

THE  
PARLIAMENTARY DEBATES  
OFFICIAL REPORT  
[VOLUME 3]

PROCEEDINGS AND DEBATES OF THE FIRST SESSION OF THE NATIONAL  
ASSEMBLY OF THE THIRD PARLIAMENT OF GUYANA UNDER THE  
CONSTITUTION OF GUYANA

37<sup>th</sup> Sitting

2 p.m.

Thursday, 4<sup>th</sup> September, 1969

**NATIONAL ASSEMBLY**

**The Assembly met at 2 p.m.**

**Prayers**

**Mr. Deputy Speaker in the Chair**

**Present**

His Honour the Deputy Speaker, Mr. O.E. Clarke

**Members of the Government**

**Ministers (13)**

The Honourable L.F.S. Burnham, Q.C.,  
Prime Minister

Dr. the Honourable P. A. Reid,  
Deputy Prime Minister and Minister of Finance

The Honourable R. J. Jordan,  
Minister of Agriculture and Natural Resources

The Honourable M. Kasim,  
Minister of Communications

The Honourable H.D. Hoyte,  
Minister of Home Affairs

The Honourable N.J. Bissember,  
Minister of Trade and Parliamentary Affairs

The Honourable C.M.L. John,  
Minister of Local Government

The Honourable W.G. Carrington,  
Minister of Labour and Social Security

Mrs. the Honourable S.M. Patterson,  
Minister of Education

The Honourable B. Ramsaroop,  
Minister of Housing and Reconstruction

The Honourable S.S. Ramphal, C.M.G., Q.C.,  
Attorney-General and Minister of State

The Honourable H. Green,  
Minister of Works and Hydraulics

Dr. the Honourable S.E. Talbot,  
Minister of Health

**Parliamentary Secretaries (5)**

Mr. P. Duncan,  
Parliamentary Secretary, Office of the Prime Minister

Mr. J.G. Joaquin, E.B.E., J.P.,  
Parliamentary Secretary, Ministry of Finance

Mr. W. Haynes,  
Parliamentary Secretary, Ministry of Works and Hydraulics

Mr. A. Salim,  
Parliamentary Secretary, Ministry of Agriculture and Natural Resources

Mr. J.R. Thomas,  
Parliamentary Secretary, Office of the Prime Minister

### **Other Members (13)**

Mr. J.N. Aaron  
Miss M.M. Ackman  
Mr. K. Bancroft  
Mr. J. Budhoo, J.P.  
Mr. L.I. Chan-A-Sue  
Mr. M. Corrica  
Mr. E.H.A. Fowler  
Mrs. P.A. Limerick  
Mr. S.M. Saffee  
Mr. D. A. Singh  
Mr. R.C. Van Sluytman  
Mr. C. E. Wrights  
Mr. M. Zaheeruddeen, J.P.

### **Members of the Opposition (21)**

Dr. C. B. Jagan, Leader of the Opposition  
Mr. Ram Karran  
Dr. F.H.W. Ramsahoye  
Mr. D.C. Jagan  
Mr. B.M.G. Wilson  
Mr. A. M. Hamid, J.P.  
Mr. G. H. Lall  
Mr. M. Y. Ally  
Mr. R. D. Persaud, J.P.  
Mr. E. M. Stoby  
Mr. R. Ally  
Mr. E. L. Ambrose  
Mrs. L. M. Branco  
Mr. Balchand Persaud  
Mr. Bholu Persaud  
Mr. I. Remington, J.P.  
Mr. V. Teekah  
Mrs. E. DaSilva  
Mr. M. F. Singh  
Mr. J. A. Sutton  
Mr. R. E. Cheeks

## **OFFICERS**

Clerk of the National Assembly (Acting) – Mr. M. B. Henry

Deputy Clerk of the National Assembly (Acting) – Mr. R. H. Fraser.

## **Absent**

His Honour the Speaker, Mr. R. B. Gajraj, C. B. E., J. P. – on leave

The Honourable M. W. Carter,  
Minister of Information

The Honourable H. O. Jack,  
Minister without Portfolio

Mr. E. F. Correia

Mr. R. Chandisingh

Mrs. R. P. Sahoye.

**PRESENTATION OF PAPERS AND REPORTS, ETC.**

The following Papers were laid:

- (i) Loan Agreement between the Government of Guyana and the United States of America for Feasibility Studies and Pre-Feasibility Investigations – A. I. D. Loan Number 504-L-009 – Dated August 16, 1969;
- (ii) Bill of Entry (Defence Levy) (Exemption) (No. 2) Order, 1969 (No. 34), made under section 5 of the Bill of Entry (In Aid of Defence) Levy Act, 1969 (No. 4), on the 27<sup>th</sup> of August, 1969, and published in the Gazette on the 30<sup>th</sup> of August, 1969. [**The Minister of Finance**]

**REQUESTS FOR LEAVE TO MOVE THE ADJOURNMENT OF THE ASSEMBLY ON MATTERS OF URGENT PUBLIC IMPORTANCE****ATTACK ON LEADER OF THE OPPOSITION**

**Mr. Ram Karran:** Your Honour, I seek your permission to raise as a definite matter of urgent public importance the attack on the Leader of the Opposition (Dr. Jagan) at the Independence Park a few days ago. Acts of this kind can inflame passions to such a point –

**The Minister of Trade and Parliamentary Affairs**(Mr. Bissember): On a point of order. The hon. Member cannot yet speak on the matter which he has intimated to Your Honour. Under the Standing Orders Your Honour will indicate whether or not you will allow it to be discussed but, at this stage, no speeches can be allowed.

**Mr. Ram Karran:** I was not attempting to speak.

**Mr. Bissember:** You cannot speak at this stage. You are speaking for the Press

**Mr. Deputy Speaker:** Please allow the hon. Member to read his Motion. Go ahead, hon. Member.

**Mr. Ram Karran:** I was not making a speech. My hon. Friend on the other side who is a lawyer ought to know that I was just trying to impress on the House the reason why I think Your Honour ought to grant permission.

**Mr. Bissember:** On a point of order. The House does not come into the matter. The House decides only if Your Honour grants permission. The House is completely out of the picture at this stage.

**Mr. Deputy Speaker:** I will allow the hon. Member merely to say what the Motion is about because I have not allowed the Motion to be debated. At a later stage, after you have said what your Motion is about – I am listening very keenly so that you will not depart from what is in your Motion – I shall acquaint the House of what I think is the position.

**Mr. Ram Karran:** I understand Your Honour to say that the request I seek is already rejected and it will serve no useful purpose for me to parrot what Your Honour seems to know already. At this stage I will seek your permission to inform the hon. Minister of – I forget what he is, he seems to be moving down the table - -

**Mr. Bissember:** You are speaking for the *Press*.

**Mr. Ram Karran:** I am not speaking for the *Press* but I seek to get Your Honour's ruling to have this matter debated so that acts of hooliganism perpetrated by Members on the other side will come to an end.

**Mr. Deputy Speaker:** Hon. Members, the hon. Member sought to raise a matter under the Standing Orders and I did not permit the matter to be debated or heard because I feel that the occurrences cannot be considered as a sudden emergency. Notwithstanding the fact that such incidents occur at public meetings or gatherings, they do not involve more than the ordinary administration of the law. The fact that it is a recent occurrence at a public meeting does not

make it a matter of urgency. Disorderly behaviour at public meetings is reprehensible, and since it would demand legislation, if there is none, to deal with such incidents effectively, this matter cannot be properly discussed on the adjournment.

