not one who would suggest that it could be done overnight, because I know it must take time, but it would give to the rice farmer an earnest of Government's intention not merely to let the rice industry remain centred in the Rice Marketing Board but to organize all the various groups into units which would be beneficial to the individuals themselves, to the industry and to this Colony.

I believe I am right in saying that at Bush Lot, on the West Coast of Barbice, there is a producer co-operative which has done extremely good work. There the farmers have got together, and with the assistance of the Co-operative Department they have purchased machinery. I am told that in two years they have been able to meet two instal-

ments on the machinery, and they have been able to make a profit equivalent to the capital originally put into the work. After paying off the rest of the instalments on the machinery with the Autumn crop they propose to endeavour to bring a miller or two into the co-operative, so that they would be able to work from the padi field right up to the factory, send all their rice to the Rice Marketing Board, and gain for themselves every single penny which is to be gained from such a co-operative venture. If that has proved to be a success it seems to me that we can expect success from similar ventures all over this country. The hon. Member for Georgetown Central (Mr. Fernandes) referred to a co-operative mill in the island of Wakenaam. I happen to know the persons who formed that co-operative, and knowing them as I do I am not at all surprised that that venture was a failure. If people set out with honest intention to work hard together and produce more they are bound to achieve success in whatever venture they undertake.

I have stressed that we cannot get rid of the Rice Marketing Board because it is an essential part of whatever co-operative structure we may build up for the rice industry. We have heard in this Council the desire expressed that the producer should have full control of the Rice Marketing Board, so that he who has worked hard and toiled long to produce rice should have the full and final say in the sale, disposal and the fixing of prices, but it must be remembered that if we are to continue to keep the Rice Marketing Board, as I hope we will, and we build up the broad base of a producer co-operative upon which the Board will rest, then it will remain and continue to be the monopoly of which the Financial Secretary and Treasurer spoke when introducing the Rice Marketing Bill, and from whose speech the hon. Member quoted at length.

I say that the producers cannot have full control of price-fixing, because in such a monopoly run by human be-

ings, what would happen? They would say "Well, we have been robbed of the fruits of our labour for so many years, here we have a chance to get our own back." Our export trade would be ruined by the fixing of very high prices, and the people of the Colony, who are entitled to get their staple food at the lowest possible price, would find themselves squeezed. While the producer must have his full say in any marketing organization we must not forget the other interests in the rice industry—the consumer and Government, which of course guarantees the whole thing and must be represented. With the establishment of a producer co-operative there would be more rice producers on the Board, and they cannot be given complete control. We must remember the consumer's interest and put people on the Board to see that the consumer is given a fair say.

From the remarks I have made I think it is quite patent that I am wholly in favour of this Government doing its utmost to encourage the co-operative system amongst the producers of rice, but I am totally against the first resolution of the motion which seeks the abolition of the Rice Marketing Board. As the motion stands I am in a rather difficult position, for while I am in favour of a producer co-operative I cannot agree to the abolition of the Board. I yield to no one in my desire to see the rice industry, or for that matter any industry, advanced so as to be of greater benefit to those engaged in it, because I feel that for the progress of this country greater production is absolutely necessary. So that wherever I can, by an expression of my views, assist in getting more rice produced, more sugar, more bauxite, more of anything in this Colony I feel that I owe that duty to my country.

Dr. SINGH: We are debating a very lengthy motion which, stripped of its padding, raises three questions—that the production of padi and rice is uneconomic, that the Rice Marketing Board is unsatisfactory and should be

abolished, and that steps should be taken to establish a co-operative organization. I agree that the production of padi is uneconomic to the farmer in view of the cost of labour, bags, twine and the general high cost of living. On the question of the Rice Marketing Board being unsatisfactory I would say that before the Board came into existence meetings were held all over the Colony with farmers, landlords and millers, at which the establishment of a single-selling organization was advocated.

Some hon. Members will recall the meeting which was held in the Assembly Rooms, which was destroyed by the great fire in 1945, to which producers, landlords and millers were invited. The then Governor, Sir Gordon Lethem, presided, and among those present were the Colonial Treasurer. I will not detain the Council by going into what transpired at that meeting, except to say that there was a definite leaning towards the introduction of a single-seller, and that as a result the Rice Marketing Ordinance came into force. Of course it had a very stormy passage through this Council, but the rice growers tell me that it has given them security. They say that in the past they had to wait for months before they got their money, which was paid piecemeal, but since the establishment of the Board they receive their cheques promptly. They are only hoping that Government will go a step further and see whether it could establish a co-operative organization to fit into the Rice Marketing Board.

Many things have been said about the Rice Marketing Board and about exploitation, but who were the people exploiting the poor rice growers all these years? It was their own people. When the parents of the present East Indian population came to this Colony some of them were fortunate in getting into certain positions, and in those positions they had no mercy upon their lower brethren. They were the people who exploited them, so much so that the

hon. Member for Western Berbice (Mr. Peters), the hon. Member for Essequibo River (Mr. Lee) and I approached Sir Gordon Lethem with a view to the introduction of legislation to prevent tenants being ejected from farm lands. The result of that legislation is that today there is some security of tenure for farmers.

The question has been asked: why should the rice industry be run by Government? It is only comparatively recently that Government took control of the industry. Those who control the industry before made a mess of the whole affair. They sent samples of rice away, quoting certain prices, but when the rice was received it was found that the quality was not up to the standard of the samples. That very nearly lost us the West Indian market when Burma rice came on the scene. I was a member of the Rice Marketing Board for four or five years but I had to give it up because I could not work day and night. I left for India in 1938 when I was pleased to see that the industry was on a better footing.

I would like to see some arrangement by means of which the Rice Marketing Board can be fitted into a co-operative organization. I am in sympathy with the suggestion in the motion that the rice producers should get more for their padi and rice, and that the Rice Marketing Board should be merged into a co-operative organization.

Mr. BOBB: In rising to speak on this motion I am fully conscious of the fact that I am not a primary producer, but I think my greatest qualification to speak is the fact that I have been in intimate touch with all categories of workers in the rice industry for the past six years. Perhaps there is one category about which I would plead some measure of ignorance, and to that I will refer in the course of my remarks. But so far as the primary producer is concerned—the work done in the fields, the work done in the mills,

and the reactions of the people of the community in favour of or against the rice industry, I think I am in the happy position, resident as I am in that particular district, to be able to reflect a balanced opinion.

