

LEGISLATIVE COUNCIL.

Thursday, 21st February, 1946.

The Council met at 2 p.m. the Honourable the Colonial Secretary, Mr. W. L. Heape, C.M.G., presiding in the absence of the President, His Excellency Sir Gordon James Lethem, K.C.M.G., and the Deputy President, the Hon. E. G. Woolford, O.B.E., K.C.

PRESENT:

The Hon. the Colonial Secretary, Mr. W. L. Heape, C.M.G. (in the Chair).

The Hon. the Attorney-General (Acting), Mr. F. W. Holder.

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

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

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

The Hon. H. N. Critchlow (Nominated).

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

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

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

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

The Hon. Peer Bacchus (Western Berbice).

The Hon. A. G. King (Demerara River).

The Hon. J. W. Jackson, O.B.E. (Nominated).

The Hon. T. Lee (Essequibo River).

The Hon. V. Roth (Nominated).

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

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

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

The Clerk read prayers.

The minutes of the meeting of the Council held on the 15th February, 1946, as printed and circulated, were taken as read and confirmed.

ANNOUNCEMENTS.

ROCKEFELLER FOUNDATION'S THANKS.

The COLONIAL SECRETARY (Mr. Heape): I have one announcement to make. Hon. Members will recollect that some time ago this Council passed a resolution thanking the Rockefeller Foundation and Dr. Bevier for the work which the Foundation has done here, and Dr. Bevier particularly. I have received this letter from the Rockefeller Foundation saying:

"Your letter of February 5, 1946, to George K. Strode with regard to the work done in British Guiana by the Rockefeller Foundation and the services rendered by Dr. George Bevier is very much appreciated. We are glad that such assistance as we have been able to give

has been of value to the Colony of British Guiana. It will be a pleasure to convey to Dr. Bevier the appreciation expressed by the Legislative Council.

"Dr. Strode will have an opportunity to see your letter on his return from a trip to the Far East in the latter part of March. In the meantime will you kindly convey to the Legislative Council and His Excellency the Governor the thanks of the Rockefeller Foundation for the kind expression on behalf of the Foundation"

PAPERS LAID.

The COLONIAL TREASURER (Mr. McDavid) laid on the table the following documents:—

Statement of Loans from voted expenditure written off during the year ended 31st December, 1945. (M.P. 123/38).

Post Office (Overtime) (Amendment) Regulations, 1946 (M.P. 94/3/1 II).

GOVERNMENT NOTICES.

INTRODUCTION OF BILL.

The ATTORNEY-GENERAL (Mr. Holder) gave notice of the introduction and first reading of the following Bill.

A Bill intituled "An Ordinance to amend the Legal Practitioners Ordinance with respect to the examination preliminary to Articles of Clerkship."

ORDER OF THE DAY.

RICE MARKETING BILL.

The COLONIAL SECRETARY: As announced at the last meeting by the President, it is proposed to continue straight on in Committee with the Bill intituled:

"An Ordinance to provide for the establishment, constitution, powers, duties and functions of the British Guiana Rice Marketing Board and for purposes connected with the matters aforesaid."

COUNCIL IN COMMITTEE.

The Council resolved itself into Committee and resumed consideration of the Bill.

Clause 5—*Constitution and powers of the Executive Committee.*

The COLONIAL TREASURER: There is a small typographical error in sub-clause (2). The word "five" as printed should be "six." Hon. Members would see that this is provided for in the details in paragraphs (a) to (d).

Question put, and agreed to.

The ATTORNEY-GENERAL: There was one point which, I think, was raised by the hon. Member for Essequibo River (Mr. Lee) in connection with the continuance of those eight persons or rice producers, who are appointed by the Governor, after the Association comes into being. The view expressed was that when the eight persons who were appointed on the Board should then vacate their seats on the Board and the Governor should make appointments from the Association as formed and operated. I presume that this Council is in sympathy with that view, as I have not heard anything to the contrary to the hon. Member's suggestion. I do not know if the hon. Member wishes to pursue it, as I have drafted an amendment.

The COLONIAL TREASURER: I think the hon. the Attorney-General has mistaken the clause.

The ATTORNEY-GENERAL: I felt I should just mention that.

The CHAIRMAN: There is no amendment to clause 5.

Clause 5 as amended passed.

Clause 6—*Appointment of Manager, Secretary, Officers and servants.*

The COLONIAL TREASURER: I am somewhat embarrassed because the hon. Member for Essequibo River had in company with the hon. the Fifth

Nominated Member (Mr. Edun) intimated to Government in writing that they propose to move certain amendments when the Bill reaches the Committee stage and neither of them is present today. I wonder whether I should not indicate very briefly what they have suggested as amendments to be put to Council on this particular clause that we have now reached.

The CHAIRMAN: I think there is an amendment to sub-clause (1).

The COLONIAL TREASURER: Yes. Apparently the idea of the hon. Member for Essequibo River is that the export activities of the Board is so important that an officer to be styled "Export Manager" should be appointed, named in the Bill and included among the various provisions. I think that is hardly necessary, as obviously the Manager and the Chairman and possibly the Secretary will be entrusted with the duty of looking after exports. It is quite unnecessary to have a specific post of Export Manager. That is the only point I have noticed on the list of amendments submitted by the hon. Member for Essequibo River. I merely mention it.

The CHAIRMAN: As far as I can see, there is only one amendment, as explained by the hon. the Colonial Treasurer proposed by the hon. Member for Essequibo River to this clause. Does any other Member wish to raise any point? I shall put the question "That clause 6 stand part of the Bill."

Question put, and agreed to.

Clause 6 passed without amendment.

Clause 8—*Information obtained as a member or officer of the Board to be secret and confidential.*

The CHAIRMAN: The hon. Member for Essequibo River has suggested the same amendment—the insertion of the words "Export Manager" after the

word "Secretary" in sub-clause (1) and the hon. the Fifth Nominated Member, who is not here, has suggested that the word "pecuniary" should be inserted in sub-clause (1) (b) before the word "benefit" in the fourth line. In the absence of the hon. Member I do not know whether anyone can explain or has knowledge of why the hon. Member wants the word inserted.

The COLONIAL TREASURER: I suppose he wants to limit the application of the word "benefit" merely to money benefit. I myself think the word "benefit" as standing in the Bill does convey the correct sense.

The ATTORNEY-GENERAL: I agree with the observation of the hon. the Colonial Treasurer. The word "benefit" is wide. It may mean that a man gets cash in hand for giving out the secrets or he may get some land or rice or anything else. It is desirable to exclude any possibility of such in a matter of this sort.

The COLONIAL TREASURER: I have omitted to mention an important amendment the hon. Member for Essequibo River suggested—the addition of a proviso after sub-clause (1) in these words:

"Provided that any member of the Board can discuss any matter arising out of the Board with His Excellency the Governor."

His point was that this limitation to secrecy may in certain respects prevent a member of the Board, who wishes to make representation to the Governor on what is going on at the Board with which he does not agree, from going to the Governor and speaking about it. My answer to that would be, the limitation here as to secrecy is confined to information and particulars in regard to prices and grades being fixed by the Board. That information has to be kept secret and confidential and not to be mentioned outside the Board until those prices have been published. The reason is

obvious. So far as communication to the Governor is concerned, the fixing of prices by the Board is subject to the Governor's approval, and it follows therefore that in any representation to the Governor on the decision of the Board the whole facts will go before the Governor in any case. I do take it that if a member of that Board feels very strongly that his particular view has been accepted and it ought to go to the Governor, all he has to do is to ask that in submitting the case to the Governor his particular views be brought to the notice of the Governor. He can even go further and ask the Board to seek an interview with the Governor at which he will be present. I do not think it is necessary to have a proviso to permit a member of the Board to go to the Governor. It is fundamentally bad in principle. Here the industry is now being put in an autonomous position to run itself, and we get a Member of this Council advocating that as soon as a minority of the Board does not like a thing it must get an Authority to overrule his confreres. Fundamentally the whole thing is wrong. The Council cannot accept that proposal even if it was put forward by the hon. Member.

There was another suggestion by the hon. the Fifth Nominated Member. He wanted an additional sub-clause (c) inserted to sub-clause (1) of clause 8 which reads as follows:—

"All managers, all secretaries and all members of the Board shall do everything reasonably possible to promote and protect the rice industry and shall do nothing to impede or which shall tend to impede the progress of the rice industry."

That is really a declaration of rights, and one must imagine that the people who are going to be appointed to undertake duties under this Ordinance will have those particular interests very much at heart. It serves no purpose to put that provision in the Bill. We now come to the most important of all, and that is the question of penalty. The hon. Member wanted the words "not exceeding" introduced

before the word "penalty." In other words that the penalties should be within the discretion of the Court; that there should be maximum penalties and not fixed ones. On that the hon. the Attorney-General has already given some indication of his views, and if the Council wishes he is prepared to speak on it again. That occurs throughout the Bill. The hon. Nominated Member wishes to have the penalties either reduced or limited in some way and, perhaps, the hon. the Attorney-General may say something about that.