Allegations that members of the Police Force who were present did not protect the person alleged to be attacked would be a matter for departmental inquiry. The subject is too wide in scope to be discussed on the adjournment. It is not a single and specific matter, therefore, I will not allow the Motion.

#### **BAN ON DR. CLIVE THOMAS AND MR. JOEY JAGAN**

**Dr. Ramsahoye:** May I refer to a notice I gave this morning in which I asked Your Honour's leave to move the adjournment of the Assembly to discuss the decision taken by the Government of Jamaica to prevent Dr. Clive Thomas and Mr. Joey Jagan from going to that country on the ground that the decision was contrary to the feelings of Caribbean unity and freedom of movement and on the further ground that, as a matter of urgency, it was a good thing for the National Assembly of Guyana to make known its feelings on that particular question.

**2.20 p.m.**

I should be grateful if Your Honour will allow me leave to move the adjournment in order to discuss this matter.

**Mr. Deputy Speaker:** I am afraid that the hon. and learned Member knows very well that Jamaica is a sovereign state and it is not desirable that we in Guyana should attempt to castigate that state for any action which it may take in its own right, therefore I could not find it possible to allow this Motion to be debated.

#### **MOTIONS RELATING TO THE BUSINESS OR SITTINGS OF THE ASSEMBLY AND MOVED BY A MINISTER**

**The Minister of Trade and Parliamentary Affairs**(Mr. Bissember): I move that the Sittings be exempted from the relevant Standing Order, in order that the business would be completed, after 9 o'clock, and if necessary, to go until midnight.

**Mr. Ram Karran:** I shall be very grateful for Your Honour's guidance because of the manner in which the Leader of the House is putting his business. We had this Motion on the Order Paper for the whole week but he has said nothing to the Opposition that the meeting would be going on until midnight. I think it is a lack of courtesy for the hon. Member to indulge in calling the Opposition to sit until after 9 o'clock. I do not know if the business will be completed by that time or if we will have to go on until midnight. The normal sitting hours are 2 p.m. to 6.30 p.m. and if it is the intention to proceed to midnight, I seek Your Honour's guidance on this. It is unfair to the Members who have other responsibilities to carry out, to come here at 2 o'clock and to be told that the Sitting will go on to midnight. I wish Your Honour will speak to the Government and ask its members to indulge in some courtesy.

**Mr. Deputy Speaker:** This is not a matter in which I can interfere. This is a matter which you ought to have discussed among yourselves. It is a matter in which I can only put the Motion as stated by the hon. Minister, that is, that the relevant Standing Order, Standing Order 9 (1) be suspended in order to allow the House to meet if necessary until midnight.

*Question put, and agreed to.*

## PUBLIC BUSINESS

### BILLS – SECOND READING

#### TAX (AMENDMENT) (NO. 2) BILL

A Bill intituled:

“An Act to amend the Tax Ordinance.” [The Minister of Finance]



**The Minister of Finance** (Dr. Reid): I hereby certify that the following Bill has been recommended by the Tax (Amendment) (No. 2) Bill, 1969.

The Bill now under consideration is trying to achieve three things. The first is that we need to have certain specific rates of excise duty on locally manufactured whisky, brandy, and liquers. The second is, in the Budget Speech of 1969, there was a proposal for the removal of the legal requirement for the affixing of stamps on the receipts for the payment of salaries, wages and pensions. Thirdly, it is intended to permit diplomatic agents, career consular officers in Guyana (other than nationals of, or persons permanently resident in Guyana), and certain persons on the staff of international or regional organisations in Guyana, as may be approved by the Minister of Finance, to purchase locally manufactured spirits free of excise duty.

Government some time ago had awarded to Diamond Liquors a concession, that is, to import duty-free raw materials, malt whisky, brandy, and syrup, to be used in the manufacture of local whisky, brandy and certain types of liquers. These items, of course, will broaden the range of spirituous liquers manufactured locally. In times past, only rum, gin, and vodka were locally manufactured, but Government is aware of the fact that high strength brandy paid duty at certain specific rates.

The granting of the concession for duty-free raw materials so that these spirituous liqueurs could be manufactured locally results in the fact that there is a certain loss of revenue. For instance, high strength brandy paid a duty at the rate of \$58.66 preferential, \$64.80 general, hence this Bill is seeking to recover some of this money by imposing an excise duty on the locally manufactured whisky in the sum of \$23.00 per proof gallon, brandy \$26.00 and liquers of different types, \$114.60 cherry brandy, \$35.60 crème de cacao, liqueur \$33.70 per proof gallon. That takes care of what this Bill seeks to do first.

The second is that the Bill seeks to remove from duty a legal requirement on the receipt of salaries, wages and pensions. This is necessary and will remove discrimination. For instance,

several persons have accounts in banks where their salaries and wages are paid and they are not subject to the payment of stamp duty. Also where wages are paid in pay packets without any receipt, then there is no stamp duty collected.

Mr. Speaker, it will become more and more clear that much time is spent in an effort to collect this stamp duty, time which officers in Government can better use.

### 2.30 p.m.

For instance, they have to be certain that the stamps are properly affixed and that the right stamps are placed on it.

The next proposal is that there should be a duty free concession to diplomatic agents, career consular officers etc., for liqueurs bought locally. It is well known that diplomats enjoy certain duty free concessions of goods, and it is believed that if this concession is granted, some of the liqueur that is marketed now would not be marketed and that diplomats could be content to make their purchases locally. This will of course stimulate local business. I am certain that the entire House will agree with the proposals set out in this Bill. At this stage I beg to move the Second Reading of the Bill.

**Dr. Ramsahoye:** Your Honour, I wish to refer only to a part of the Bill which has not been adverted to by the hon. Minister of Finance in which there is provision for the exemption from the payment of stamp duty when salaries and pensions and other allowances are received. I merely wish to say that this concession, although it goes in the right direction, does not go far enough. I would have thought the intention should have been to make provision for an exemption which would provide for a substantial tax relief for those poor persons. I think particularly of pensioners whose small pensions have to carry them over a most difficult period. I feel that in some way the hon. Minister could have brought a Bill to this House to grant this particular thing. I think that in those cases, particularly in the case of pension allowances, compassionate allowances, and superannuation allowances, the Government ought to get busy

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2.30 – 2.40 p.m.

and go a little further, not only to exempt those people from stamp duty but to provide some form of tax relief. I think that the Government will be going a far way.

**Mr. Deputy Speaker:** Does any other hon. Member wish to speak? Then the hon. Minister will reply.

*[The hon. Minister offered no reply.]*

*Question put, and agreed to.*

*Bill read a Second Time.*

*Assembly in Committee.*

*Clauses 1, 2, 3 and 4 agreed to, and ordered to stand part of the Bill.*

*Assembly resumed.*

*Bill considered and approved.*

*Bill reported without Amendment, read the Third time and passed.*

### **RICE MARKETING (AMENDMENT) BILL**

**Dr. Reid:** Mr. Speaker, I beg to move the Second Reading of a Bill intituled:

“An act to amend the Rice Marketing Ordinance, to dissolve the Guyana Rice Development Company, Limited, and to make minor amendments to the Guyana Rice Producers Association Ordinance.”

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2.30 – 2.40 p.m.