I would like to congratulate the hon. Mover of the motion who has highlighted at the moment a very interesting subject, for it is definitely advantageous to this Council, as well as to the community in general, to have the situation in the rice industry reviewed at the present time, for there are certain definite indications which make such a review necessary. In the first place we all know of the early expiration of the contract, with those who are buying our rice. Then there is the obvious necessity to stabilise the industry which has every promise of becoming prosperous and accelerating the prosperity of this country. At the same time there is danger of effort being stifled because of the uneconomic way in which the primary producer has to do his share in the whole business. In view of those facts I regard it as very fortunate that this motion should come up, because it will clear the air in many respects.

I do not think it is necessary for me to enlarge upon what has been so ably said by the hon. Member on my right (Mr. Gajraj) and the hon. Member for Georgetown Central (Mr. Fernandes) who, in a very lucid and able defence, justified the existence of the Rice Marketing Board and pleaded leniency for its failures and defects. But I do want to reflect the opinion of the people in a rice-producing area, that they are satisfied with the Rice Marketing Board.

A moment ago I suggested that there was one category about which I could not speak very competently. I was referring to the Rice Marketing Board as the seller in the whole set-up. I am not yet in a position personally to

assess the complete value of the Rice Marketing Board over the years, nor am I able to get an over-all picture so as to be able to satisfy myself that the Rice Marketing Board has failed or succeeded in certain places, but so far as reflecting the opinions of those most concerned with the industry, I have no hesitation in saying that the Rice Marketing Board has been a saviour to them. Only last night I was in the fortunate position of having around me a number of producers, and I asked them to permit me to put questions to them and take a rather extreme view for the sake of provoking discussion, and I was very happy to come to the conclusion at the end of that talk, which lasted for about two hours, that their complaint was that they were not getting enough for their padi in the light of prices of other commodities which they must obtain. That point has been emphasized in this Council, and I think it is a point which must not be overlooked. I am not a primary producer but I have been so close to them that I know where the shoe pinches. I know that there is a great deal of hardship on those people who have been putting in hard work to support the industry, and I would very much like to see the day come when they would be able to enjoy the fruits of their labour and be able to match their expenses with a decent income from their labours.

That does not say that, with the export price improving, the whole question for them is ended. They want to know this: If the export price is to be pushed up and they have the satisfaction of getting better returns, how would the policy which would determine that reflect upon the local consumption? They are very chary about the local consumer having to pay very much more for rice than he is paying at present. To illustrate that point I may say that when I was leaving Mahaica today a man hailed me and said: "One thing you must be

certain about, sir. We cannot pay any more than we are paying for rice—we have to eat. So let the price stay just as it is. We have to pay high prices for other things." I would like this Council to see this matter in the large, because the people most intimately connected are looking at the whole price pattern and not just at the price of a single commodity with which they have most to do.

Therefore it seems very desirable that the Rice Marketing Board should continue to function. Speaking on the strength of what the Chairman of the Board and the hon. Member on my right (Mr. Gajraj) have said, I believe that there are certain aspects in which it is desirable that improvements be made in the functions of the Rice Marketing Board. I place great value on the suggestion made by the hon. Member for Georgetown Central that a Committee should be appointed to look into that matter as well as the setting up of co-operatives. I would like to go a step further and say that the Rice Marketing Board having been up to this time such a reputable organization—or part of this great organization, should itself set its house in order. I think that the competence and integrity of the members of the Board and the prestige which they have been able to give to the rice industry are a sufficient guarantee that they would be able to put their own house in order. It seems to me very undesirable to ask a Committee to check up on that Board when there are Members of this Council serving on it, as well as other persons whom Government has thought it fit and proper to appoint thereon.

There is no question about the desire for the Board to proceed along more satisfactory lines. If that is true, as it ought to be, and if the Board is capable of putting its own house in order, as I have suggested, then the question of its abolition is out of reason altogether. I should also like to say a word on the question of stimu-

lating co-operatives. I for one reflect the opinion of the producer in my area and although that might appear parochial, it is typical of the place where co-operatives are already functioning when I say that the concessions already granted by the Rice Marketing Board in the use of a bond have been most acceptable, and I venture to hope that the next move would be for the Board to purchase for, or loan or rent cheaply to these people, a tractor followed by the setting up of a small mill. I suspect that they are sending a request shortly to the Board so that in time they will be able to mill their own grain.

One of the great problems in the industry has always been the question of easing the tension between the padi growers and the rice millers, and the steps to which I have referred are intended to bring within the control of the producers some measure of the milling problem. I know that the idea of co-operatives is being worked upon. I do not know whether it would succeed, but I know it is being worked upon and that for a long number of years they had been trying to build up something which would work smoothly until one of the leaders thought he was too clever for the rest, so that the whole thing collapsed. Therefore, the idea of stimulating co-operatives throughout this industry is a very worthy one. I share the idea of those who have said that the co-operatives must go slowly and cautiously. People must not be railroaded into co-operatives; they must come in on their own momentum. That is the reason why I want to add a rider to what one hon. Member has said about Government doing something in this respect.

I am not a believer in aid altogether. I think that co-operatives, in order to be successful and far-reaching, have to spring from the people. Let Government "godfather" them, if I may say so. Let them do what they can to plan and find the money to carry out the initial work themselves, then

I can see the future of these co-operatives being as desirable as we would like them to become. On the whole, a co-operative, as I see it, is a most desirable set-up, and something from which the producer will benefit wholeheartedly, but it is a very long and orderly undertaking. While that is being done I cannot see how the Rice Marketing Board can be permitted to slacken its efforts. It should certainly be permitted to revise its plans and designs, but I cannot see how it can be asked to slacken its efforts, still less to give way to co-operatives which must be very very stable before they can become successful.

It is known that there is a great deal to be done in order to make the rice industry stable and satisfactory for all concerned, and I think that this honourable Council is open to every suggestion and is willing to deal with the issues that may arise from time to time. The next thing then I want to say is that I am in sympathy with the intention behind the motion, which intention I do not think is expressed in the wording thereof. The intention is to get this Government to review the situation and to look after the development of co-operatives, which was provided for in legislation made since 1946, and which was embarked upon, as pointed out by the hon. Member for Eastern Demerara, by the producers. I do support very very strongly the suggestion that steps be taken to encourage producers and millers as well as other categories of workers in the industry to co-operate, but I really cannot give my support to any suggestion for the abolition of the Rice Marketing Board.