The CHAIRMAN: I was going to ask whether the hon. Member for Demerara-Essequibo (Dr. Singh) wishes to speak on this. I have some idea that in some other place he expressed some doubt as to the penalty clauses.

Dr. SINGH: What I want to say is, if these penalties can be reduced they ought to be, as they are on the heavy side.

The CHAIRMAN: Well, I would ask the hon. the Attorney-General to give his views from the legal viewpoint.

The ATTORNEY-GENERAL: The position is, as I pointed out when the Bill was having its second reading, these penalties are not new and, so far as I understand, nobody has done anything to cause any penalty of this nature to be imposed. They are put there as a very definite deterrent. It is a matter of very great importance to the rice industry and to the community as a whole that when the Board is deliberating with regard to prices, there should be no attempt whatever to use the secrets and the deliberations for the purpose of benefit either personally or through relatives or friends. I am sure the hon. Member appreciates the force of having a very strong penalty in a matter of this sort. If you insert the words "not exceeding" or if you reduce it, as the hon. Member for Demerara-Essequibo wishes, it might pay people to flout the law by

paying the penalty and getting a very large material benefit as the result of giving out the secrets. Speaking personally, I think it is desirable. If you want to safeguard the interests of the rice producers and if you are to preserve the sanctity of the deliberations of the Board, then such a penalty should remain. I regret we have not yet reached the lofty stage when we can assume that nothing will be done in that direction. Read the newspapers now and realise that people are not all averse to giving out secrets when the occasion arises. That is putting it mildly. Speaking broadly, it is in the interest of the Board, the rice producers and the community to have a very strong and definite deterrent in the Bill dealing with a matter of this nature.

Mr. C. V. WIGHT: The fact that it says: "liable to a penalty of \$1,000 or imprisonment for a term of six months" does not necessarily mean that a fine of \$1,000 will be imposed. I take it, you will have some elasticity there.

Mr. PERCY C. WIGHT: I am entirely against that. I do not think you can ever get a conviction against anybody, as it is never done personally by an individual. A man may be connected with a firm; he does not go to his principal and disclose it but he goes about it in a roundabout way. I know that information does get out within an hour after a Board meeting. I think it is within the knowledge of people that recently information got out from the Executive Council. One historical event occurred where a firm made a tremendous amount of money when a particular Member sat on the Executive Council. Members are sometimes to be blamed for the disclosures. I think it is a waste of words.

The CHAIRMAN: If the hon. Member thinks it is a waste of words, why not have no penalty at all?

Mr. PERCY C. WIGHT: It is a mere suggestion. I do not intend to move it.

Mr. PEER BACCHUS: The hon. Member's argument supports very strongly the case for a severe penalty. If you catch even one out of every hundred committing that crime, that will be a definite deterrent.

Mr. FERREIRA: It strikes me as very unwise to delete or in any way to change this clause which is a deterrent. We should bear in mind at this time that we have so much smoke screen pulled over this Bill that we should not allow ourselves to permit anyone to do anything that would reflect on the legislation which is before us today. The time may come when this clause may have to be invoked. I do hope if that time does come every effort would be made to see that it is carried out. No attempt should be made to change it in any way.

The COLONIAL TREASURER: There is no amendment before the Committee. It is out of courtesy and discretion that we have put forward these points for the information of Members of Council.

The CHAIRMAN: I was going to say that in fairness to the absent Members. If the hon. Member for Georgetown Central or the hon. Member for Demerara-Essequibo desires to put an amendment, I am quite prepared to accept it and put it to the vote.

Mr. PERCY C. WIGHT: I only expressed my views on it. I certainly feel that we are playing a losing game.

The CHAIRMAN: We have given the absent Members a very fair deal on this clause, and I shall now put the question, "That the clause stand part of the Bill."

Question put and agreed to.

Clause 8 passed without amendment.

Clause 9,—*Execution of documents.*

The COLONIAL TREASURER: I have an amendment to move. I have had it very late and I have only just discussed it with the hon. the Attorney-General. That is why I have not had copies circulated among Members. It is very simple. We should include in the documents listed "banking documents." I propose to move that after the word "agreement" at the end of the first line there should be inserted "cheque, bill of exchange, order for payment of money;" then after the word "executed" in the second line the words "or signed" to be inserted; finally after the final word "executed" the words "or signed" be inserted. Under paragraph (a) documents can be executed by the Chairman, the Manager and the Secretary of the Board, but there is also a provision in paragraph (b) that documents can be executed "if signed, whether within or outside the Colony, by a person authorised by resolution of the Board....." So far as cheques are concerned the Board would pass a resolution authorising one or more of its officers to sign them, but under the law if the Chairman, Manager and Secretary choose to sign of their own accord it would be all right.

Mr. de AGUIAR: I would like to have that point made a little clearer—whether the resolution of the Board would not only authorize one or more of its officers to sign cheques but would include a member of the Board. The Board might authorize anybody, but I would like to know whether that authority would include a member of the Board along with an officer.

The COLONIAL TREASURER: I think the words "a person" are sufficiently wide to include a member of the Board, but I do not know whether the Attorney-General would advise that "persons" should be substituted for "a person."

The ATTORNEY-GENERAL: In the Interpretation Ordinance "person" is singular or plural.

The COLONIAL TREASURER: Then "a person" would cover it.

The ATTORNEY-GENERAL: For the purpose of clarification I would suggest that it should read: "a person or persons." That would cover the point raised by the hon. Member.

The COLONIAL TREASURER: I would suggest the insertion of the words "or persons" after the word "person" in paragraph (b).

Mr. DIAS: The clause deals with transports as being among the documents executed outside the Colony. This happens to be the only Colony in which a deed is called a transport.

The COLONIAL TREASURER: The hon. Member is limiting the wording to transports. There are other documents to be signed outside the Colony.

The ATTORNEY-GENERAL: With all due deference to the hon. Nominated Member there are other documents listed in this clause which give it an all-embracing effect. As the hon. Member says, the term transport is limited to this Colony, but I take it that it refers to what may be done in this Colony by the Chairman, the Manager and the Secretary, and outside of that whatever documents may be required to be signed by persons acting on behalf of the Board. I do not think any difficulty arises in connection with the wording of the clause.

Mr. C. V. WIGHT: I agree with the Attorney-General. There is also Chapter 25, the Evidence Ordinance, which relates to what may be signed and the method of proving documents signed inside and outside the Colony.

The COLONIAL TREASURER: Something has just come to my notice which makes paragraph (b)

somewhat unworkable, because there is a proviso at the end which makes it necessary that where the Board has resolved that a person or persons shall sign, an extract of such resolution shall be attached to and form part of the document. Therefore, if that paragraph is applied to cheques it means that every cheque will have to have a certified copy of the resolution attached to it. I suggest that consideration of the clause be deferred for a few minutes.

Clause 9 deferred.

Clause 10.—*General duties of the Board with respect to padi produced and rice manufactured in the Colony.*

The CHAIRMAN: The hon. Mr. Edun proposes to insert after the word "to" in the second line of this clause the words "promote and protect the rice industry and." It is a similar amendment to the one previously proposed. I think it is self-evident that that would be the duty of the Board and I see no reason for putting those words in.

Clause 10 put and agreed to.

Clause 11.—*Power of the Board to dispose of padi.*

The CHAIRMAN: The hon. Mr. Edun has suggested a restrictive penalty. He proposes the insertion of the words "not exceeding" after the words "penalty" and "term" in the fourth line of sub-clause (3). Are these penalties taken from the Defence Regulations Mr. Attorney-General?

The ATTORNEY-GENERAL: I think they are the same, sir.

The COLONIAL TREASURER: This particular offence, if committed, would probably be the most serious, and one by which the offender would secure great gain. If anyone exported padi against the law it would be worth his while to pay a fine. It is a serious offence against the whole idea of a single-seller and should be liable to a severe penalty.

Clause 11 put, and agreed to.

Clause 15.—*Fixing of grades of rice and prices to be paid and received for padi and rice.*

The CHAIRMAN: The hon. Mr. Edun suggests the deletion of the words "with the approval of the Governor" in sub-clause (2); the deletion of the word "Governor" and the substitution of the word "Board" in sub-clause (3), and the deletion of the words "the Governor" in sub-clause (5). The hon. Mr. Lee has suggested the insertion of the words "and the manner and method of determining grades" after the word "grades" in sub-clause (5), and the addition of the following new sub-clauses:—

"(6) There shall be constituted an Appeal Board consisting of at least three but not more than five men to be appointed by the Governor who shall hear all appeals on grades of rice made by any person and such person shall have the right to appear by himself and/or to be represented by counsel.

(7) That after an appeal has been lodged the rice sent by the manufacturer shall not be used for blending by the Board and if used the appeal shall be deemed to be allowed."