Mr. Speaker, this is a very important sector of our country and this is why every effort will be made to modernise it in every area. Over the past years, there have been great advances in our agricultural technology and especially in the development of crops, rice included. Therefore, if we are to advance our rice industry, it is important that we adopt most of these new advances so that the industry can progress and remain a vital part of our economy. In short, we need to transform the rice industry from a subsistence based activity for our small farmers into one that will really contribute to our country.

2.40 p.m.

It is well known that the small farmer in this country cannot really afford on his own to introduce new techniques which have become commonplace in other sectors of the economy. Usually he is not in a position to use improved fertiliser, weedicides, insecticides, even though it is an accepted fact that these are necessary inputs for development of the crop.

It was thought many years ago that farmers should be assisted, but over the years we have found that this assistance has not been of the type that will transform the rice industry. The Bill, therefore, which is before the House seeks to give the farmer free assistance without undue delay by removing some of the obstacles that have plagued the rice industry over the years. For that reason I feel unusually happy this afternoon to present this Bill and to pilot it in this House.

The Bill itself has 19 clauses but it will suffice to draw the attention of hon. Members to certain meaningful and significant clauses. The Bill seeks to do two things (1) to amend the Rice Marketing Ordinance and (2) to amend the Rice Producers Association and at the same time to have the Guyana Rice Development Company dissolved and a corporation introduced in its place, the Guyana Rice Corporation.

It is our firm belief that with the passage of this Bill the road will be somewhat clearer for the introduction of better methods of cultivation, reaping and marketing.

I now draw attention to the significant sections of the Bill. Clause 3 on page 2 seeks to amend section 4 of the Principal Ordinance by repealing subsection (1) and substituting the following:

“(1) The Board shall consist of eleven persons who shall be appointed by the Minister as follows:-

- (a) two public officers;
- (b) one person representing the interests of consumers of rice and
- (c) eight other persons appearing to the Minister to be qualified as having had experience in matters relating to the production, manufacture or marketing of rice or to agriculture, industry or commerce generally.”

This is very important so that this new corporation will be instituted as all other corporations in order that we may be able to proceed to do the business of improving the rice industry.

Clause 9 seeks to give the Minister authority to give directions to the Board with regard to policy so that the public interest can be assured. Clause 18 seeks to dissolve the Guyana Rice Development Company and to introduce the Guyana Rice Corporation.

Clause 19 seeks to amend the Guyana Rice Producers Association Ordinance to give effect to some of these amendments to the Rice Marketing Board. It is necessary to do this because the Rice Marketing Board, with the passage of this Bill, is not compelled by any Ordinance to hand over grants at any time to the Guyana Rice Producers Association.

All these changes become very important because work must be done in modernising the rice industry from cultivation right on to reaping and marketing. It is of interest to note that when the Guyana Rice Producers Association was instituted it had certain specific functions recorded in section 4 as follows:

“The functions of the Association shall be the performance of any of the following services —

- (a) the protection, promotion and advancement of the interests of rice producers generally;
- (b) the proposal of any measures including co-operative schemes of all kinds conducive to the maintenance or extension of production in the industry; . . .”

It is well known all over this country that the Guyana Rice Producers Association has failed to carry out any of these functions in the interest of the development of the rice industry. It is very obvious that the facts, over the years, speak up against the Association very eloquently because, as I have repeated in this House, when rice production was first introduced in this county the yield per acre was 17 bags of 140 pounds per bag, but unfortunately the yield has been decreasing over the years and in recent years all we can claim to produce is an average of eleven or twelve bags per acre.

You will remember, Mr. Speaker, that the Guyana Rice Producers Association had certain functions in this exercise but notwithstanding those functions the yield per acre has decreased.

**2.50 p.m.**

Over the years, however, the R.P.A. has gathered \$2 ½ million from the R.M.B. by way of grants, etc. One would have thought that it would have demonstrated the type of interest in the overall industry that would have given this country some sign of the development of the rice industry as far as increased production per acre is concerned. Instead, this organisation has thought it fit to pursue other ends and the rice industry has taken a second place. Since 1958, the R.P.A. was involved in the rice industry as far as grants and aids were concerned. During the period 1958/1959 it received \$63,685.98.

I have already said that \$2 million will be spent on pest control, paying the organisation, insuring the farmers, scholarships, chemicals to millers, improving drainage and irrigation, looking after the package and storage of padi, giving loans to farmers, agricultural machinery, looking after the husbandry of the rice cultivation, and also assisting in the development of the new strain that was introduced recently. Instead of assisting, this Association has been engaged in misleading and misdirecting the farmers.

Consequently, it is thought fit at this time that the loan grant from the R.M.B. should not be awarded the R.P.A. This Association did not only receive grants and aids to the tune of \$2 ½ million but it owes to the R.M.B. nearly \$100,000 for all sorts of other things that one would have thought would have been paid for by the farmers: spares, pumps, seed padi. These are goods that the farmers have paid for or are supposed to have paid for but still, as I said, that Association owes to the R.M.B. nearly \$100,000.

The main point on which emphasis must be stressed is the low yield that is evident over the years and so this Government has decided to reorganise the industry so that it can be taken care of from cultivation right on to marketing, in the firm belief that all the farmers, moreso the small farmers who cannot afford on their own to improve the industry, will be given the necessary assistance. Already work is being done in this direction for us to proceed apace in moving some of the obstacles.

It is important that this Bill be approved by the House and I am certain that all those who are interested in the development of the small rice farmer, removing him from a subsistence farmer to one who can take care of his welfare and change his standard of living to the better, would certainly support the passage of this Bill through the House. At this stage there is not much more to say. The objects in the Bill are clear and I am certain that all the Members of this House will give their support to this measure.

**Mr. Ram Karran:** Mr. Deputy Speaker --

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**Mr. Deputy Speaker:** The question has not been proposed as yet. I propose the matter for discussion. You may speak now, hon. Member.

**Mr. Ram Karran:** There is an old saying by the old people, “Play wah rice gat ah pat he nah gat ah plate.” If the ancients who coined this gem had learnt anything about the theory of Fascism, they would have added to that perhaps something like this, “But all gone with the P.N.C.” I think the hon. Minister of Finance, who has addressed this Assembly on so many occasions, was really at some disadvantage. Perhaps he experienced a sense of shame, or perhaps something worse than that, in presenting this measure to the House. I propose to deal with what he said at a later stage but, in the meantime, I wish to say that this industry, as the hon. Minister declared some time ago, started a long time ago under very severe restrictions, but the slaves trying to escape the rigours of that system found themselves in the back lands cultivating rice under what the ruling class at that time regarded as illegal conditions.

We read in the few records of this very difficult period of the action taken by the ruling class. We read also of what followed that, how the indentured labourers, as soon as they had broken the shackles, that is at the expiration of their contract, began to cultivate a little rice on the subsistence level. The industry slogged on with severe difficulties, difficulties of every kind, until the end of it is in sight because of a set of parasitical – I do not want to say “characters” – because of a parasitical government which seeks perhaps, as is recorded in a booklet called *My Brother Forbes*, to carry out the threat by the hon. Prime Minister against a certain section of the Guyanese population.

I do not want to go very far back but I should like to recall that, during World War I when it was difficult for the middlemen, the Chamber of Commerce and those people whom this Government represents were able to make fantastic profits by exporting British Guiana’s rice – as this country was then called – to Trinidad and to the nearer West Indian markets.