Mr. WIGHT: In a world teeming with hatred and cynical with distrust, the iconoclast finds a fertile field to burrow and a large expanse of area within which to roam. We have seen a new angle, a new thought and new ideas brought to bear in this Council on an issue to which some of us have become inured to treat as a hardy annual. I would like to take this opportunity—

and I feel sure every hon. Member of this Council will agree with me—to say that the speeches of the two new Members of this Council have been most logical and have brought to light a new view—if I may put it that way—in this matter in which attention is focussed on the Rice Marketing Board. There is much that has been said by the hon. Nominated Member, Mr. Gajraj, and the hon. Nominated Member, Mr. Bobb, with which we are all in agreement, and I prefer not to indulge in any unnecessary reiteration or undue repetition of those points.

I think that even those Members who had in their minds the destruction of the Rice Marketing Board now have a feeling that it must remain. I take it also that the feeling of the Council is that it is in sympathy with the co-operative movement and that it should be developed among the producers themselves who, after all, represent the basis of the structure known as the Rice Marketing Board. The term "producer" is defined legally in the Rice Marketing Ordinance, and in my constituency as well as in several other districts in the Colony he is the strongest supporter of the Rice Marketing Board, for the reasons ably set forth by the hon. Nominated Member, Mr. Gajraj, who has traced the history of the rice industry in this Colony as concisely and lucidly as is possible. Let us admit that the question of prices is the keynote upon which the whole of the industry as well as the debate hinges. In the past the majority of producers have considered the prices paid for their rice to be insufficient, for very many reasons. They have seen profits denied them through mistakes or, perhaps, through shortsightedness where no blame should be attached.

The industry, perhaps, has not derived as much profit as it should have done in view of certain circumstances, therefore a large number of producers failed to obtain as much as they should

have obtained for their produce. That is a logical outcome, but it is not fair to the producer. Even in the case of the ordinary wage earner, his cost of living has gone up, the expenditure on his household, his working materials and his tools having increased out of all proportion to his wages. That is a point which can be stressed, especially at this period when we have under consideration not merely a review of the set-up in the rice industry, but also a new contract with the West Indian Islands with new prices. We might well consider that, as soon as the new contract and the new prices have been satisfactorily settled by all the parties concerned, the benefit of those prices will have to be passed on immediately to the producers and others engaged in the industry. I think it is necessary to calm the minds of those who anticipate—and rightly so — the increased prices.

There are one or two things which may be said by way of *errata*, and one which I have always had to correct the hon. Member for Demerara—Essequibo (Dr Singh) about is that he persists in laughing at the small part I played in bringing into being the Rice Farmers (Security of Tenure) Ordinance. It is true that he and others may have been entering the back door at Government House and begging for it that way, but I think there is a permanent record to show that I was responsible for bringing the motion which led to the framing of that Ordinance.

Dr. SINGH: I think I have mentioned the hon. Member's name in connection with this matter.

Mr. WIGHT: I do not think I was in a daze. I heard the name of the hon. Member for Western Berbice, and it is gratifying to hear that my name was also mentioned. It was gratifying also to hear the remarks made by the hon. Member for Central Georgetown. I think we have all found ourselves in

agreement with quite a lot of what he said. Having heard his speech, I am wondering whether he is beginning to use a little more of the rod than formerly. It was very refreshing to find that all the time he brought to bear a very balanced outlook on the whole situation as we see it today. We agree with him wholeheartedly in his remarks about co-operatives and his earnestness to see them developed. We also agree with him that it will take time to have any effective organisation brought into being along those lines. Naturally, he regards this tardy development of the objects of the Board as something which can be hastened by the Board or through Government's intervention which, of course, Government is in a position to do, because the Board is a statutory body and is necessary in the best interests of the industry as it is.

I was, however, a little disappointed in finding that the hon. Member had to return to a school in order to have himself more educated in National Socialism and Nazism also. I was wondering what school he is going to return to, because I thought he had already taken his honour's degree in these subjects. But, apart from one or two rummages on his part, I think he has realised the difficulties confronting the Rice Marketing Board. He referred to the fact that 15 acres of land were considered necessary for a family. That is all very well, but even if it were possible to implement that suggestion in the normal way as regards business profits, one would ask whether each family is prepared to work 15 acres of land. It is not a question of saying, as has been suggested, that some ogre, some monster, some octopus has enclosed these lands and will not allow people to get them. There are Committees at the head in this matter and Government, because of its policy, are not allowing people to acquire certain lands for the purpose of working them. I think the hon. Member would realise that there is a balance on which he might see more on reflection.

Another point on which, I think, the hon. Member went astray somewhat—and I think that on further reflection he will realise it—is when he stated that the Rice Marketing Ordinance was framed in the interest of inside interests. There was no development of that point, but whatever was in the minds or before the eyes of those who framed the Ordinance, I wonder what inside interests were referred to as needing protection under this Ordinance. It seems to me that if there was any inside interest, it was the very persons to whom the hon. Member referred and who were eliminated by the Ordinance. The hon. Member was perfectly correct, as we know, when he said that certain exporters enjoyed a 10 per cent. commission for doing nothing, and merely because of the fact that they have lost this export trade, is that the inside interest referred to? I do not think the hon. Member allowed his mind to become so clouded as to suggest for one moment that the sugar industry was the inside interest to which he referred. It seems that his logic went astray, if that were so.

As I have said before, this ground has been amply covered by the old stagers and lucidly covered by the new Members who have addressed this Council so ably. There could be, I suggest, no doubt in the minds of hon. Members that we have the interest of the rice producer at heart. We would all like to see him obtain the full benefit of his labour, but we feel that the situation must be adjusted in such a manner as not to permit him to have a stranglehold of the industry or to enable him to command his price without consideration of the export market or of the consumers in the Colony. It is well known, I think, that there should be decontrol of rice, but we have to consider whether that is advisable and practical. These are considerations on which, I feel sure, hon. Members will agree. It is my suggestion that the motion, as framed, cannot be accepted and that hon. Members should throw it

out by voting against it. The first resolution in the motion suggests that the Rice Marketing Ordinance should be repealed and the Rice Marketing Board abolished, while the second suggests that the rice industry should be established on a purely co-operative basis. I think it should be obvious, even to the hon. Mover of the motion, that at the moment those suggestions are a matter of impractical and not practical politics.

The hon. Member for Central Demerara has suggested — and I think I heard him right—that certain Elected Members on the Board will be merely stooges, and certain Elected Members in this Council are also stooges. I would like to ask him whom they are stooges to. Are they stooges to this Council, to interests in this Colony, to foreign interests or to foreign countries? That is the kind of question one, naturally, has to address to the hon. Member when he makes such a general statement about Elected Members of this Council. He did not even confine his remarks to the Members of this Council. Such remarks are easily thrown out to the public because of the fertile ground, as I contend, of single distrust and futile feelings which he has here. Those are things thrown on the ground so that they may become implanted in the minds of certain people. Nobody takes the trouble either to nail or dispel such fictitious and destructive statements, whether they relate to the Rice Marketing Board, the Rice Industry, the Colony or else. With those few remarks, sir, I cannot find myself supporting the motion as it stands.