The COLONIAL TREASURER: As regards the amendment suggested by the hon. Mr. Edun, I dealt with that point rather briefly in my opening remarks on the second reading of the Bill. The whole purpose of the suggested amendment is that the Board itself should have absolute power to fix the price at which it shall sell rice for local consumption, and I pointed out that what amounts to a monopoly in this Colony should not be given such absolute power and discretion. That also applies to the price at which padi shall be sold in the Colony. I am not so much concerned with the price of padi, but certainly the Council will agree that power should not be given to the Board to control in its discretion the selling price of rice when that Board is constituted as an absolute single-seller and no one else

can sell rice. Of course the Board will under this Bill have the right to represent to the Governor what in its view should be the correct price which the consumer should pay for rice, but the Governor is very properly given the power of approval or disapproval of that price. I was therefore almost amazed to hear the hon. Member make this suggestion and couple it with the suggestion that the rice producers on the Board should be in the majority. The Council will appreciate what that would mean.

Let us assume the rice producers getting together with a majority of three to one and deciding that the price of rice for local consumption shall be 10 cents per pint from to-morrow. Under the law they would be completely within their rights in doing that. It is inconceivable. The hon. Member for Essequibo River (Mr. Lee) was very keen on the question of the machinery for appealing against a grade of rice, fixed by the Board in the case of any consignment to be purchased. His suggestion was that such machinery should be incorporated in the law. Of course, that is not very desirable or necessary. There is provision in the last clause of the Bill for the making of Regulations, and it is considered desirable that the machinery for appeals against grading should be incorporated in those Regulations. I think the Attorney-General will agree with me that it would be completely irregular to include a provision of that nature in this Bill. We cannot include in the Bill a provision that after an appeal has been lodged the rice should be kept by the Board for a certain time. Those are matters for Regulations rather than for the Bill, itself.

Mr. de AGUIAR: I would suggest that neither of the amendments proposed is worthy of any consideration at all. In fact they are all very impractical. I cannot visualize this Legislature passing an Ordinance giving a statutory Board the inherent right to fix the

price at which rice should be sold and at the same time the right to fix the price at which it should purchase padi without the approval of someone in authority. As the hon. the Colonial Treasurer said, I can quite imagine such a Board with a majority of rice producers on it (and I speak with a certain amount of knowledge) agreeing to fix a low price for padi and a high price for rice. On the one hand the producer would not benefit, and on the other the consumer would pay a higher price than the article is worth. I think that in those circumstances the proper thing to do is that the Board should consider the price at which padi should be bought and the price at which rice should be sold, and submit those prices to the Governor for approval. I do not think there can be any question about the merit of that.

As regards the amendments of the hon. Member for Essequibo River (Mr. Lee) they are so impractical that they are beyond me really. He suggested that an Appeal Board be set up and that counsel be permitted to argue appeals against grading. There is no question of law involved at all. What happens is this: The present Board has an Appeal Committee with which a rice producer may lodge an appeal against the decision of the Grading Officer. The Committee meets and examines the samples of rice submitted, and it either confirms the grade as fixed by the officer or grants the appeal. We do not want a lawyer to go there to argue whether a sample of rice is in accordance with the grade set up by the Board. I submit that a lawyer does not know anything about it. He may know how to eat rice but not to compare samples, unless he happens to be a man who is trading in rice. I mention that because I think there is one hon. Member, a lawyer, who I believe is somewhat interested in rice.

The other proposal is that after an appeal has been lodged the rice sent in shall not be used for bleading. I would like to ask the hon. Member if

he knows how it works. Would it be possible to keep a consignment of rice for a month or six weeks until John Brown decides whether he should lodge an appeal or not? Samples are kept, and on those samples the appeal is determined. Had the hon. Member been present and heard the explanation I think he would agree that his amendments, however good he might think them to be, are impracticable and cannot work.

The CHAIRMAN: I am not suggesting that what the hon. Member moved should be adopted, but I do think he is perfectly right in asking that there should be some right to appeal. What does the Attorney-General suggest should be done?

The ATTORNEY-GENERAL: If it is desirable that there should be a right of appeal it would have to be provided for in the Regulations we propose to make.

The CHAIRMAN: I take it that it is acceptable to the mover of the Bill that some specific provision should be made, whether in the Regulations or elsewhere, that appeals shall be heard.

The COLONIAL TREASURER: There is no provision under the Defence Regulations under which the present Board now operates, but in this Bill it is desirable that machinery should be set up by Regulations, and that I think will be done.

The CHAIRMAN: If hon. Members receive the assurance that when this Bill is passed the Regulations to be made under it will include a specific provision for appeals I think that would meet the hon. Member's suggestions.

The COLONIAL TREASURER: It is extremely amazing to me to find that the Appeal Board suggested is a Board of five men to be appointed by the Governor. I do not want it to be implied that I accept anything of that

sort. We hear such a lot of talk of democracy within the Board, yet outside of the Board the hon. Member is suggesting that another Board of five men should be appointed to hear appeals. What will be done is that provision will be made for the hearing of appeals within the framework of the Board.

Dr. SINGH: The fact is that the producers went somewhere and they were heard. There was somebody for the hearing of appeals.

The COLONIAL TREASURER: I have said that there is an Appeals Committee now which functions all the time although it is not governed by any specific Regulation under the Defence Regulations. I am suggesting that Regulations be framed under this Bill which will provide that machinery.

The CHAIRMAN: Virtually the Board will be reviewing its own decisions.

Mr. de AGUIAR: No, sir. Every bag of rice that comes to the Board is graded, and there is a Grading Inspector who furnishes a certificate in which is stated the grade of rice submitted by the producer. On that certificate the producer receives payment according to the price fixed for the particular grade. If the producer feels aggrieved and claims that his rice should have been graded No. 1 there is machinery at present for him to lodge an appeal.

The CHAIRMAN: Who hears that appeal?

Mr. de AGUIAR: The Board has appointed a Sub-Committee which is called an Appeals Committee, to which appeals are referred. That Committee is composed of men with particular knowledge of the trade. They are commercial men.

The CHAIRMAN: Are they members of the Board?

Mr. de AGUIAR: Some of them, should say.

The COLONIAL TREASURER: At first they were all members of the Board but subsequently, at the request of the rice producers themselves, we added two members of the Central Rice Committee who are rice producers themselves. With the re-constitution of the Board it will be a Committee within the Board itself, but there is no objection to having outsiders.

The CHAIRMAN: Why shouldn't there be a panel of persons agreeable to the rice producers and the Board to deal with these appeals? I think that such an arrangement would create confidence.

Mr. de AGUIAR: The Appeals Committee was either strengthened or weakened by the addition of certain members of the Central Rice Committee, but I would suggest that perhaps when we have the Rice Association the members of the Appeals Committee might be drawn from the Association and we need not have anything to do with the Central Rice Committee. It must be clear that there must be certain members of the Board on the Appeals Committee.

The ATTORNEY-GENERAL: Apparently the principle of having an Appeal Board is accepted. The question of its constitution and procedure is a matter which will have to be considered, particularly having regard to the fact that it is proposed to establish a Rice Association consisting of those who are conversant with the various aspects of rice production. Provision for such a Board will be made in the Regulations to be framed under this Bill.

The CHAIRMAN: Who makes the Regulations?

The COLONIAL TREASURER: The Board, subject to the approval of the Governor-in-Council.

Dr. SINGH: I think some provision for appeals should be embodied in this Bill. It would be a great satisfaction to the producers to know that it is there.

The COLONIAL TREASURER: They are absolutely sure about that. I think the number of appeals amounts to 50 per cent. of the consignments. It is very well established.

Mr. C. V. WIGHT: I think we might leave it to Government to establish by Regulations the right of appeal. The hon. Member for Central Demerara referred to representation by counsel. I think the members of the lower branch of the profession are quite competent too, apart from the hon. Member for Demerara River (Mr. King) who is the chairman of a rice producing company and should therefore know something about it. He will be entitled to represent the producer as counsel at a meeting, I think, if it is desired that representation should be by counsel or solicitor. I do not like being selfish, and we should not confine it merely to counsel but should allow the solicitors a little bite at this cake.

The CHAIRMAN: I think the matter has been fully ventilated. The only point I want the Council to understand is whether this Bill does in practice carry on successfully or not when the new Bill comes into force, the Governor-in-Council will have the final saying as to how the Regulations are to be prescribed. I think, hon. Members agree that the point made by the hon. Member for Demerara-Essequibo has been ventilated. I now put the question "That clause 15 stands part of the Bill."

Question put, and agreed to.

Clause 15 passed without amendment.

Clause 16—*Power of the Board to export rice and prohibition of export of rice by persons other than the Board.*

The COLONIAL TREASURER: Here the hon. the Fifth Nominated Member (Mr. Edun) wants the penalty restricted, but this is a very serious offence to which this clause refers.

The CHAIRMAN: Does any Member wish to talk on this clause?

Question put, and agreed to.

Clause 16 passed without amendment.

Clause 17—*Transfer of assets and liabilities of Parent Board.*

The COLONIAL TREASURER: I am not quite clear as to what the proposal of the hon. Member is. On the paper before me the hon. the Fifth Nominated Member has suggested that the words "for specific purposes" in sub-clause (3) be deleted. The sub-clause says:

"Any funds which have been allocated and reserved by the parent Board for specific purposes shall be applied to those purposes"

It seems that if the words "for specific purposes" are taken out the sub-clause will be meaningless. I am not quite clear what he means. The object of the sub-clause is to ensure that any funds which had been set aside for purposes of construction of seed padi bonds or completion of that pure line padi scheme shall be applied to that purpose so that that scheme should not suddenly come to a halt. This sub-clause will ensure that the work started will be completed and the funds used for that purpose, although there is a proviso that if the new Board decides to abandon any of those schemes it can do so with the approval of the Governor and those funds transferred to the General Reserve Fund.