A great deal of profit was made at the expense of the producers and at the expense of the consumers at that time, so in 1939 when the Second World War broke out, His Majesty's Government in Britain then introduced the Defence Regulations to prevent, not so much the enrichment of the Chamber of Commerce boys and the middle-class dealers, the middlemen, but to ensure that the food supply to the West Indies, which was Britain's charge and which was threatened as a result of submarine activity in the area, could be maintained. It was felt that British Guiana could be expected to supply rice to the West Indies and they asked British Guiana to supply this rice at what they called a brotherly price. British Guiana was not to exploit this scarce commodity but was asked to supply the West Indies at half the World price. The Prime Minister, two-timer, used to go about with the P.P.P. to protest vigorously at the attempt of the C.D.C. and the McDavid Government to do exactly what is being done in this Bill. But more about that.

When His Majesty's Government introduced the Defence Regulations, it was later followed by the setting up of the Rice Producers' Advisory Committee which grew into the R.P.A., and the Rice Marketing Board became a creature of the conditions prevailing in those days. To give an idea of the class nature of the Board, at that time the members were drawn from that group of the Chamber of Commerce men and a sprinkling of farmers or producers, but there were big farmers, big landlords, and the names I can recall are Mr. John Fernandes, Chairman, Mr. Deeroop Mahraj, who was President of the Rice Producers' Association and who went to the Board as Vice-Chairman, Mr. Croucher, the Director of Agriculture Mr. J.I. D'Aguiar, Mr. Karamat McDoom and Mr. R.E. Davis.

That was the composition of the Board at that time and while the principles of the organisation which was set up were not bad, the fact that the Board was dominated by people of this group, the fact that the landlords and others were able to influence the Board, a great deal of dissatisfaction prevailed among the farmers particularly. I remember a case in which a

consignment of padi was milled at the same mill at the same time and was shipped in the names of two people to the Board, merely to see, and believe it or not, the two samples were awarded different grades. That was the sort of thing that created a great deal of dissatisfaction.

However, the producers of this country struggled along until 1957 when the P.P.P., by democratic elections held all over the country, supervised by the then administration which was familiarly known as the McDavid administration, won the majority of seats on the Rice Producers' Association and then the history of the Rice Marketing Board, on which the Rice Producers' Association had a minority of seats, changed for the better. It was not, however, until 1961, with a change of the Constitution, which gave British Guiana internal self-government, that we got the right to amend the Rice Marketing Board Ordinance and we were able to get a producer majority.

This is what my friend tries to destroy. This is why he wanted to weep. He could not say one sensible word. That is why he could not have said one single thing. *[Interruption]* My friend the Prime Minister tells us that the hon. Minister of Finance has no tear glands. No wonder, when they attempted to enforce – the installation of their emasculation of the Board, when defenceless women, protesting against the Government's decision to give direct orders to the Board not to increase the price of rice, even though their puppets had advised them to increase the price of rice, they let their dogs upon them – this shameless, heartless set of people.

It was not until the P.P.P. administered this organisation that there was some form of profit and the record is there for all to see. I refer to the official reports which show that the only time when the Rice Marketing Board and the Rice Development Company showed any profit was during the time I referred to, and this is no secret even though the government tries to submerge it. In 1961-1962, the Rice Marketing Board made a profit of \$839,753, in 1962-1963, a profit of \$613,053, in the year 1963-1964, despite the 80-day strike inspired by my friends on the opposite side, the profit was \$557,087. The figures for the same period for the Rice Development Company are \$211,169, \$114,931, and \$145,018 respectively.

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What then are the reasons for the Government's decision to emasculate and to kill these democratic organisations? The Rice Producers' Association, even though it chose to take a stand against the Government, is an elected body set up under rules made by the central government. Its members are drawn from all over. Why, the hon. Minister has not told us? Has it been decided that this democratic institution has got to be destroyed?

3.10 p.m.

Some time ago the hon. Minister of Finance told us in this House that the R.P.A. was spending money belonging to the Government. This money does not belong to the central Government! **[Interruption.]** The money that is spent by the R.P.A. is by statute granted to it by the R.M.B. from the profits of the Board belonging to the producers of this country. The Government should not attempt to mislead the nation by saying that the money spent by the R.P.A. is mis-spent. We would like to know why the Chamber of Commerce, the allies of our friends on the other side lost their interest in the Rice Marketing Board. I see the hon. Member Mr. Zaheruddeen is smiling. He used to be a spokesman for the rice farmers. *[Interruption]*

We cannot be held responsible for corruption.

Even though from this time the industry suffered strains and stresses particularly because of rapid expansion and development, we recall during that period the completion of the Black Bush Polder scheme; we recall the work done at the Tapakuma Scheme. We remember the minor works and improvement that have been done in several areas including the Mahaica/Mahaicony area. Expansions and development in the industry created naturally a few creaks and strains. But I am the last one to deny that certain minor problems affected the industry as a result.

There were at one time stocks over flowing in the Bond. This is simply because the Government at that time was a Government interested in the welfare of the people. In fact, it sought and obtained markets in Cuba. My hon. Friend on the other side wanted to know whether

the Cuban Government was going to pay in cash or whether there would be any payment at all. *[Interruption.]* [An hon. Member (Government): “That is irrelevant.”] It is relevant because our friends on the other side never seem to learn. The rice was sold; in fact, markets were even obtained in Europe and the industry was able to get along. But no sooner had it overcome its problems at that stage than we found the great betrayal of the Guyanese nation took place in 1964. The C.I.A. and the rest of them helped to make this so. *[Interruption.]* Our Friend the hon. Minister of Finance who is a man of violence was then picketing and threatening the then Premier. The P.N.C. by fraud, deceit and with the assistance of those foreign forces was placed in office. [Dr. Reid: “Talk about rice.”] *[Interruption by hon. Members (Government)]* My friends all sit and speak. Hon. Members cannot sit and speak. If they want to reply to any of these questions or they want attention given to what they are saying they must get up and speak; the rules of the House provide for this.

I was saying sir, this Government came into office by fraud and the first thing it did was to begin, what I call, emasculation of the Rice Marketing Board. It could not have interfered with the Rice Producers Association because it is set up by statute. You will recall that I have said in this House and it has been related over and over by hon. Members on this side that the people who are better qualified to carry out the functions are by-passed. The other night we saw terrorists at Independence Park. That is the only qualification for membership of organisations like the Rice Marketing Board. What do we find in that bright little bit of history I read to you? The performance of the Board in the years 1961 to 1964 was changed. From 1964 to 1966, the Rice Marketing Board suffered a loss of \$4,308,877. [Dr. Reid: “Whose book is that?”] In 1965, \$2,875,640 and the same tale is recorded in a ledger of the R.D.C. which the hon. Minister now seeks to create into a monstrosity of his own in the Rice Corporation – a Corporation which the books will be audited by friends of hon. Members on the other side. It will no longer be a statutory organisation in the sense as the R.D.C. a public company.

Not only did it make losses as a result of packing this Board with incompetent people but the hon. Minister was singing here earlier and began to make threats against the Rice Producers

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Association which is a body elected by the people. This Government even though it was elected by fraud to carry out the policy of the P.N.C., the Rice Producers Association, since it is a democratic organisation unlike the Government, must carry out the policies laid down by the majority of its members and indeed since those members happen to be rice producers - -

**Mr. Deputy Speaker:** You have said that many times already. We want to hear something new.

**Mr. Ram Karran:** This is spitefulness to seek to destroy the rice industry. What is the explanation? The hon. Minister gets up and tells us all the time that the Government wants to modernise the rice industry; it wants to do this and that. He has been singing like a Kiskadee all the time.