I think I am expressing the feelings of the majority of this Council when I express the hope that the Rice Marketing Board will progress and expedite the interests of the rice industry along the lines suggested from its introduction in 1946.

The PRESIDENT: I now call upon the hon. Member for Eastern Demerara to reply.

Mr. DEBIDIN: We are dealing not only with an important industry in this Colony—one which is regarded as the second largest, so to speak—but we are dealing with the fortunes of the people concerned in this industry when we deal with the motion. I think that if we in this Council are false to these people and false to this industry and the progress of the Colony, we are false to ourselves. We are vested by a Constitution with the right to control the very destiny of the people of this Colony, but we are far from careful in considering the things which seek to improve the lot of the people and the progress of the Colony.

We have heard a good many flowery speeches today, all very tendentious in their expressions, but when added together we find that they have been very wide of the mark of the motion. If I did not want to support a motion I could find a topic to speak on slightly bearing on the subject but largely veering away from it, and that is what has been happening in this debate. I am, however, somewhat heartened by the fact that so many Members have said that they believe in the co-operative movement. Some have gone even further by saying that they believe that the industry should be placed on a co-operative basis, but I was most pained to find the lame excuses for not introducing the co-operative system into the rice industry.

There has been some misconception of the purport of the resolutions contained in the motion. We are not discussing the pros and cons of the Rice Marketing Board, but whether it would be in the interest of the progress and development of the rice industry to reorganize the Board on a higher footing. If the industry is to be placed on a co-operative basis there must be a reorganization of the Rice Marketing Board and the appointment of a Board of Directors selected by the shareholders of the co-operative to carry out executive functions. The structure of the present Board may be utilized in the formation of the new Board of

Directors. There is therefore a single issue in the debate—should the rice industry be placed on a co-operative basis in the interest of the producers, or should it not? That is the principle on which the vote will be taken on the motion. The first resolution is consequential on the acceptance of that principle. If we accept the principle that there should be a co-operative organization then it follows that the Ordinance of 1946 must be repealed and other legislation enacted to provide for a co-operative system. As I said before, there may be provisions in the 1946 Ordinance which may be incorporated in the new legislation, and that it would be necessary to retain the experience of the present staff and officials of the Rice Marketing Board as at present constituted. It is not suggested that we must drive away all the people connected with the present Board or get rid of its machinery, but the co-operative would be established under a new law.

It is therefore wrong to ask the producers whether they would like the Rice Marketing Board abolished. I would expect them to say "No." Instead they should be asked, as was promised by the Financial Secretary and Treasurer, whether they would like the Board to be converted into a co-operative organization. I would like to tell the hon. the Seventh Nominated Member (Mr. Bobb) that in the community in which he resides there is a branch of the Rice Producers' Association whose members were consulted by me, and they are whole-heartedly in favour of the conversion of the Rice Marketing Board into a co-operative organisation.

With regard to the question of the bond which was referred to by the hon. Member, I have in my pocket a letter to the Board granting permission to use the bond. The hon. Member also referred to the success of the Bush Lot co-operative. I may tell him that the movement was launched by me and an acknowledgement to that effect has appeared in the magazine of the Co-operative Movement of the Colony.

I believe in producer co-operatives, and that is the reason why I have brought this motion, but a producer co-operative is only one side of it. It is something which is not difficult to establish. It is not necessary for every rice producer to be a member of the co-operative in his locality before the Rice Marketing Board can be placed on a co-operative basis, because the question of the marketing of rice is one which involves a single-seller. I therefore wonder why so many Members spent so much time on the question of a single-seller. It is a question of production and marketing. The whole point of the motion is that the rice producers of the Colony are not finding it possible to exist on account of the working of the Board, and I desire to refer to a particular feature to explain what I mean. When the Board received an increase of \$1.80 per bag from the West Indian market, instead of passing it on to the producers it gave them only 20 cents per bag.

Mr. FERNANDES: To a point of correction. The Board granted the producers 90 cents per bag in October, although the contracting Governments did not pay the increased price until April of the next year. So that the producers actually got half of the increase long before the Board obtained any increase at all from the foreign market. Then the producers got a further increase about a year and a half earlier when the Board got nothing from anybody. That further increase was 40 cents per bag.

Mr. DEBIDIN: I have a statement by the Board which shows that the only increase given to the producers was 20 cents per bag. Several motions were moved in this Council, most of them by myself, asking for an increase for the producers, and the Board gave a certain amount, but when the increase of \$1.80 was obtained all the Board gave the producers was 20 cents. It is in the Board's report, and what is more, it was made to date back to the 1st. of January of that year, which only benefited the millers, particularly on

the Essequibo Coast, because they had bought the padi from the producers. The difference between the price obtained from the West Indian market and that paid to the growers in this Colony, is a matter of \$1.40 per bag. The crux of the matter is that the Board is not concerned about the extreme plight of the producers, and the fact that the cost of living in the rural areas is much higher than it is in Georgetown. The hon. the Sixth Nominated Member (Mr. Gajraj) let the cat out of the bag when he said that the Board was anxious to keep down the cost of living of the people in Georgetown, as well as to keep down the cost of living in the West Indian Islands. The rice growers are contending that they are producing something for which they should get a fair price.

If they cannot exist by the industry because the prices of other commodities are high, they contend that other people who depend upon rice should be prepared to pay them an economic price for rice. If the Rice Marketing Board will not accede to the reasonable demand of the producers for an increased price I say there is no justification for the existence of the Board. It is not a producers' Board but a Board which can screen the interests of the producers. If the Rice Marketing Board had been a co-operative organization with representatives of the producers on the Board of Directors it would, when bargaining with the West Indian Colonies, have considered the effect of the devaluation of the pound upon our Colony. I wish to quote a passage from a case in the Court of Appeal in England which bears out my argument that the Board ought to have got adequate prices for our rice, and should have demanded such prices as a right. The case I wish to quote is that of *Hurle-Hobbs* which was decided in the Court of appeal in 1944, and in his judgement the Master of the Rolls said:

"Contractors were finding that the burdens imposed by the war, the difficulties under which they laboured, and

the further difficulties and expenses which they anticipated, were putting them in a position where their ability to carry out their contracts required very serious thought. It is easy in this case to start the argument with the proposition that the contractor had no legal rights and was in mercy. That is perfectly true, but I venture to think that no business man dealing with this type of contract on a big scale in March 1940, dreamt of thinking of it on those lines. Everyone obviously knew that the outbreak of war and its consequences involved a state of affairs which nobody had contemplated, and raised problems which were not to be solved by stating that a contract was a contract and must be stuck to."