There is another suggested amendment under sub-clause (4)—the

insertion of the words "and to assist the rice producers where necessary" at the end of the last line. That is to say, the Reserve Fund must be used as a working capital and, as the hon. Member suggests, to assist the rice producers where necessary. I do not think I need say anything more about that.

The CHAIRMAN: The hon. Member has also suggested an additional sub-clause (7).

Mr. C. V. WIGHT: With regard to that, I wish to point out that one would like to see the producers obtain more benefit from these services, but that is a matter entirely for the Board to see how it can be done. I would like the hon. Member for Essequibo River to inform me how any benefit or any increase of the price of padi is going to reach the producers where the producers in ninety-nine cases out of one hundred on the Essequibo Coast sell to the millers. The miller has the producer's rice and may have bought it in 1944, milled it and sold it to the Board. How is that farmer who has sold his padi to the miller to obtain the benefit as suggested by the hon. Member, unless the miller is going to buy the padi on a contingency basis that if he gets so much he will deduct so much and give the producer so much? I do not see how his amendment will benefit the people on the Essequibo Coast. It only refers to those producers who send their padi straight on their own consignment to the Board. That seems to be the only way that they can get any possible advantage by this distribution. I do think it would be advisable if some method is devised by the Board to assist the producer maybe by way of a loan to certain farmers so that they can have some benefit in any profit made by the Board. We must anticipate and realise that the Board must have some capital and some reserve fund in order to bolster up the prices if it becomes necessary locally and in order to fight competition outside.

I take it, the policy of the Board is that out of this surplus which is accumulated, prices will be kept remunerative to both the producer or farmer and the miller or landowner when a serious competition arises from those other places which go in for cheap production of rice. I do not see any harm in it and, perhaps, Government may give an expression of opinion on it. That is the whole object of this idea of retention of the money. It, perhaps, may allay the unnecessary agitation that is going on by hon. Members of this Council that the money should be handed back. Some of us are left in doubt, rightly or wrongly, as to when that money is handed back how much of it will be handed back, whether the whole amount or there will be some reduction in the form of a small commission or some remuneration for services rendered in obtaining that money.

The COLONIAL TREASURER: May I ask, deduction by whom—the Board?

Mr. C. V. WIGHT: I am not specifying any individual or any entity or body corporate. The position is, I do say that an expression of opinion to that effect by Government will allay quite a considerable amount of agitation on this question as to what is to happen to the surplus and, perhaps, that is why the hon. Member is moving an amendment in this form while not putting it exactly that they want it returned to these people. One can see that underlying it there is such a suggestion.

The COLONIAL TREASURER: I dealt with this point exhaustively when I spoke on the second reading, and I hardly think it is necessary to do so again. The hon. Member is quite right. The Reserve Fund which is going to be set up by the parent Board is to be utilised for two purposes—one is a working capital and the other is a reserve to offset any possible reduction in the prices which may occur in the export market. As regards the work-

ing capital, hon. Members will remember I said that when the existing Board started it had absolutely nothing in hand, and it had to go to the Banks and borrow money on the guarantee of the Government and pay interest on it. At the present time fortunately the new Board will start with a fund with which it can buy its rice without borrowing money to do so. That is a very enviable position for any organisation to be in. Similarly, to the contrary it is an enviable position for any organisation to borrow money and leave it lying down. That is why I say the new Board starts under very favourable auspices by having a sufficient capital to enable it not to have to borrow from the Banks.

As regards the reserve, it may conceivably happen that the export price, which is a fairly good one now in the West Indian markets, may go down as the result of competition and we may be forced to bring it down. Normally if that happens, obviously the price to the producer in the Colony will have to go down and quickly. The existence of the fund will enable that shock to be taken gradually. The Board may deliberately incur a loss by continuing the higher price to the producer then not justified by what we are receiving in the existing markets. All that is provided for in the Bill. When it comes to what the hon. Member for Essequibo River suggested, I must confess I am completely at sea. For the benefit of record this is what he says:

“Add sub-clause (7)—The surplus balance so transferred—that is the balance from the old Board to the new Board—shall be so utilised by the Board:—

- (a) 50 per cent. to be the working capital until a reserve capital of \$2,000,000 is accumulated;
- (b) 25 per cent. to be utilised for increasing the price of padi at any time until a reserve of \$1,000,000 is reached;
- (c) 25 per cent. to be utilised for distribution in increase on the price of rice for the ensuing year.”

I am sure if the hon. Member had been here he would have been able to explain fully what he means by this proposed sub-clause, but I am afraid I will not be able in his absence to elucidate it. I think, however, I have given an explanation of what is the object of the sub-clause.

Question put, and agreed to.

Clause passed without amendment.

Clause 18—*Power of the Board to acquire, encumber and dispose of property, to draw and negotiate bills of exchange and to make grants to the Association.*

The COLONIAL TREASURER: Here I have another amendment.

The CHAIRMAN: Is it your own?

The COLONIAL TREASURER: It is my own amendment. It is to add another paragraph to sub-clause (1) to read as follows:—

“(g) open and operate any current or savings bank account or accounts with any bank or banks outside the Colony.”

This new paragraph is to give specific power to the Board to open such accounts. The general power of the Board includes the opening of accounts, but I am advised to do this.

Question put, and agreed to.

Amendment passed.

The CHAIRMAN: The hon. Member for Essequibo River has a suggestion to sub-clause (2), to add the words “It shall be estimated on the financial numerical strength of each recognised association.” Who is going to explain that for the hon. Member?

The COLONIAL TREASURER: I know what the hon. Member means. I think the whole thing is now covered. What we intend is something like this: The branch associations and the council will comprise the British Guiana Rice Association. Perhaps I should not refer to them as branch associations but as District Associations. All these District Associations together will constitute the British Guiana Rice Association, so that when this grant is given to the British Guiana Rice Association, presumably under the enabling Bill which establishes the Association, there will be some provision for dealing with the funds or any grant, such as is contemplated in this particular clause. The hon. Member is trying to ensure that if a grant is given by the Board to the Rice Producers' Association, each District Association and particularly the one in Wakenaam would get its fair share. That is all that is meant by his amendment.

Clause 18 passed as amended.

Clause 19—*Power of the Board to create a floating charge.*

The CHAIRMAN: There being no amendment to this clause, I put the question that it stands part of the Bill.

Question put, and agreed to.

Clause passed without amendment.

Clause 20—*Profits and losses and accounting period of the Board.*

The CHAIRMAN: We have no amendments, unless any Member has one in mind, until we come to clause 23. So I put the question that clauses 20 to 22 stand part of the Bill.

Question put, and agreed to.

Clauses 20 to 22 passed without amendment.

Clause 23—*Storage Depots.*

The CHAIRMAN: The hon. the Fifth Nominated Member wishes to add as sub-clause (3) the following:—

"The Board shall insure all stocks of rice and padi at all times at all their storage depots."

The COLONIAL TREASURER: The Board, as any normal business will do, will take the precaution of insuring its stocks and buildings. I hardly think it is necessary to make that so by law. It is purely a matter for the discretion of those who are in charge of the business. I think the hon. the Attorney-General will agree with me.

The ATTORNEY-GENERAL: It is not a matter for law.

The COLONIAL TREASURER: It is their responsibility. There are many other things besides insurance which the Board ought to do as a business that cannot be put into the law.

The CHAIRMAN: Is there any other Member who has any other point to raise?

Question put, and agreed to.

Clause passed without amendment.

Clause 26—*Hoarding of padi.*

The CHAIRMAN: The hon. the Fifth Nominated Member has an amendment to move in to sub-clause (4)—the insertion of the words "not exceeding" after the words "penalty." He is being consistent. Has any Member anything to say about that?

Question put, and agreed to.

Clause passed without amendment.

Clause 28—*Monthly returns by manufacturer to the Board.*

The CHAIRMAN: There is an amendment by the hon. the Fifth Nominated Member. He wants the word "ten" inserted for the word "seven."

The COLONIAL TREASURER: The hon. Member is suggesting that the time allowed for a manufacturer to send certain returns to the Board should be ten days instead of seven days. There is not very much in it. Unless for very good reasons, I am afraid, I shall ask that the clause be passed as printed.

Question put, and agreed to.

Clause passed without amendment.

Clause 30—*Powers of Board to suspend the purchase of rice.*

The CHAIRMAN: The same amendment is proposed by the hon. the Fifth Nominated Member, that the word "seven" should read "ten."

The COLONIAL TREASURER: I may say, this particular clause was fully discussed with members of the Rice Committee and certain amendments suggested by them were incorporated in the draft now before Council. I certainly do not think this amendment is necessary.

Question put, and agreed to.

Clause passed without amendment.