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It does not convince anyone. "We want to reorganise", they say, "We want to introduce Blue Belle rice." What is the purpose of it? What is it going to achieve? Is it going to write off these losses that have been accruing ever since the Board has been set up except for the years when the P.P.P. was in office? And when our friends took over the Government it began to make losses again. Is it going to change this?

I mentioned that the hon. Prime Minister in the 1950s, when he put on the mantle of a progressive and was masquerading with the P.P.P. as Chairman, used to talk very bravely. He used to criticise very strongly the attempt of the Mc David Government to "sell out", as he called it, the rice industry. It was the time when British capitalists, having been moved out of Burma and the Eastern countries as a result of the war, cast their eyes to Guyana and felt that they could exploit the country and set up rice under the plantation system. They sought to take control of the Rice Development Company and to set themselves up as a law unto themselves so that they would not come under the provisions of the Rice Marketing Ordinance but would be free to

purchase rice and padi at whatever price they liked and to sell outside of the contract area, that is, the Caribbean islands and Guyana, at whatever price they liked.

We recall that this Government, immediately after it came into office, got the Yankee Company, Connell Rice and Sugar Company, to market our rice under its trade name at fantastic retainer fees and a percentage profit on sales. Perhaps that did not yield enough, but I am not going to develop that point.

We now see that what was refused, as a result of the organisation of the Guyanese people, that is, British capital in the form of the C.D.C. making overtures to take over a section of the rice industry, is now brought back in these enlightened days by a so-called "socialist" Government. Not only are we making way for British capital, the C.D.C., but also for American imperialists who, we understand, are going to loan the Government \$20 million for the development of silos which my friend the Minister of Finance tells us are so necessary for the development of the industry. We have no quarrel with him about the erection of silos, but we see no justification for the selling out of the industry and of the people engaged in the industry to these American overlords.

The amendments will do exactly what the C.D.C. sought. They will allow the Rice Marketing Board to take care of the marketing of rice in Guyana and in the Caribbean while the creature set up by the Government, the Guyana Rice Corporation, is going to be free to buy rice at whatever price it fixes and to sell it at whatever price it wishes.

In which country, I ask the hon. Members on the other side – except in countries like Rhodesia, which I understand is shortly to become a Republic; it is keeping pace with the fascists here – is a monopolistic concern going to fix the price of its commodity? Undemocratic and capitalistic as were those who set up the original Rice Marketing Board provision was made for some semblance of democracy. The Board was not allowed to weigh the padi or rice that it

bought but had to obtain the certificates of sworn weighers and gaugers, the principle being that as the Board was buying rice there had to be an independent person to weigh it.

**Mr. Deputy Speaker:** Your time is up.

**Mr. Hamid:** I beg to move that the hon. Member be given an extension of 15 minutes to continue his speech.

**Mr. Wilson** *seconded.*

*Question put, and agreed to.*

**Mr. Ram Karran:** I am very grateful to the hon. Members on the Government side. I was saying that rice that was bought by the Board was weighed by independent persons. Similarly, even though the Board recommended prices, the fixing of prices was never an act of the Board. It was done by the Price Control Authority when such authority existed. For any Government and this one in particular, since it masquerades as a socialist party, to give the Corporation the power to fix the price of padi when the Corporation is the sole purchaser of padi would, to my mind and to the mind of any sensible or reasonable person, be regarded as criminal. If a man has padi to sell and the Corporation is the only purchaser, the man has nothing more to do but to submit.

Hon. Members must recognise this fact. No monopoly, not even Bank Breweries Ltd., can fix its own prices. Hon. Members wanted to have, and do have, a say in the price of beer. Parliament had to fix the price because it is virtually a monopoly. It is unfair, it is unreasonable, for the Government not only to destroy the edifice that is there, not only to set up a monstrosity of its own, which is to be guided by itself, but also to destroy the industry in the process.

I wish to deal very briefly with what the hon. Minister said. When it is analysed it will be found that this hon. Minister who usually has a great deal to say has said nothing at all. He said that agriculture is an important sector. That has been the slogan of the P.P.P. all these years and I am glad that the hon. Members on the Government side have begun to learn this because when they sat on this side of the House before the sell out, they were the ones who used to accuse the P.P.P. of being a “coolie” Government, of only fixing rice and agriculture. I remember that they wanted industrialisation. What is happening to industrialisation? As I said, I am glad that they are learning. [*Interruption.*] You cannot correct Hansard if you sit and speak, you have got to stand up and speak.

The hon. Minister says that every effort must be made to modernise. Yes, we agree that there should be modernisation. What is modernisation? Does it mean that democratic organisations must be destroyed? The R.P.A. is a democratic organisation which has elections every two years. [**Dr. Reid:** “You supervise them.”] The law sets out the manner in which the elections are supervised. If the hon. Minister wishes to amend the law for the supervision of the Rice Producers’ election, that can be given consideration. The hon. Minister ought to know how the elections were rigged, how votes were cast overseas. The hon. Minister ought to know why there were bundles tied up in the ballot boxes from the Pomeroun district. Even with rigged elections in the R.P.A. the Government cannot win. That is why it seeks to destroy it.

The hon. Minister tells us about great advances in agricultural technology. Where are they? I sat here the other day and heard him say that they are changing to a new variety other than Blue Belle. They are learning. They would not take advice from people who know and that is why they are going to run into trouble, but they have not got the guts to admit that they are wrong, they continue to lie their way through – I beg your pardon – they continue to deal with falsehoods and to mislead the nation by telling us something else. We need technology, but not the type of technology that the hon. Minister has in mind. I heard the story about this gentleman Mr. Pawar from the United Nations. I understand that he went to an Indian wedding and, as the rice was being served – you know how the food is served at these weddings – he insisted on



having Blue Belle, but the poor U.N. expert left without eating any rice because no Blue Belle could have been found.

The hon. Minister said that they need to transform from a subsistence base the small farmer who cannot stand on his own. He cannot use new improved methods, new improved seeds, weedicides and insecticides. I wish to analyse this. In the first case, the hon. Minister cannot deny that since their administration the Board, the R.D.C., have been losing money. The R.P.A. which had been responsible, as Government's agent – that is from the Ministry of Agriculture – for the distribution of weedicides, insecticides, seeds and various things that the farmers require, has been removed from the list of those who may act as Government agents.

The Government's incompetence in providing these facilities to the farmers whose income – it ought to be recognised – has been reduced as a result of spitefulness on the part of the Government in 1964 when it was installed in office, has put the farmers in a position where they cannot afford to buy weedicides and insecticides because the money which they got in 1964 has been reduced (1) as a result of the deliberate reduction in the prices to farmers; and (2) as a result of the manipulation of the grade whereby the farmer's income has been further reduced.

What is the Minister talking about when he mentions weedicides and insecticides? Are there any available? Let me tell the hon. Minister that his advisers from the Board went in Regent Street, Queenstown, to buy insecticide from one of their friends – I will give you the particulars at the appropriate time – and they sprayed it on the fields. When the expert went he saw insects living in clots of insecticides. [Dr. Reid: "That is a joke."] It is not a joke. I do not want to embarrass people in public. I will give you the particulars and I hope you will take action. The hon. Minister was arrogating to himself the responsibility of the Public Service Commission when he said he was going to roll somebody's head. I hope he will roll his friend's head when I give him the facts.