I have quoted that passage to meet the point made by the hon. Member for Georgetown Central (Mr. Fernandes) about the sanctity of a contract.

Mr. FERNANDES: The hon. Member is irrelevant. He has quoted a decision with respect to a contract made under war legislation. The contract between the Rice Marketing Board and the West Indian Colonies was made under the Rice Marketing Ordinance of 1946. The war ended in 1945. Therefore, all the hon. Member has quoted is entirely irrelevant.

Mr. DEBIDIN: I am amused at my friend's remark, because the principle is the same. Were he a lawyer he would not have made that objection. I am positive that the underlying principle is what one could have anticipated. The hon. Member says that the Board would have damaged the fair name of the Colony if it had gone back on its contract. That is the reason why I have quoted that passage. I continue the quotation:—

"I am not attempting to draw on any recollection of my own. The evidence in this case shows that in this particular matter of local authority contracts that aspect of the situation loomed very large. Not only had this particular council been approached by a number of its contractors, but the Ministry of Health had thought it necessary to send a circular to local authorities making suggestions as to how they should deal with requests of the kind."

In dealing with another point the judgment states:

"The method which was agreed on with the borough engineer was to eliminate wages altogether, which represented 33½ per cent. of the contract price. The reason for eliminating wages was that there was a clause in the contract under which the contractor agreed to pay the proper wages as might be determined in the competent manner from time to time, and it appears to have been thought that the presence of that clause removed any possibility of a demand being put forward in respect of what I may call any abnormal rise in wages attributable to the war. I cannot myself see the logic of that, because an abnormal rise in wages attributable to the war for the purpose they were discussing seems to me to have been just as much a matter proper to be taken into consideration as an abnormal rise in the cost of anything else."

Mr. FERNANDES: I raised a point of order just now. I said that the hon. Member's quotation was irrelevant. I ask for a ruling just to satisfy myself and other Members as to whether I was correct or whether I was wrong.

The ATTORNEY-GENERAL: With regard to the hon. Member's reference to the case he quoted, I myself think that it is beside the point completely. The case to which the hon. Member referred really has no bearing on the particular circumstances under which this contract was entered into between the Rice Marketing Board and the various Colonies of the West Indies.

Mr. DEBIDIN: It was a contract made in 1940. It had two years longer to run. It was made during war time and they never anticipated—

Mr. FERNANDES: I rise to a point of correction this time. There had never been any previous contract between the Board and anybody. The first contract was made in 1946. War-time supplies were not involved in that contract.

Mr. DEBIDIN: I quite agree with that but I think the hon. Member is treading on sacred ground, because devaluation has set in which could not have been contemplated when the contracts were entered into. In the case I have quoted, the Master of the Rolls has ruled that no matter how sacred a contract is the interests of the people have to be protected, because a certain situation could not have been anticipated. That is the same principle here. As a result of devaluation of the pound sterling it is reasonable to expect the Board to approach the contracting Colonies for an increase of the contract price in the changed circumstances and in the interest of the producers. That is the principle involved. The Board has obtained an increase of one cent per lb. which is not adequate. The delegation which went to Trinidad did not go in the interest of the rice producers of this Colony, and if the Board's mental attitude is that it has to stick to its sacred contracts it means that the producers have to suffer.

The hon. Member has overlooked the point that the contract was dictated by Imperial policy in the interest of the West Indian Colonies. I think it is well that we keep that in mind, because the Financial Secretary (Mr. Mc David) has actually said so at a joint meeting of the Rice Marketing Board and the Central Rice Committee held in the Legislative Council Chamber on June 1, 1945. I desire to read an extract from Mr. McDavid's remarks at that meeting. He is reported to have said:

"As regards arranging for the West Indian markets to become permanent markets, the Board had already approached the Colonial Office in this matter. They had pointed out that public funds had been expended in the Colony on the expansion of the rice industry in order to provide food during War time for the West Indian Islands, and that they were, and had for some time past been actually supplying rice to the West Indian Islands at reasonable prices in accordance with the Empire policy."

There is no question that those prices were arranged because of the Empire policy to provide cheap food for the West Indian Colonies, and we in British Guiana were made to suffer as a result of that policy. The hon. Member for Demerara-Essequibo (Dr. Singh) has repeated his slanderous attack upon a certain set of people who had struggled on equal terms against commercial firms in Water Street to secure markets for rice in the West Indies before the Rice Marketing Board was formed. It follows that what is true about one is also true about the others. Who controlled the export of rice in those days but the large commercial firms? If the Board eliminated those rapacious middlemen, I respectfully suggest that it has created for itself the position of the only middlemen in the industry, because it not only buys rice but controls the prices and whatever profit is made from the sale of rice. Whether the Board's position is any better or worse than that of the people who previously handled the export of rice is a matter for us to examine for ourselves.

Another point which has been referred to is the question of bags. There is no question that from whatever price at which rice has been purchased from this Colony we must deduct 73 cents for each bag. When the West Indian Colonies buy our rice at \$12.20 per bag they get the benefit of the bags in the purchase price, which is therefore less than the figure fixed.

The hon. Member for Central Georgetown has referred to the question of floods and their effect on the people, but if any evidence is wanted as to the economic position of the people it can be found in the fact that they were compelled to apply to the Credit Banks for further assistance, but this Council has refused to give any further loans to the people unless they have repaid 85 per cent. of the loans they had previously,

Mr. LEE: I would like to correct the hon. Member on that, because Government, as a result of representations made recently, have made loans available even to those who have not repaid 85 per cent. of their previous loans.

Mr. DEBIDIN: I wish the hon. Member had waited for me to finish what I was saying. A circular was recently issued by the Credit Banks pointing out that only those persons who had repaid at least 85 per cent. of their previous loans would get further loans, but that condition had to be changed because it was found that none of them had repaid 85 per cent.

Mr. LEE: That is also wrong, sir.

The PRESIDENT: I think it is correct. Some of them repaid their previous loans and it was considered unfair that because some particular persons had not repaid the others should suffer. Representations were made and the decision was changed for that reason.