Clause 31—*Purchase of bags by Board and the re-sale thereof.*

The CHAIRMAN: The hon. the Fifth Nominated Member suggests as an amendment the insertion of the words "and padi" after the word "rice" in sub-clause (2), and the hon. Member for Essequibo River wishes to delete sub-clause (2) and (4) (a).

The COLONIAL TREASURER: I think I know what point the hon. Member for Essequibo River is trying

to make. As a matter of fact I had a communication from the Growers' Sub-Committee of the Central Rice Committee making a similar suggestion for amending this particular clause, and I have noted it here. I intend to put it forward to the Council in answer to the hon. Member for Essequibo River, and I do so now. The point is, that in sub-clause (2) there is power for the Board to sell bags to manufacturers for the purpose of bagging the rice of the rice farmers and for the purpose of bagging padi, but the rice farmers also bag rice as well as padi. Perhaps I should add, it goes rather deeper than that. In Berbice the rice farmer is somewhat an independent person who can go to a mill with his padi, get it milled into rice and act as the owner of rice. He deals with it on his own and not through a miller. So he should be in a position to obtain bags for bagging his rice if he wants to do it. Therefore I would suggest that the clause be amended by inserting after the word "manufacturers" in the first line of sub-clause (2) the words "and to rice farmers" and also by deleting the words "to rice farmers for the purpose of bagging" in the second and third lines.

The CHAIRMAN: The hon. the Fifth Nominated Member has also made a suggestion.

The COLONIAL TREASURER: I think that is the whole point.

The CHAIRMAN: In other words, you have met both suggestions.

The ATTORNEY-GENERAL: Before you put that, sir, I wish to direct the hon. the Colonial Treasurer's attention to the fact that sub-clause (3) says: "Where the Board has sold any such bags to a manufacturer....."

The COLONIAL TREASURER: I would suggest that it should remain as it is, because the Board so far as

rice is concerned only deals with the manufacturers. It is the manufacturer who delivers rice even if he does it on behalf of the rice farmer. Therefore the deduction must be made from the amount payable to him. If the farmer buys bags he would have to make some other arrangement. The farmers buy bags now through the Co-operative Credit Banks who sometimes make advances for the bags obtained in that way. So far as the deduction from the manufacturer's amount is concerned, the Board only deals with the manufacturer. Under this Ordinance they are the only people who deliver rice to the Board.

The ATTORNEY-GENERAL: The rice farmer has no relationship with the Board so far as the bags are concerned!

The COLONIAL TREASURER: Not openly.

The ATTORNEY-GENERAL: You have your sub-clause saying the Board shall sell such bags to the manufacturers and rice farmers, and now you are admitting that it is not done openly with the rice farmer.

The COLONIAL TREASURER: Perhaps I may explain what I mean by "openly." The Board does deal with rice farmers through the manufacturers. That is to say, the manufacturer who mills for the rice farmer is responsible for sending the rice down to the Board. Similarly the manufacturer is responsible for paying out any money received from the Board for rice to the true owner, but the Board itself has no account with the rice farmer.

Mr. deAGUIAR: I am not too happy with the sub-clause as it stands nor with the amendment. The sub-clause as it stands says:— "The Board shall sell such bags to manufacturers....." What I would like to hear is the hon. the Attorney-General on this.

I think this is obligatory whereas it should be discretionary. I can visualize it may happen that neither a manufacturer nor a farmer may want to buy bags from the Board. The Board may be in that position, and this sub-clause says the Board shall sell to them and no one else. What then will be the position? I do not like the word "shall" there, because the Board may find itself in the position of not being able to sell bags to any manufacturer or farmer who is willing to buy. I would not like to see the Board tied down in this way. So far as the amendment submitted by the hon. the Colonial Treasurer is concerned, which I believe came from representation made to him, I prefer the sub-clause as it stands. The amendment makes it appear that a manufacturer can buy bags from the Board for the purpose of bagging rice and also for bagging padi. He has to be a manufacturer as well as a producer, unless he does not need the bags to bag padi. I do not think the door should be opened so wide for a manufacturer to go to the Board and obtain bags merely on the ground that he wants so much for his rice and so much for padi, while in truth and in fact he does not want any for padi, and by so doing prevents a legitimate farmer who wants bags for his padi from obtaining them. I prefer the sub-clause to stand as it is, restricting the manufacturer to buy bags for his rice and permitting the farmer to go to the Board and buy bags for his rice and permitting the making too much heavy weather. When all is said and done, a rice farmer buys his bags from the Board and uses it for his padi. The bags used for bagging padi can be used for bagging rice.

Mr. PEER BACCHUS: I do not quite follow the hon. Member for Central Demerara (Mr. de Aguiar). Does he intend to restrict the sale to the manufacturer or the producer?

Mr. de AGUIAR: Oh, no.

Mr. PEER BACCHUS: I do not agree with his interpretation that as the clause stands it is restrictive. I think the Board should sell bags to either the manufacturer or the farmer. I am thinking whether it is necessary to make a distinction between rice farmer and manufacturer when they are grouped in the definition. I think the term "rice producer" would meet the entire case. I think it should be made possible for a farmer or manufacturer to purchase bags from the Board. I cannot see that they would prefer to purchase them in the street.

The COLONIAL TREASURER: At the beginning the Board did not intend to purchase and sell bags at all, but it was compelled to do so because of war conditions. It would not continue in that business when conditions return to normal and producers are able to obtain supplies of bags readily. This clause was put in because such conditions do not yet obtain, and it is thought that for some time it will be necessary for the Board to purchase bags in order to keep the producers supplied with what they must have if they are to carry on.

The hon. Member on my right (Mr. de Aguiar) feels that the clause is too imperative as it stands, but I do not quite see that because sub-clause (1), which is the operative clause, says: "The Board may purchase and sell bags....." That is where discretion is given. The Board may or may not, and if it does it shall do so and so. I would like to accept the suggestion of the hon. Member for Western Berbice. If instead of the words "manufacturers" and "rice farmers" the composite words "rice producers" were inserted it would meet the point.

The ATTORNEY-GENERAL: A difficulty would arise in regard to the term "rice producers" which the hon. Member wishes us to adopt, because it

would be obligatory on the Board to sell bags to "rice producers" which is a comprehensive term defined in the interpretation clause. Consequently a rice producer who comes along and asks for a few bags would have to be sold those bags whereas in fact the procedure is that the Board deals with the manufacturer and not with the rice producer.

The COLONIAL TREASURER: It will be agreed that sub-clause (2) is general. The sale may be for cash. Provided a person is a rice farmer he can pass his cash and get his bags. Special power is given the Board to deduct the cost of the bags when dealing with a miller.

Mr. de AGUIAR: I do not think the Council should accept the amendment. Sub-clause (3) provides that where the Board has sold bags to a manufacturer it may deduct the cost from any amount that is payable to him for rice delivered to the Board. If that sub-clause remains and the Board sells bags to a rice producer, how would it be able to recover its money?

The CHAIRMAN: I think it means that the Board can sell bags to a rice producer, but in the case of a manufacturer it has power to deduct. It seems quite clear.

Mr. de AGUIAR: In practice it is not as clear as that because very often a rice farmer who wants to buy bags brings in a manufacturer or miller as a surety. The miller is the person who forwards the rice that belongs to the farmer, yet the Board will not have the power to deduct from the account of the manufacturer the cost of the bags supplied.

The COLONIAL TREASURER: Surely if the Board accepts in such a case it would do so under some specific guarantee, and one of the terms would be a specific condition in writing that deduction would be made. It is entirely up to the Board.

Mr. C. V. WIGHT: We have two clear terms set out in the Bill. Why confuse the matter by bringing in a comprehensive term to deal with rice producers on one hand and with manufacturers on the other? That is just the sort of thing that lawyers like to argue. I am surprised to hear the Colonial Treasurer suggest that the practice of purchasing and selling bags by the Board might cease because I was about to say that the sale of bags at a reasonable price is of great assistance to those engaged in the industry. If we are going to allow free marketing we do not know that the cost of production will not go up. I think the Board should continue its present activities in the purchase and sale of bags. The moment the Board ceases there might be an enormous increase in the price of bags. There might be a sort of black marketing although there would be no Defence Regulations. I suggest that the clause be left as it stands.

Mr. PEER BACCHUS: The practice, as I know it, is that the manufacturer supplies the grower with all the bags he wants to take his padi to the mill. The only other bags that the grower requires are a small quantity in which he stores his seed padi, and those bags are bought through the Co-operative Credit Banks or for cash from the millers. In the contract of sale between the Board and the miller the price at which bags are sold to the miller and at which the miller shall sell to the grower is specified. Therefore I do not see any difficulty as far as the grower is concerned in securing a limited number of bags for storing his seed padi for the next crop. I can quite appreciate the Attorney-General's difficulty in understanding the transactions between the miller, the grower and the Board. The existing arrangements is that the grower receives payment for his rice through the miller with whom the Board deals. There is no account with the grower.

Dr. SINGH: The grower must have bags to convey his padi to the mill, so there is an arrangement between him and the miller who gets the bags from the Board.

The CHAIRMAN: Are you in favour of amending the clause or allowing it to stand as it is?

Dr. SINGH: I am in favour of the clause as it stands.