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The hon. Minister tells us that the R.P.A. had specific functions and it failed to carry them out. It is true that when the Association was set up in wartime conditions everything had to be spelled out. I remember sitting in the strangers' gallery listening to the debate and it was necessary to put everything down on paper, but the R.P.A. has long attained its majority, it is long passed twenty-one. But conditions have changed and the functions of the Association have changed with the times. It is able to take on added responsibility and it has taken on the responsibility of being an agent of the Government responsible for the distribution of insecticides, weedicides, etc. What is the Government's excuse? I understand that the Chief Agricultural Officer went to Trinidad on a course and later to the U.S.A. where he got a doctorate in six months. We wish to congratulate him. He said that the R.P.A. cannot handle these toxic chemicals.

For years the R.P.A. had been distributing these toxic chemicals. This Government does not appreciate the position because two years ago I gave notice of a Motion seeking the control of these chemicals, but this Government has sat silently on it and continues to be silent even though I have again given notice of such a Motion. Only measures which the Government wishes to pass appear before us.

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The Chief Agricultural Officer had told the members of the Rice Producers' Association that they cannot deal with these poisons. The Government talks about the R.P.A. not being able to carry out these responsibilities. This Government, incompetent as it is and always as it has been, came to this House a week ago and said there is no shortage of rice. It is not the R.P.A.'s responsibility to see that there is an increase in yield. But while the Minister was talking and defending the Rice Marketing Board on the scarcity of rice, the Evening Post published an advertisement by Eusi Kwayana, the Chairman of the Guyana Marketing Corporation advising that there is a rice shortage, so, buy vegetables, buy this and buy that. But the next day it was removed from the Government's newspapers and the Guyana Graphic.

**Mr. Speaker:** The hon. Member has exhausted his time.

**Mr. Ram Karran:** Your Honour, I am nearly finished. This Government's incompetence cannot be excused when it says that the Rice Producers' Association is not carrying out its functions because the R.P.A. is not responsible for the production of rice, for the quality of rice or the yield of rice. The Rice Producers' Association is responsible for the welfare of the producers. It is the responsibility of the Minister of Agriculture and Natural Resources (Mr. Jordan), who knows how to talk only about "black man can always beat coolie." It is his function that he should look after the question of yield. It is a question of policy. I know it is late. I know it is impossible to soften the hearts of those hon. Members because their hearts are made of stone. I know that the workers, the farmers and the ordinary people of this country are well out of the plantation system which the Government is seeking to impose. [*Interruption.*]

**Dr. Ramsahoye:** Your Honour, it is a long time since I have heard such self-effacing sophistry. The trouble about Government policy in the rice industry is that it lacks one fundamental thing. The Government is endeavouring to make changes in the rice industry without ensuring that the rice farmers are psychologically and emotionally committed to the changes it wishes to make. The Government has made it quite clear that its policy with respect to the rice industry is one whereby farmers are supposed to plant the rice and to reap it, and from there on, the Government arrogates to itself the authority to determine prices without the farmers having any effective say in this. [*Interruption.*]

The hon. and learned Prime Minister says that the farmers do have a say but when one has a look at the composition of the Boards and Committees, one can readily see that the idea is that the people who are to make the decision are a coterie of sycophants following upon the heels of the Minister and the others with him. If we look at the persons on the two rice corporations, we would see that they are people who are committed to the P.N.C., the party which is in the Government. People who are concerned in the rice industry and people who are concerned in the production of rice are not represented on the boards of those new corporations.

Now the Rice Marketing Board is going to be differently constituted in the sense that the Rice Producers' Association will no longer have the authority to recommend three persons to sit on the Board. The entire Board will be constituted upon the appointment of the Minister. In other words, the policy is clear. Have the farmers do the work of sowing, and reaping, let them go through all the hardships of cultivation, but once they have produced the crop, the Government will then dictate to them. They are having no say or influence thereafter.

This is the policy which the P.N.C. wishes to enforce by this bit of legislation. It is a bit of political cheek. It is a form of agricultural slavery, something more sinister than what existed in feudal times because if you are going to have people plant and if they are not going to have any say in the prices they are going to get, then in effect they are subject to a most despicable form of exploitation.

Forty-five thousand families depend on the rice industry for subsistence. This Government ought to be grateful to the rice farmers. It is because of the rice farmers that the political context in Guyana is as it is. In Jamaica and Barbados, and for the most part in Trinidad, everything of importance is owned by expatriate corporations and by expatriate investors. In Guyana, the rice industry is the bulwark of native ownership. It is a major industry and an industry which is owned by the Guyanese farmers. This Government refrains from making any attempt to participate in expatriate investments or to share in the big industries owned by expatriate investors. It is always enacting legislation to destroy the rights of the rice producers in the rice industry.

What is going to be the political result? The political result is going to be that the rice farmers are not going to be persuaded that the Government is acting in their interests even though the Government spends \$20 million, or \$30 million or \$100 million, and so long as the people are not emotionally committed, and psychologically committed to these changes, the Government is not going to succeed.

This Government has given the rice farmers the impression since 1964, when it took office, that it cared nothing about the rice farming community.

3.50 p.m.

It is true and it cannot be denied by hon. Members on the other side. Since the period 1965 to 1968, the prices to the farmers have fallen, even though the prices we get from the rice on the export markets have increased. The rice farmers are not getting any profits and we are being told that great debts are owed and they must work to pay off these debts. This is ridiculous! If the rice farmers do not get the prices to justify continuing the production of rice, it would mean that production will be decreased and the rice industry will be crippled.

What I see coming out of this new scheme is this. The farmers who are planting small acreages will be forced out of production; those who are planting large acreages will be in a better position. A man who has five or ten acres has nothing to get under this new scheme. The rice farmers in the country are being compelled to plant Blue Belle. This is what the Government is doing. It does it in all sorts of ways. It tells the farmers: We have given you experts; the lands must be level; you need to pay more attention to your drainage and irrigation, and all manner of things. But the truth so far is that Blue Belle has not succeeded in making an impact on the farmers. [*Interruption.*]

The Government has smoked out of this country Dr. Poonai who has done so much with respect to the cultivation of rice in this country and it is now telling us about modernizing the rice industry. How could you get modernisation when you have driven men into exile – men who for years and years have been studying rice? No one says that Dr. Powar is not competent. Far be it from me to suggest otherwise. But I would have felt that it would have been better to have someone who is a Guyanese and who understands conditions here, to do research for the development of rice in his own country. Dr. Powar may be familiar with the conditions in India; he may know of Burma and Pakistan but Guyana is a difficult country; for six miles inland it is below sea level. This, in itself, is a tremendous problem. The country is subjected to weather

cycles. At the moment there is a weather cycle which is going to last for seven years. I wonder if the Government is aware of this fact.

What is happening with the Mahaica/Mahaicony project – the drainage and irrigation in that area? Nothing is being done! The Government is talking about modernisation. The \$20 million will go to the purchasing land at high prices and sooner or later this money will be finished and the entire nation will be saddled with the repayment of this big sum and, of course, the debt charges which go along with it. I have never seen an experiment such as that being conducted by this Government at this time. The Government seems to be unaware of the struggles of the rice farmers – their economic and social problems. A farmer who wishes to buy a tractor, a bull dozer or a harvesting combine has to buy it from an expensive market. He has to get it from North America and this is the Government which devalued the currency and put more pressure on the farmers. As a result of the devaluation they have now to pay more for the agricultural machinery than they used to pay three years ago.