Mr. DEBIDIN: I am saying that some people who genuinely wanted help could not get any because they had not repaid their loans, as a result of the disastrous floods which took place in January, 1950. If the industry is to be run on that basis—where people would not get loans unless they have repaid 85 per cent. of their previous loans—it shows that all is not well in the country. The hon. the Sixth Nominated Member (Mr. Gajraj) has said that I admitted that the Board had done very well, but what I said was that the Board had done very well, although not in the interest of the producers. I wish, therefore, to correct him on that point. The producers cannot do otherwise because they are bound hand and foot by the Board. Legislation has put them in that position.

As regards the price of padi, I would like to refer to section 26 of

the Rice Marketing Ordinance which gives the Board power to check up on the question of hoarding, and also to section 29 which gives power to the Manager and the Secretary to enter upon any premises in order to seize any padi or to check up as regards hoarding. Therefore, when the hon. Member for Georgetown Central said that the people can sell their padi anywhere I was at a loss, and the same thing happened when he said that many of them sell their padi for stock feed. That is only done in a few cases, but they are bound to sell to the Board and take the Board's price. If that price is not very good they suffer from starvation before the end of the year. There is no question that they can do what they like with their padi.

Mr. LEE: I must correct that view because it might go out in the newspapers and people would believe it. The hon. Member for Georgetown Central never said that hoarding was taking place. He said that the producers can sell their padi to anyone and—

Mr. DEBIDIN: Is the hon. Member making a speech? I think his objections are certainly objectionable.

Mr. FERNANDES: To a point of correction! I made no allegation in the strict sense with respect to hoarding. The statement I made is correct, and it is very well known that when a man reaps his padi he can sell it to anyone. For the information of the hon. Member I will say that many growers sell their padi, so far as I know, to the Demerara Meat Company and to representatives of the Demerara Sugar Company straight from the field and before they take it home.

Mr. DEBIDIN: That is only about 7,000 tons from the field, and they also buy broken rice. The hon. Member who has just taken his seat and the previous one also, seem not to understand what I have said. I am not saying that the hon. Member who has just taken his seat made any allegations of hoarding, but he said that the people can do what they

like with their padi after having reaped it, but I know that because of economic pressure they are bound to sell it to the millers. If they keep it they would have to pay storage to the millers and they cannot sell it or use it.

The FINANCIAL SECRETARY & TREASURER: I do not think the hon. Member is correct. Pln. Drill produces about 1,200 bags of padi and the proprietors use it as stock feed.

Mr. DEBIDIN: I don't know what the hon. Member is rising to object to.

The FINANCIAL SECRETARY & TREASURER: I am objecting to the statement made by the hon. Member that a rice farmer cannot keep his padi and is bound to sell it. I am saying that the rice farmer can keep his padi and that much of it is sold as stock feed.

Mr. DEBIDIN: The hon. Member seems to find a lot of amusement in objecting to what I say, so for the enlightenment of hon. Members and especially the last speaker, I will say that if the rice farmer does not sell his padi as stock feed he must sell it to a miller in order to get money. If he does otherwise it would be hoarding under the law. I am not saying that it is impossible for any rice farmer to keep his padi, but the law is there and the authorities will come down on him for hoarding. He cannot mill his padi and sell it as the C.D.C. is capable of doing as a result of recent legislation. He cannot sell it at \$17 a bag to Dominica, and I am saying that the producer has not got any control over his own product. That is why I say that the present state of affairs savours of Nazism or nationalization of the industry.

So far as the rice contract with the West Indian Colonies is concerned, it is clear that new prices will have to be bargained for, otherwise the matter will have to go to arbitration. It must be borne in mind what are the minimum prices of rice in the world market. In view of the fact that a new contract is

still to be negotiated, I would like to point out that this Colony is in a position to ask for at least the minimum world market prices, and where the contract says that the price will be negotiated it seems to suggest an even higher price. I am saying that the Rice Marketing Board never acted in the best interest of the producers when it refused to negotiate for better prices. It was asked by this Council and also by certain representatives of the industry to ask for \$17 and \$16 per bag from Dominica, and the prices it agreed on show the level which was considered to be reasonable prices. Shipments were made from this Colony at those prices and it was clear that the Board, having negotiated at those prices, did not act in the best interest of the producers or of the Colony as a whole, then and now.

Mr. FERNANDES: To a point of correction! The hon. Member uses the words "then and now". He does not give the figures which he claims were below the prices that should have been paid by these Islands and at which the negotiations were recently carried out. In the absence of those figures I do not think it is right for the hon. Member to jump up and make the statement that "then and now" the Board did not see fit to ask for certain prices but asked for something less.

Mr. DEBIDIN: If Trinidad is going to arbitration, it could only mean that the minimum world market prices are being taken into consideration. The point I am making is that in the case of Dominica and Montserrat, super rice was sold at \$17 per bag, 2nd quality at \$16 and 3rd quality at \$15.60. If these prices were obtained at a time when we were asked to negotiate for the sale of our surplus rice, why couldn't the Board get them originally. In other words, here we have the story of what the Board has been doing. That is why the hon. Nominated Members (Mr. Gajraj and Rev. Bobb) whose speeches were complimented, stated that the Board was a

fine institution and was above board. I want to ask why the Board, in the interest of the producers, did not ask for prices of \$17 and \$16 per bag—which they got from Dominica and Montserrat—in the other Islands, instead of accepting much lower prices.

Mr. FERNANDES: To a point of correction! The Board did demand the prices the hon. Member is quoting, but they had to demand it for surplus rice only. They could not demand it under the contract.

Mr. DEBIDIN: The Board was cornered. They were faced with the contract, and that is also what the hon. Nominated Member, Mr. Raatgever, said. If Members feel that a contract could be burrowed to the extent of one cent, that is the same reason why it could be burrowed to the extent of a profitable price. That is where the producers were not given a fair deal, and that is why I am saying that the Board, constituted as it was, did not function in the best interest of the producers. That is why I am saying also that we should have the whole of this industry put on a co-operative basis. If it is to be continued, the people of the Colony should be in a position to say for themselves what they feel in the matter. I trust the hon. Nominated Members (Mr. Gajraj and the Rev. Bobb) and others would ask the people what they feel about it. We should not think of the consumers in Georgetown only, because other people have to live also.

The consumers in Georgetown can get increased wages—civil servants and others are doing so—but the producers in this industry are all in the rural areas tied down to increased prices for what they have to buy and low prices for what they have to sell. They are saying that the only way they can get out of their present position is to have the industry put on a co-operative basis. They are saying also: "We do not want more John Fernandeses or the people of Georgetown to handle our affairs, because they would handle them in the interest of the consumers

and other inside interests". They are saying that the Board, as constituted, is handling matters in the interest of foreign concerns who are now coming into the industry under the name of the C.D.C. The producers are saying that these foreign interests should come into the limelight so that everyone might see them and the other shackles which are binding the producers down.