The COLONIAL TREASURER: Sub-clause (2) says:

“(2) The Board shall sell such bags to manufacturers for the purpose of bagging rice and to rice farmers for the purpose of bagging padi.”

There is an absurdity there. It means that the Board must first of all ascertain whether the rice miller is only going to use the bag for bagging rice and the farmer for bagging padi. That is why when I heard of the suggested amendment I was ready to accept it. I am equally anxious to accept the suggestion of the hon. Member for Western Berbice that rice producers should have the right to buy bags for either rice or padi.

Sub-clause (3) simply gives the Board power to make deductions where a manufacturer has bought bags and the Board has money for him.

Mr. GONSALVES: As regards sub-clause (2) I would like to hear from the Attorney-General whether the words “any such sale shall be on such terms and conditions” refer to the question of payment for the bags or contemplate conditions of sale being imposed by the Board.

The ATTORNEY-GENERAL: I think they are terms and conditions imposed in connection with the sale.

Mr. GONSALVES: The Colonial Treasurer has said that a rice farmer may authorize a miller to pay for the

bags supplied to him. That is a condition which can be imposed on the sale. I gathered from the debate that the Board is not in a position to sell bags to any other person than a rice farmer or a miller.

Mr. C. V. WIGHT: I suggest that this sub-clause (2) be amended to provide that the Board shall sell bags to manufacturers for the purpose of bagging rice or padi and to rice farmers for the purpose of bagging padi or rice. That would make it clear.

Mr. THOMPSON: I think the whole point would be covered if the word “padi” were left out. As regards the terms that is a domestic matter between the farmer and the miller. The miller obtains the bags from the Board and passes them on to the farmer.

The COLONIAL TREASURER: What about the sale of bags by the Board to the producer? That should be covered by some clause.

Mr. PERCY C. WIGHT: There seems to be unfounded fear. I know that the Board sells the bags at very much less than they can be obtained outside. What is the use of delaying the matter?

The COLONIAL TREASURER: I have already said that the Board is satisfied that the sale of bags is a means of getting something back for the producer. I move that sub-clause (2) be amended to read:

“(2) The Board shall sell such bags to rice producers for the purpose of bagging rice or padi. Any such sale shall be on such terms and conditions and on such security as the Board deems fit.”

The CHAIRMAN: Are you content with the Treasurer's amendment?

Mr. THOMPSON: Yes, sir.

The ATTORNEY-GENERAL: The term “rice producers” is a comprehen-

sive term which includes landlords and tenants of rice lands. Is it intended to include all those parties whether they are directly interested or not? Is the landlord to be brought in?

The COLONIAL TREASURER: I think it is very desirable. If a landlord wants to purchase bags for sale to his tenants so much the better.

Sub-clause (2) as amended put, and the Committee divided and voted:—

For—Messrs. Thompson, Jackson, Peer Bacchus, Austin, Critchlow, the Colonial Treasurer and the Attorney-General—7.

Against—Messrs. Gonsalves, Percy C. Wight, deAguiar, C. V. Wight and Dr. Singh—5.

Amendment carried.

Clause 31 as amended put, and agreed to.

Clause 33.—*Procedure.*

Mr. C. V. WIGHT: I would like to ask the hon. the Attorney-General whether he is satisfied that the penalties provided throughout this Bill are in keeping with the Summary Jurisdiction Ordinance. Then we have the procedure and proceedings to be taken under the Summary Jurisdiction Ordinance. I am of the opinion, as stated there in the Summary Jurisdiction Ordinance, that while a person convicted is liable to a penalty of a certain sum or a term of imprisonment of a certain duration, the Magistrate is entitled to fine any sum up to the amount mentioned or to impose any term of imprisonment up to the duration of period mentioned. If that were not so and if the hon. Attorney-General does not agree with me, then I suggest that all the proceedings prosecution and the penalties be also stated as in the Summary Jurisdiction Ordinance. In other

words, the fixed penalty of \$1,000 or a term of imprisonment of six months means there are only those two alternatives, whereas normally under the Summary Jurisdiction Ordinance the Magistrate can fine up to \$1,000 or impose imprisonment up to six months. There should be certain circumstances in the case in which a man may not necessarily be fined \$1,000 or given a term of imprisonment of six months. Certain people in the community given a week imprisonment is good enough as if given a month.

The ATTORNEY-GENERAL: I would agree with the hon. Member, perhaps, if the fine is taken out and the term of imprisonment left. That will be quite all right. The object of the hon. Member's first point is this: The clause says: "All prosecutions and proceedings for offences against this Ordinance shall be instituted under the Summary Jurisdiction Ordinance." In other words, this by way of reference carries you back to the Summary Jurisdiction Ordinance but it does not refer you to the Summary Jurisdiction Ordinance so far as penalties are concerned. You have specific penalties provided under this Ordinance. The Bill provides that if and when proceedings are to be instituted you follow the line as laid down in the Summary Jurisdiction Ordinance. That is all. It is referring legislation so far as that is concerned. It also fixes the penalties, and that is a matter entirely for Members of this Council, whether they think there should be discretion in the fine—\$1,000 should be the limit to which the Magistrate ought to go up to or down to a shilling. That is a matter for this Council. As I see it and as I have already emphasised, if it is desirable that quite appropriate precautionary measure is taken to ensure the efficiency of the working and the success of the organisation, then there should be heavy penalties. We hope, and I am sure hon. Members do, that none of these penalties will have to be imposed on any member of the com-

munity. There will be such respect and regard for the organization as a whole and for its success that it will be unnecessary to institute proceedings under the Summary Jurisdiction Ordinance or for any offence whatsoever.

Mr. C. V. WIGHT: In view of that I am going to suggest the insertion of another clause similar to the one in the Summary Jurisdiction Ordinance, Chapter 13. Under the Defence Regulations discretion is given to the Magistrate in the infliction of penalties for a much more serious state of affairs. In other words, you had necessary foodstuffs being blackmarketed and the penalty there should be very much more severe than in a matter of this sort, but there the Magistrate was given discretionary power. If that is so, I think the Magistrate should also be given discretionary power here. If such discretion is given, you would find the penalties as severe as to deter people from committing these misdeeds. It does seem that discretion should be given to the Court in the infliction of less penalty than that given in the clause, and I move the necessary amendment by suggesting the insertion of a new sub-clause 33 (b)—clause 33 to be renumbered 33 (a)—to the effect that the Court may in its discretion adjudge any person convicted punishable to a less penalty than that prescribed in the Ordinance for that offence.

The ATTORNEY-GENERAL: The hon. Member will appreciate the fact that so far as one particular clause is concerned—I am referring to the Defence (Rice Control) Regulations of 1940, Regulation 10—it says:

“(1) Except with the permission of the Governor, no person shall export or attempt to export any padi.”

(2) No person, other than the Board or an exporting agent, shall export or attempt to export any rice.

(3) Any person who contravenes the provisions of this regulation shall be

guilty of an offence and shall be liable upon conviction to pay a fine of one thousand dollars or to imprisonment for six months.”

This was running at the same time as the Regulations in regard to which the hon. Member has made reference as to blackmarketing. Apparently it was thought desirable that a regulation of this nature should have a fixed penalty of \$1,000 or imprisonment for six months. There is another Regulation --15—which reads:

“Any exporting agent who—

(a) exports any rice contrary to the provisions of these Regulations,

(b) offers for sale or sells any rice for export at a price other than that fixed by the Board, or

(c) enters into any arrangement or bargain whatsoever with a purchaser, either directly or indirectly, whereby the cost to the purchaser of the rice is increased above or reduced below the export price fixed by the Board—

shall be guilty of an offence and shall be liable on conviction to pay a fine of one thousand dollars or to imprisonment for six months and shall cease to be an exporting agent within the meaning of these Regulations”.

Here again, I emphasise, that was running at the same time as the Regulations referred to by the hon. Member. Consequently it seems that when these Regulations were brought into existence it was regarded as very necessary to have these extreme and very high and fixed penalties. So far as this one is concerned, the Bill only has it at \$500. It has been reduced by one-half. The only penalty that is high is the one with regard to secrets. It only means that a man is held bound in regard to his loyalty to the deliberations of the Board until the whole thing is made known. I suggest to hon. Members as people who have a sense of responsibility that a fixed penalty, even if it is \$2,000, will have no terror because it will preserve propriety so far as membership of the Board is concerned.

The CHAIRMAN: Has the hon. Member for Western Essequibo his amendment ready? Will it meet you if we move that the clause as printed stands part of the Bill and, if it is defeated, I would then put your amendment? Will that suit you?

Mr. C. V. WIGHT: Yes.

The CHAIRMAN: The position is this: I will put to the Committee the question "That clause 33 stands part of the Bill." If that is defeated then I would put the amendment by the hon. Member for Western Essequibo.

Question put, and agreed to.

Clause 33 passed without amendment.