If the hon. Minister will remember, when the British Pound (Sterling) was about to be devalued, I asked him in this House about actions he proposed to take to protect our dollar. I told him that the financial trend in the United Kingdom appeared to have made the situation such that the Prime Minister of the United Kingdom would be obliged sooner or later to devalue the Pound. I asked whether he had taken steps to protect the Guyana Dollar from similar devaluation. The hon. Minister of Finance rose, and with some confidence, told us that every effort was being made to protect and preserve the value and worth of the Guyana Dollar. Yet within twenty-four hours of the devaluation of the Pound this Government announced the devaluation of the Guyana Dollar.

Your Honour, the rice farmers have had to bear much of the brunt of that devaluation because they are obliged to purchase machinery in dearer countries. Meanwhile rice prices to farmers were reduced. Of course, Government is getting more for the rice because where the price is exchanged in terms of dollars it gets the better part of it. Whereas, the rice farmers who

do the hard work and who have to struggle get whatever price is given to them. This is a heartless Government and I would even venture to say without being too critical that only obdurate and implacable tyrants could dare to suggest that the 45,000 farmers in the rice industry must produce while the Government and its organs determine the prices and the manner in which the produce must be exported.

We hear all the time from the Government Front Benches of great improvement to be expected in the rice industry. The rice farmers are expected to languish in the social, political and economic prison created by those monarchs who presume to lord it over the farmers. I do not know what the Government expects to get from this. I should like to tell the Government what to expect if the rice industry was put on a firm footing and if the rice farmers became psychologically committed to support changes the Government thinks necessary for the development of the rice industry. If the rice industry were put on a sound basis, this sector of the economy which is native owned will become stronger and in social terms will be a greater bulwark in any changes in other sectors of the Guyana economy. If we have a firm basis, we know that a great number of people – one-third of the population or more – can find economic progress in that industry. It will be easier for us to make attempts to tackle expatriate concerns which control other important areas and we will be doing so on a stronger footing. If, however, the rice industry is weakened, on the other hand, that bulwark from which we could stand in the position of bargaining would have been lost to us and would be reduced to the same situation which we are now witnessing in Jamaica. Your Honour, the sugar barons in this country had a long period of profit making and the bauxite resources in this country are not being fully exploited for the benefit of the Guyanese people.

**4 p.m.**

There is no reason why some effort ought not to be made to have Government participation in sugar and bauxite. The Government is not being asked to confiscate the industries – that would be madness – but it is being asked to make some effort to ensure that the Guyanese nation has some say in the development of those two great industries.

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**Mr. Deputy Speaker:** Hon. Members, this is a convenient time for the suspension of the sitting.

*Sitting suspended accordingly at 4 p.m.*

4.35 p.m.

*On resumption --*

**Mr. Deputy Speaker:** When the suspension was taken the hon. Member Dr. Ramsahoye had been speaking for 15 minutes. He may continue.

**Dr. Ramsahoye:** I was saying that the time had come when we ought to consider Government participation in the major industries and when we should really take seriously the preservation of the rice industry. If we were to look at the matter in perspective, we would see at least on two occasions in recent years major amendments to legislation dealing with that industry. The first major amendment was when the Government enacted legislation to deprive the Rice Producers Association of its control of the industry and when the Government placed the Rice Marketing Board in the hands of a majority of men who were to be nominated by the Government.

This Bill is the second major change, but there are important bits of legislation which also need change and about which we have only been receiving promises. I refer in particular to the Rice Farmers (Security of Tenure) Ordinance which was first enacted in 1956, that is, thirteen years ago and which has for many years outlived its usefulness. We have been asking the Government to carry out amendments to this piece of legislation and all we are hearing is that the amendments are being looked after, that we will have the amendments soon. But the more we look the less the amendments are forthcoming.



There is great need to attend to the needs of the rice producers at the lower levels. No systematic investigation has been made into soil fertility all over this country. This needs to be done. No systematic effort has been made to provide adequate drainage and irrigation. We can see that adequate drainage and irrigation for the rice industry will necessitate the expenditure of tremendous sums which the Government may not be able to afford all at once, but may I remind hon. Members on the other side that it is no use expecting high yields from the rice industry if the basic things are not looked after first. If, perchance, it is not possible to provide adequate drainage and irrigation, which is necessary for the cultivation of Blue Belle, then it is no use planting Blue Belle and no use expending \$20 million in the process, for one will find that because the primary needs have been neglected, the expenditure at the top, superficial in its nature, will be valueless.

Rice farmers all over this country sometimes experience great hardship at the hands of landlords. There are landlords who do not provide adequate drainage facilities, who do not clean the trenches, who do not repair the dams. Some of them actually evict tenants forcibly and deny them the use of their land. There is a judgement delivered by the High Court to the effect that when a landlord dispossesses a tenant, the tenant cannot go to the Rice Assessment Committee or to a Magistrate's Court. He has to go to the High Court for redress. We all know that farmers who have large holdings can afford the High Court litigation, but the small farmer cannot afford High Court litigation and he needs to have assistance in a Court which he can easily approach for help.

The Schedule to the rice Farmers (Security of Tenure) Ordinance is hardly understood by the Rice Assessment Committees. There are maximum prices fixed in the Schedule to that Ordinance and the members of the Committee believe that they have to award the maximum to rice landlords. They do not believe they can award less. Consequently, many people are paying high rents for lands which are worthless.

It is true that yields have been dropping, but the yields have been dropping because no proper effort has been made to ensure that they are increased. In order that the yields should be increased basic things have to be attempted, but in this wonderful scheme of things, in these wonderful and idyllic pictures being painted for the expenditure of \$20 million, we still do not find that ordinary things which affect production are being looked after by the Government. The farmer is still going to be left struggling on his own to produce padi. He is still going to be left to wage an agricultural battle against the ravages of the weather and against the shortages of water and inadequacies of the drainage and irrigation facilities.

The Government is only going to be concerned at that stage of the operation when the farmers retrieve something from the land. Only at that stage will the Government be concerned, only at that stage will there be involvement of this \$20 million. I am afraid there is need for involvement much earlier than that.

Rice has to be treated as a business, I agree. If the Government feels this way, I share its opinion, but you do not treat something as a business unless there are people in it who are qualified to do business. A coterie of political sycophants, people whose only qualifications happen to be their birth certificates, who know nothing about agriculture, who know nothing about business administration, who only know rice when they see it on their plates, are not the type of people to whom the development of a major industry of this nature could safely be entrusted.

This is a fundamental and vital industry. One does not have to pander to his supporters to that extent. Supporters of the party must be made to realize that there are jobs for them and there are jobs for others. Every man must be put to do that for which he is qualified.

When I take up this Guyana Rice Corporation Order and I see the names of the men there I ask, "What do they know about the rice industry? How many of that number are qualified in rice?" Less than half the number are qualified to deal with the rice industry and those who are

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qualified are going to be outvoted and outdone by those who know very little about it. This is going to be the result.

When the eleven people, or whatever number it is, are to be appointed by the Minister to the Rice Marketing Board the same principle will apply. There will be no qualifications, no dedication to the progress of the rice industry, nothing but party affiliation, party patronage, party nepotism. We see this everywhere and it is a most dreadful development in relation to the institutions of this country.