The hon. the Financial Secretary and Treasurer, in a speech made some time ago, referred to the views of the rice producers as being incompatible and absolutely inimical to the provisions of the Rice Marketing Ordinance. Then we have the hon. Member for Georgetown Central arguing that the Board had not been moving slowly at all; but admitting that, if this motion is accepted there would be very swift action for putting the rice industry on a co-operative basis. I have here the minutes of a meeting at which the hon. the Financial Secretary and Treasurer got the Press together and went through all the proposals relating to the establishment of the Rice Marketing Board. Within two months later, the whole of the legislation was enacted. Many a time some of the people said "We will not agree to this legislation and we are not prepared to carry it out unless we get economic prices for our rice." That was promised, sir, and in that respect I would like to quote from a speech by one of the members of that body.

The PRESIDENT: Of what body?

Mr. DEBIDIN: The Rice Committee which, in those days, functioned in the same way as the Rice Marketing Board does today. This is what Mr. Gajraj, father of the present Member of this Council, said at a joint meeting of the Rice Marketing Board and the Central Rice Committee in 1947:—

"At the time when the Rice Marketing Board was formed it was intended that a *pro rata* distribution of profits should be made to all rice producers, but this had not been done yet. The Central Rice Committee had made repeated

representations for increased prices, but at no time had they been given a hearing or any satisfaction."

This is the plan that was made and if this plan still exists today, one can see that the hon. the Financial Secretary and Treasurer had to come to a compromise when the Bill was going through—that at some future time the industry would be placed on a co-operative basis and run on true democratic lines. Some of the hon. Members present here have said that the producers were making money from the industry, but Mr. H. B. Gajraj made it quite clear at a joint meeting of the Rice Marketing Board and the Central Rice Committee that that is not so.

What better person can one expect to show what was the position then—a position which has been perpetuated up to this day. The Rice Marketing Ordinance of 1946 has superseded the war legislation, and it has been admitted in this Council that the position today is the same as it was then, so far as the producers are concerned. Why then should it be strange for me to come to this Council today and point out the position of these people. I do not expect to find much support, however, except from those Members who hold the interests of these people very closely. I practise my profession among them, however, and I live by them. If one goes into the East Coast districts today one would find that there is very little litigation. The people are just pauperised and conditions are bad throughout the coast. Members of this Council might smile at such a statement, but that is because they have no interest in the producers who reside there. Some of them claim to be representing producing territories here, but I submit that the time will come when they will have to give an account of their stewardship to the people whom they are representing at this moment.

I am grateful, sir, for the indulgence granted to me in making this reply, and in taking my seat I will say

that this motion is one which vitally affects the people engaged in a very important industry in this Colony—an industry which plays a great part in the economic life of this country—and I feel that it should find sympathetic consideration and support. It is a motion which seeks to have the rice industry established on a co-operative basis, and if it is accepted by this Council then I can see Government taking the necessary steps to appoint a Committee to go into the details, such as legislation and other things that will set up the industry in a manner satisfactory to all concerned. I venture to suggest that if these things are done the people will have been given a greater incentive to develop the industry. They will realise for the first time that the industry is theirs to make or break, and with the greater incentive given to them they will take hold of their opportunities for greater production, thus enabling the Colony to develop a greater export trade—not only in the West Indian market but other countries as well. Consequently, real prosperity will come to this industry for which I plead, and to the Colony as a whole.

The PRESIDENT: I will now put the motion.

Motion put, the Council dividing and voting as follows:-

For: Messrs. Dr. Jagan, Debidin, Lee, and Dr. Singh—4.

Against: Messrs. Bobb, Gajraj, Carter, Peters, Fernandes, Coghlan, Farnum, Roth, Dr. Nicholson, Wight, The Financial Secretary & Treasurer (Acting), the Attorney-General, and the Colonial Secretary (Acting)—13.

Motion lost.

DECONTROL OF PRICE OF CRUDE OIL AND COCONUTS

Mr. DEBIDIN: I formally move the suspension of the Standing Rules and Orders to enable me to move my

motion for the decontrol of the prices of crude oil and coconuts.

Dr. JAGAN seconded.

The Council divided and voted:

For—Messrs. Bobb, Gajraj, Carter, Peters, Fernandes, Debidin, Coghlan, Farnum, Lee, Wight, Dr. Jagan and Dr. Singh—12.

Against—Mr. Roth—1.

Did not vote—The Financial Secretary and Treasurer, the Attorney-General and the Colonial Secretary.

Motion carried.

Mr. DEBIDIN: I beg to move the motion standing in my name which reads:—

“Whereas there is an acute shortage of cooking oil in the Colony which will be intensified by the rainy weather;

And Whereas coconut producers will be able to do more intensive picking of nuts and over 200 crude oil manufacturers can manufacture at least 50,000 gallons of crude oil per week, if a more attractive price is paid for the nuts to the producers;

And Whereas this can be achieved if both the price of crude oil and of coconuts be decontrolled for a short period until the situation is improved;

Be it resolved that this Council recommend to Government the immediate decontrol of the price of crude oil and of the price of coconuts for a short period in the discretion of the Government.”

This motion asks for the decontrol of the price of crude oil and coconuts for a short period in the discretion of the Government. In short there is an acute shortage of edible oil prevailing not only in Georgetown but throughout the rural areas where, especially on the sugar plantations, the people depend largely upon crude oil manufactured in the districts from coconuts purchased from producers in the districts. In Georgetown there are two mills which refine crude oil into what is known as Fryol in the case of one mill. There is a shortage of both crude oil and refined oil, and it has been brought to my

notice that wholesale blackmarketing is actually taking place. People are told that in order to purchase any quantity of oil they must buy some other commodity which might not be in perfect condition, and at a price above the controlled price. It seems from what I have been told, that people are prepared to pay twice as much as the controlled price of oil in order to get it.