Clause 35—*Exemption of the Board from taxation.*

Mr. PERCY C. WIGHT: This is a clause I want to know something about. Why is it inserted in this particular Bill? For years the Rice Marketing Board paid no Income Tax under the existing Ordinance. I do not think it is right. Government has not assisted the coconut industry by exempting it from Income Tax. The clause speaks of "licence fees." Does it mean that the Board must not pay Office or Store Licence? I certainly do not think the Board should be exempted when other people have to pay it. The Board is taking no risk, and it is a sign that the Income Tax people have not been doing their duty for the last five years. That 33.1/3 per cent on profits will materially reduce what hon. Members are asking to be distributed between the rice growers. It will certainly ease the position much better. I certainly do not approve of this clause unless other industries are exempted from Income Tax also.

The COLONIAL TREASURER: I think, I had explained this point when I was speaking. The hon. Member is

compelling me to say the same thing again. I am amazed to hear him say that the position would have been eased had Government appropriated one-third of the surplus fund of the Rice Marketing Board to itself while denying the hon. the Fifth Nominated Member (Mr. Edun) the right to share it around the countryside. I am sure it will not ease the situation, but on the other hand it will create quite a controversy. The Board as now constituted is a competent authority acting under Defence Regulations. It is practically a Government organisation by which the whole of the income from the trade of rice is put together, so to speak, into one big pot. It is not competent for the Income Tax Authorities to seek to impose a tax on an organisation established in that way, but as you are now attempting to establish a new statutory body and a body independent of the Government acting on its own, it is very desirable that its exemption should be made secure by law. I am not sure, whether this particular clause is put in or not, that the organisation as constituted will still be liable to the tax because, as I said, it is a body acting on behalf of the whole industry and established by law. But to make that sure this clause is put in. Let me repeat: The Board as now constituted under Defence Regulations is not liable to Income Tax, but in order to make assurance doubly sure when it is constituted as an independent body this clause is put in. I merely point that out, as I feel sure the hon. Member does not wish to be taken seriously that he thinks the rice producers should be compelled to trade collectively whereby all profits are pooled into one sum, and then Government should step in and take a part of it.

Mr. PERCY C. WIGHT: I am very serious about it. The coconut industry is in a very precarious position and nothing has been done to assist it. Government has said "Cut down the trees and plant rice." I

cannot for the life of me see why this organisation, which is not a Government organisation in any sense though the hon. the Colonial Treasurer and other Government Officials are on it, should be exempted from Income Tax. I am quite willing to resign my post on the "Demerara Life" in favour of two Government Officials and so let that institution go without taxation. I cannot agree with the statement made by the hon. the Colonial Treasurer that this organisation is not liable to Income Tax. No proclamation was issued by Government to that effect. I have gone into the matter and will definitely state that it is liable to Income Tax. If I were ten years younger I would have made a test case of it.

The CHAIRMAN: What advantage it would be in taking Income Tax off the Rice Marketing Board? Is it the feeling of "the sour grapes"?

Mr. PERCY C. WIGHT: It is not. I am not in the rice industry. You are not getting much Income Tax from the growers of rice. You can take that from me. If some of the accumulated profits had been taken in the tax—33½ per cent. of it—then the speech of the hon. the Fifth Nominated Member would have borne no fruit as there would have been nothing to be distributed to the rice growers. They want you to give those profits to the rice growers. It is not a case of "the sour grapes", as you have not dealt so generously with other industries which are worse off. The coconut industry should be put on the same footing by giving it exemption from Income Tax. That is my view of it.

The COLONIAL TREASURER: That is just the point I am going to add. The rice growers are individually liable to Income Tax just the same as the coconut producers are. Individual manufacturers and individual rice farmers will get the proceeds in the form of prices, but they are individual-

ly liable to Income Tax just as the coconut producer is liable to pay Income Tax on any income derived from the proceeds paid him by the Copra Board. There is no difference. The Copra Board does not make profits. I am sure provision will have to be made to exempt the Board from Income Tax. When the profits are distributed in the form of prices, the individual is taxed. The same thing holds good in the one case as in the other.

Mr. PERCY C. WIGHT: Do you tell me, the Copra Board does not pay taxes? Why should it not? They make money out of it.

The CHAIRMAN: Will the hon. Member move formally the deletion of the clause?

Mr. PERCY C. WIGHT: I am not moving anything. I only wanted to get what I have got from the hon. the Colonial Treasurer.

Clause 35 passed without amendment.

Clause 36—*Regulations.*

The CHAIRMAN: The hon. Member for Essequibo River has an amendment to move to this clause. I would like to tell him that we have in the very best and good faith in his absence introduced on each occasion all the amendments he proposed. They were read out and considered during his absence. I think I should let him know that.

Mr. LEE: I would certainly ask you to recommit clause 31 because I feel sure that after my explanation hon. Members of this Council will see that I am right. But let us deal with clause 36 now.

The CHAIRMAN: We have amended clause 31.

Mr. LEE: I would have agreed to the amendment.

The CHAIRMAN: Anyhow we are dealing with clause 36 now.

Mr. LEE: You will note what my amendment to clause 36 calls for. I desire that if Regulations are to be made in respect of the fixing of milling fees to be charged by the manufacturers for the milling of padi into rice, it should be made compulsory that the manufacturers charge the producers according to the grade of the rice milled. Many of us know, and I have had experience of it, that the producer may take his padi by compulsion, agreement or otherwise, to the miller who owns the estate. If the miller has not a proper mill or if he has reason to break faith with the producer and desires to turn him off the estate, he would just put that padi through the mill and produce a low grade of rice, and so the grower's labour is wasted. It is therefore necessary that if at all you are going to control the manufacture of padi into rice, you should also fix the milling fees according to the grade and not according to what the Board desires. This clause gives the Board discretionary power to do so when it is desirable. That will mean more petitions to the Governor to make the Board make the Regulations and charges and not leave it like this. The producer should know exactly before the crop starts whether it would pay him to plant more rice according to the price fixed. Consequently I ask that the words "where in the opinion of the Board it is considered desirable and practicable so to do" be deleted in order to make it compulsory on the Board to fix the milling fees.

The CHAIRMAN: I do not want to interrupt the hon. Member. If he reads the first line of the clause he would see it says: "The Board may . . .". It is permissive.

Mr. LEE: I say the word "may" should be changed to "shall". The paragraph should read: "(b) fixing the grades of padi and prescribing the

fees which shall be charged by a manufacturer for the milling of padi into rice . . ." If you change it I will agree to the clause.

The COLONIAL TREASURER: The hon. Member does not refer to the first "may" in the clause.

The CHAIRMAN: The whole clause is permissive.

Mr. LEE: The wording of it is permissive, but that is not what the producers want.

The CHAIRMAN: The hon. Member is labouring very heavily on making compulsory paragraph (b). He is saying that the Board must make the Regulations, but he is forgetting that the Board need not make any Regulations. The clause says: "The Board may with the approval of the Governor-in-Council make Regulations—" You cannot compel the Board to make Regulations under (b) and not under the whole clause.

Mr. LEE: Why has the draftsman put it in such a manner? If the whole is permissive why have that?

The CHAIRMAN: The hon. Member is beating the air.

Mr. LEE: I would like it to be recorded in the Hansard that the producers desire it, and I have asked Government that if Regulations are to be made they should be made compulsory and issued before the crop year starts. The Rice Farmers (Tenure of Land) Ordinance gives the rice crop year as ending in March. If Government is not inclined to do it, I can do nothing more about it. But I am saying that there may come a time when this Council will be changed and then Government will be sorry that it did not do so. This may bring to this Council Members who will certainly put the Government on the spot at cer-

tain times, which I do not want. I do not want the rice producers to be able to say to any candidate who is advocating a rice policy at the General Elections that Government is wrong in this matter.

The COLONIAL TREASURER: I may not ask any candidate for his vote.

Mr. LEE: I am sure that these Regulations will not succeed. It is Government's duty, as it stands with a majority in this Council, to listen to the people before the Bill is passed and to see whether it can meet their desires. If Government does not want to do that, I am satisfied that I have performed my duty in the matter. If you are going to have Regulations for fixing the milling fees, there should be no permissive Regulations. It should be an obligation on the Board before the crop year starts. Further I feel that other regulations should be added in respect of appeals on the grading of rice.

The CHAIRMAN: I do not want to interrupt the hon. Member unduly, but he has already debated that. It is understood that Regulations for appeals will be made.

Mr. LEE: There is nothing in this clause to that effect except under (c), and that does not give you the power, in my opinion. This Bill does not say that you have the power. The people require a Bill in which they will have guiding Regulations. Let us for the sake of argument say that you make Regulations generally for the purposes of this Ordinance without saying anything about fees. You will have the power under (c). Why then have Regulations prescribing the milling fees and fixing the grades specifically provided for? Why do that if you have Regulations generally for the purposes of the Ordinance? I respectfully submit that if at all you are going to have (a) and (b), then I would ask Members of this

Council to put there also Regulations for the purpose of appeals from the fixing of the grades of rice. I have done my duty.

The ATTORNEY-GENERAL: I am sure the hon. Member appreciates the fact that in the clause you have paragraph (c). Clause 36 is permissive as pointed out from the Chair. You have first of all "The Board may with the approval of the Governor in Council....." In other words, the Board, as we understand it, will make the regulations which will then go to the Governor in Council for approval.