This situation has been contributed to largely by the fact that the Control Board in its wisdom—which on this occasion was not exercised in the interests of the consumers—sanctioned the exportation from this Colony of 77,940 gallons of oil between May and October 1950, consisting of 36,190 gallons of refined oil and 41,750 gallons of crude coconut oil. I regard that act by the Board as criminal in so far as the consumers of oil in this Colony are concerned. Did the Board take into account the rainy weather which was due, and which is now here, during which it would be difficult for the owners of coconut plantations to reap the largest quantity of nuts? We also know that soap makers in this Colony use large quantities of crude coconut oil in a very useful industry which needs every encouragement, and that they complain that they cannot get supplies of crude oil for their business. The seriousness of the situation is aggravated by the fact that some of the crude oil exported has been used for the manufacture of soap in Barbados. I consider the situation is such as to call for immediate action, and the immediate action I suggest is the removal of the controlled price of crude oil and coconuts.

I do not know how the Council will vote on this motion, because those Members who represent Georgetown think only of the people of Georgetown. This motion is also in the interest of the people of Georgetown and I am waiting to see what those Members are going to do. I am pleading on behalf of consumers in Georgetown and the whole Colony. In so far as the controlled

price is concerned I would like to explain the situation by a simple example. The price of coconuts is controlled at \$4.70 per drum and that of crude coconut oil at \$1.28 per gallon, while the price of Fryol and other refined oil was increased from \$1.50 to \$1.81 per gallon. In other words the price of refined oil was increased and at the same time Government removed the control of the price of coconuts, the idea being to give an incentive to the production of copra, and in order to provide a greater incentive the price of copra was increased as well. The object was to induce everybody to make copra for the oil mills so that the owners of the mills would be able to make profit from the production of refined oil or Fryol. It seems to me that in view of that tremendous incentive everyone turned to the production of copra, in spite of the fact that the crude coconut oil makers claim that they can use all kinds of coconuts—bad and indifferent. They say they not only make crude coconut oil but are able to carry on poultry and pig rearing if they can get a supply of coconuts.

There are 241 crude coconut oil makers in the Colony who produce an average of 50,000 gallons of crude oil per week when they get supplies of coconuts, but they complain that they cannot get nuts. Those ordinary people who make crude coconut oil and are able to produce 50,000 gallons per week, have been left stranded. Representation was made on their behalf to Your Excellency, and a meeting was arranged with the Committee that is now sitting under the Chairmanship of the Director of Agriculture. There was a full discussion and a case was made out on behalf of the crude oil makers. We find that as a result of all this the price of coconuts has been reduced to \$4.70 per drum although (and this is the tragedy of it all) the crude oil makers conceded that the producers of coconuts were entitled to a better price, and they were prepared to pay \$5.20 per drum for coconuts, provided they were given \$1.50 per gallon for their crude oil, which would

bear relationship with the controlled price of refined oil and copra. But the controlled price of crude oil has been kept at \$1.28 per gallon, and the price of coconuts at \$4.70 per drum. It has been shown, especially within the last few weeks, that the producers of coconuts prefer to sell their nuts to copra makers because they are able to get a better price.

I have no hesitation in saying that I discovered during the discussions with the Committee an extraordinary anxiety to secure copra for the oil mills. Here is a case of vested interests getting an advantage. I do not care what is the position of the miller. I am not asking Government to interfere with the price of copra or refined oil, but to make it possible for the manufacturers of crude coconut oil to buy coconuts to make crude oil. It is important that the control of the price of coconuts and crude oil should be removed for about three months so as to allow of the production of 50,000 gallons of crude coconut oil per week. The producers of coconuts would thus be able to pay more for the picking of the nuts in the rainy season. I am not asking for the removal of the stringent control of the sale and distribution of crude coconut oil. All that the motion asks is that the price of crude oil and coconuts be decontrolled so as to allow the makers of crude oil an opportunity to bargain with the producers of coconuts for a price at which they would be willing to sell their nuts. I received a letter two days ago from someone at Fellowship who is himself a producer of coconuts, and who has also refused to sell his nuts. I hope the motion will meet with a sympathetic response.

Dr. JAGAN: I beg to second the motion.

Mr. FARNUM: As one of the members of the Committee appointed to go into the question of the shortage of oil I would like to say that the reason for the appointment of the Committee was chiefly to find out why the shortage exists. We were told that the method of making crude oil from coconuts was

very wasteful, because a very large percentage of oil is left in the coconut and goes to waste. It is suggested that if the large quantity of coconuts at present used for the making of coconut oil was converted into copra and passed through the mills, the percentage of extraction is so high that there would be enough refined oil to serve the community and even to have some for export. The Committee is still engaged in its inquiry. A deputation led by the hon. Member for Eastern Demerara (Mr. Debidin) met the Committee a few weeks ago when we went very thoroughly into the matter. We gathered that the whole cause of the trouble was the fact that the price of coconuts was decontrolled, as a result of which the coconut estate proprietors had raised the price of coconuts from \$22 to \$30 per thousand. Consequently the crude oil makers cannot operate at that figure. Another point that evolved from the discussion was that some of the coconut estate proprietors do not sell their coconuts to the crude oil makers, but in many cases a certain number of nuts are given to the crude oil maker to supply a drum of oil, and very often the crude oil maker has to buy nuts from other sources in order to produce the quantity of crude oil which the estate proprietors claim the nuts should produce.

The Committee has not completed its inquiry but has decided to recommend to Government that the price of coconuts should again be controlled, but that the price of crude oil should remain as it is. The deputation asked that the price of coconuts be raised from \$4.70 to \$5.25 per drum, and that the price of crude oil be increased from \$1.28 to \$1.50 per gallon. As a temporary relief the Committee recommends that the position be reverted to what it was originally—that the price of coco-

nuts be decontrolled,—and I really do not see the hon. Member's reason for bringing this motion.

Mr. DEBIDIN: To a point of explanation! We particularly pointed out that we were asking for those prices because the price of copra had been raised and controlled, and the price of refined oil had also been increased. The two things have relationship one with the other.

Mr. FARNUM: That is the reason why preference is being given to the manufacture of copra instead of crude oil—that if the coconuts were converted into copra and manufactured into oil we would have all the refined oil we want and there would be no shortage.

The PRESIDENT: I think it is getting on towards 5 o'clock and I propose to adjourn until next week when the Council will sit on Wednesday, Thursday and Friday. I want to give hon. Members some advance information that as soon as the business on the Order Paper has been disposed of—which may take next week and the following week—I propose that we take a few weeks' recess and reassemble, probably when the Governor returns to the Colony. I am not quite sure when that will be. There are some Elected Members on leave, as was pointed out the other day, and I have received an application for leave from another Elected Member, but apart from that we have sat solidly for, I think, over a year, and I know hon. Members will agree that we have all earned a little respite. I thought hon. Members would like to have a little advance information so that they might make their private arrangements. The Council will now adjourn until Wednesday, July 4, at 2 p.m.