I take it that "fees" is wide enough to embrace milling fees, and that the hon. Member accepts that. Instead of listing a long number of things and forgetting some, we have inserted a general clause which enables the Board to make Regulations in order to carry out successfully the objects and purposes of the Bill.

The CHAIRMAN: In another place we had a general purposes clause in Regulations, and it was held that a general purposes clause did not empower us to make *ad hoc* Regulations to stop cars on the road. Would that apply in this case?

The ATTORNEY-GENERAL: It is not quite that. The clause seeks to give the Board power to make Regulations with regard to certain specified matters and "generally for the purposes of this Ordinance". It follows that anything which comes within the purpose of the Ordinance can be included in the Regulations. I think the hon. Member will appreciate that. The question of appeals has already been dealt with, and an undertaking was given that provision will be made in the Regulations. The question of method and procedure is not for this Council to decide.

The COLONIAL TREASURER: I wish to amplify what the Attorney-General has said. Paragraphs (a) and (b) of clause 36 are put in for a specific

purpose. The prescribing of records and accounts which are to be kept by a manufacturer is something which is now governed by Statute. One of the Ordinances mentioned in the Schedule to be repealed is something slightly extraneous to the objects of this Bill. It is necessary for a manufacturer to keep proper records and accounts otherwise he cannot carry out some of the provisions of this Bill. Nevertheless, because it is a special account and it is enshrined in another Ordinance which is being repealed, it was considered desirable to insert paragraph (a), while paragraph (b) gives the Board power to make Regulations "fixing grades of padi and prescribing the fees which may be charged by a manufacturer for the milling of padi into rice, where in the opinion of the Board it is considered desirable and practicable so to do".

I would not say that that is extraneous power but it is something which the hon. Member himself knows does not take place at the present time and has not been possible ever since the Board was formed. It is something which, as he says, the rice farmers have tried to get the Board to do in their interest for a long time, but it has never been found practicable. I think the hon. Member for Western Berbice will bear me out when I say that it has not been found possible to fix milling fees which would meet all the conditions that obtain in the various districts. It is something which has been examined over a long period but we have not been able to find a solution.

Similarly, with regard to the fixing of grades of padi, the Director of Agriculture and experts have gone into the matter, but we have not found machinery for the fixing of grades for the whole Colony. Nevertheless, in order to make it sure that should the time come when we can do these things we thought it desirable to insert these paragraphs as a sort of *caveat* to let people know that power is given to the

Board, and that if it becomes practicable it might be done. I do not want the hon. Member to infer from any statement made by myself or the Attorney-General that an undertaking is being given that the new Board will make Regulations fixing grades of padi and milling fees, but the Board will consider it. An undertaking has been given that the new Board will make Regulations setting up machinery for an Appeal Board. That is what goes on now, and that is what was promised when the hon. Member was absent from the Council.

Mr. THOMPSON: As regards milling fees I have received complaints that persons have taken the best quality padi to mills to be milled into rice for their personal consumption and have received the worst quality rice. I do not know how we can provide for such a case which is indeed a great hardship. I hope the new Board will look into the matter and see what can be done.

The CHAIRMAN: Isn't it possible for the Commissioner of Local Government or the District Commissioner to arbitrate in such a case?

Mr. LEE: The padi becomes the property of the manufacturer as soon as it is taken to the factory.

The CHAIRMAN: If a producer complains that when he takes No. 1 padi to the mill he gets inferior rice, isn't it possible for him to get some redress through the District Commissioner?

Mr. THOMPSON: It has been tried several times, but the farmer is usually in such a hurry to get his rice that he takes what he gets.

Mr. PEER BACCHUS: I know of the difficulty in the matter and I would suggest that the only solution would be that the Board should renew the campaign it launched a few years ago for the improvement of the quality of padi throughout the Colony. If every

grower produced an improved type of padi the manufacturer would not turn out bad rice. In their own interest I am going to appeal to growers throughout the Colony to take advantage of the opportunity to plant pure-line seed padi so that every mill would produce good rice.

On the question of fixing milling fees I feel certain that if the hon. Member for Essequibo River (Mr. Lee) had given the subject the thought it requires he would have appreciated the difficulty in fixing milling fees even in one area because in each area conditions differed throughout the Colony. In one district a miller might only supply the power for the milling of farmers' padi. In another district the miller supplies labour and power, and the milling fees vary from 1/6 per bag to 5/- and 6/- per bag, depending on the services rendered by the miller. In many places the Board may be inclined to fix even higher fees than some millers are charging. Millers supply storage space, empty bags, power and labour, and all the grower does is to demand whatever rice he wants. In Western Berbice alone conditions differ from one area to another. It is a very difficult problem. For the Board to fix milling fees it will have to get down to the cost so as to be able to fix reasonable rates, and in some cases I feel that when the cost is gone into the organization may be inclined to fix higher fees than those existing at present. That is the difficulty that faced the Board some time ago, and it was thought best to let the millers and growers make their own arrangements. The power given the Board in this Bill might act as a check in any district where a miller might be inclined to squeeze the growers.

Mr. THOMPSON: I am a little surprised at the remarks of the last speaker. I cannot say definitely that I follow the point he has tried to make. There are just two systems of rice milling. In one case the farmer supplies the labour while the miller supplies

the power, and in the other the miller does everything. It is obvious that if the farmer pays 1/6 per bag in one case and 5/- per bag in the other there are just two systems.

The point I was making is as regards the quality of rice produced by the miller who receives padi of good quality. It was suggested by Your Excellency that the District Commissioner should intervene in such cases but the time that would involve would be inconvenient to the farmer. If, however, it is decided that the District Commissioner should intervene I would be glad to take advantage of his assistance.

Mr. Peer Bacchus: The hon Member missed the point when he spoke about only two systems as regards milling fees. Milling fees are fixed according to grades. Does he know what difficulty that presents?

The CHAIRMAN: I have all along noticed that there is terrible defect in the actual relations between millers and producers, but I do not think the Rice Marketing Board can make Regulations which would get over that difficulty. I should think it should be dealt with by the British Guiana Rice Producers Association forming a panel or some body to which both miller and producer can appeal in cases of dispute.

Mr. de AGUIAR: That is precisely what I was going to say, sir. I was going to appeal to hon. Members not to impose on the new Board any task which it cannot carry out. The point raised by the hon. Nominated Member, Mr. Thompson, is purely a domestic matter, and I think he will agree that it bristles with difficulties. A dispute between a producer and a miller as to the grade of rice turned out by the miller is one which must be settled by the parties concerned. There are many difficulties in the way. For example I know of the case of a farmer who is in the habit of taking his padi to the mill and leaving it there for months, going every

month and taking delivery of a bag of rice for his own consumption. However good padi may be the quality of the rice produced varies from month to month

I am very pleased to see that this clause is permissive; we cannot do more than that. We hope to do the best that can be done in all the circumstances, but if it is made imperative on the Board to carry out these duties I am afraid the whole machinery will break down. The Board cannot fix milling fees. There is no doubt about that. The hon. Nominated Member spoke of there being only two systems of milling. There are some districts where what is called a mill should be called something else. Surely one cannot expect to produce the best quality of rice in such a mill, and that miller would be in a position to charge lower milling fees than one who has a better mill. In addition to that the cost of labour varies in the districts. It is a matter of economics. It is impossible for the Board to prescribe milling fees even in one district, far less for the whole Colony. Do not let us impose on the new Board tasks which would be impossible for it to carry out.

Mr. THOMPSON: I have not advocated any imposition on the Board. I would like the hon. Member to understand that nobody's padi is kept and milled separately at the mills; it is all dumped together. A producer is not supplied with rice from his own padi.

Mr. de AGUIAR: That is also another difficulty which I appreciate and know of, but there are several others.

Mr. THOMPSON: The best quality rice is prepared for Georgetown and not given to the farmers for their own consumption.

The CHAIRMAN: I entirely sympathize with the difficulties but I do

not think it is possible for this Council to provide in a Bill power for the Board to make Regulations to meet those difficulties.

Dr. SINGH: The question of a farmer taking one grade of padi to a mill and getting a lower grade of rice is a long standing trouble which cannot be reconciled. The only solution is for the farmer to remain at the mill while his padi is being milled into rice. No machinery would be able to solve the problem unless there is one type of padi.

Clause 36 put and agreed to.

Clause 9.—*Execution of Documents.*

The COLONIAL TREASURER: Clause 9 was held over for consultation with the Attorney-General. I now suggest that the clause be left as printed except that it be renumbered 9 (1) and that a new sub-clause (2) be added as follows:—

“(2) Any cheque, bill of exchange or order for the payment of money requiring to be executed by the Board shall be deemed to be duly executed if signed by a person authorised by resolution of the Board so to sign.”

It has been considered advisable to provide specially for the signing of cheques by resolution of the Board so as to relieve the necessity for the Chairman, Manager, and Secretary signing.

Clause 9 as amended agreed to.

The Council resumed.

Notice was given that at the next meeting of the Council it would be moved that the Bill be read a third time and passed. (The Colonial Treasurer).

The Council was adjourned until the following day at 2 p.m.