Let this Government understand very clearly that when it took office it met the rice industry in a condition in which it was providing a livelihood for 45,000 people.

4.45 p.m.

It is a matter for deep regret that as the years have gone by we have seen that production has been reduced and farmers have become despondent. It would appear that whereas in the 1966/1967 crop 167,000 tons were produced, in the 1967/1968 that figure had dropped to 135,000 tons and, in 1968/1969 that had dropped further to a figure of 95,000 tons. A steep decline in production now marks the progress – or shall I say the retrogression? – of the rice industry while it has been under the control of this Government.

This is a sad state of affairs and I say it is all the more saddening when we remember, as we must do all the time, that the rice industry is an industry owned by the Guyanese people. Expatriate proprietors and investors do their best to preserve their interest and I see no reason why we should not endeavour to preserve the interest of the native proprietors and investors. It is a matter of great concern that rice has become a political football in relation to which goals are being secured, but the goals are all being secured by the Government and it is the farmers who are on the losing side of the match. It should have been that the members of the Government should have taken adequate steps to ensure that the rice farmer got the best treatment.

The time has come when the entire Rice Marketing Board has to be reorganised. The Marketing Division of the Rice Marketing Board needs to be reorganised. Export markets have to be dealt with more efficiently. They are setting up a new rice development corporation with concurrent powers. We will soon see a merger of that with the R.M.B. That is the next step they will take because they will find that it is a waste of time to have two authorities exercising concurrent power in this way in this industry. Meanwhile, it is a waste of money, a waste of effort, a waste of personnel. I am surprised that the Government has not seen this aspect of the matter.

The R.D.C. will be able to export its rice and so on. Now under this, from the time a farmer produces his padi he has to sell it to Government agencies and authorities. In other words, he is now going to be completely enslaved. He will now occupy the role of a servant. He is to produce and he will get for his production what is given to him. He will get nothing more and he will have no say. Let the members of the Government tell that to the sugar barons and to the bauxite proprietors who are mining the bauxite! Let them tell them that they are going to produce the iron ore and they will fix the prices which they can get for the iron ore! Let them tell the sugar barons, "You produce the sugar and we are going to fix prices and you take what we will give," and we will see the political convulsions and the immediate change of Government – a *coup d'etat*. But because the rice farmers happen to be a native people, because they do not have the political and imperial backing of the sugar barons and the bauxite proprietors, this Government dares to tell them, "You produce the rice and we are going to tell you what you are going to get for it." It is most unfair; it is shocking. What is good for goose should be good for gander.

If this Government is not prepared to tamper with the price-fixing policies of the bauxite company, it should not tamper with the prices of rice. When Moment came here he told us in a report which is written and available to the Government that, because of internal price-fixing arrangements between the Demerara Bauxite Company Limited and Reynolds and the parent companies in the U.S.A., this Government was not getting as much as it was entitled to out of the

bauxite industry. That report is in your files. Internal price-fixing arrangements they are making! They are selling the bauxite to the parent companies at smaller prices than are available on the world market and the Guyanese people are suffering. Meanwhile, they have huge reserves of bauxite. The bauxite reservations are from DEMBA's holdings up the River right on to Wales, and the Government dares not make an attempt to tackle bauxite.

If the Government takes the property tax and a proper assessment is made on the bauxite holdings and they are made to pay property tax on the value of all their bauxite holdings, it could abolish personal income tax in this country and we would not be in need of any more. But no! The Government is allowing foreign investors to take it all and to carry it away. The sugar barons are doing what they like. They are making up the books, squeezing all the profits which they are making out of the sugar industry because they too have an eye to the future. The sugar barons have an eye to the day when Britain will enter the E.C.M. and the preferences now being given for sugar may cease, so they are trying to grab all they can out of sugar in this country.

**Mr. Deputy Speaker:** Time!

**Mr. Ram Karran:** I beg to move that the hon. Member be given an extension of 15 minutes to continue his speech.

**Mr. Balchand Persaud** *seconded.*

*Question put, and agreed to.*

**Dr. Ramsahoye:** The expatriate proprietors are fully conscious of their interest. They know what is profitable for them and we see how they move. For a long time, for years and years, they have refused to establish an aluminium smelter in this country. When this new Government came into office in 1964 it found negotiations proceeding with Reynolds Metals Company over the bauxite holdings in Berbice. It would have seen replies from Reynolds in

which it refused and told us quite flatly that it was not prepared to establish an aluminium smelter in this country, as a result of which we told that company that we were not prepared to give it long-term leases over this country's reserves merely to treat Guyana as a primary producer so that its people abroad could carry away most of the profits.

No sooner had the Government changed than the Coalition Government, as it then was, gave long-term concessions to Reynolds in the teeth of all the arguments which we had used against it. These people know their interest and how to protect them. What I am saying is if you are willing to carry a cloak of protection around Reynolds Metals Company and around Demerara Bauxite Company Limited, your first duty is to the native rice farmer, your first loyalty is to him. If you are not going to tamper with the way in which they get prices for their produce, why worry to tamper with the little fellow?

Under the arrangements which were in force when the P.P.P. Government was in office, the R.M.B. made up of a majority of the rice producers themselves duly elected fixed the price. It had to be approved by the Minister but they had a very effective voice in fixing the price. Now when you remove the R.P.A., you remove the elected representatives of the people and you tell them that, "We are going to appoint men, we are going to fix the price and you have to accept it." This is a form of agricultural slavery and I think that there is no real case for the methods which the Government is abolishing in order to bring about what it says it wants to make – changes in the rice industry.

I would be prepared to assume that the Members on the Government front benches must be aware that progress in the rice industry means progress for the nation. This is what I am prepared to assume that they know and I am prepared to assume that we wish to conform to that axiomatic principle, but I am afraid that their prejudices and ostentations rebel against a proper and just solution of the problem. In 1962, during a debate on the rice industry in this country – we were discussing the Budget – the Prime Minister is recorded in *Hansard* as saying that if there is no rice, there will be no P.P.P.

I suppose his feelings now are the same as they were then but it is not a question of there being no P.P.P; it is not a question of stealing a blow upon the P.P.P. by crippling the rice industry. If the rice industry does not progress, even though the Government is well-intentioned, the whole nation loses by it, whereas if the rice industry progresses, the entire nation benefits by it. It is not only the people who produce rice because rice provides a low remuneration. It has a secondary nature in the sense that rice farming produces many opportunities in trade, in commerce and in industry for people who do not see the rice fields at all.

One must remember that rice farmers must patronize people in Water Street from whom they buy. They in turn provide employment for the people working with them. The rice industry has far-reaching economic effects in this country and rice is not just a matter of “coolie” rice, not a matter of how many “coolies” plant it. The economic facts of rice resound far and wide across the entire economy.

I am not prepared to assume that this Government is not well-intentioned when spending \$20 million, as it says it will, in the rice industry, but what I am prepared to say is that the way it is going about it will send most of the money into the pockets of party sycophants and friends and it will not lead to any progress in the rice industry itself. In other words, what we are going on to is a system which will surely provide for us a form of agricultural slavery in the rice industry. Economically, the change is going to involve us in huge expenditure which will remain with us and which will carry in the future enormous debt charges and burdens which the people of this country can hardly afford.

There is so much to be repaid. There is the Mackenzie road. There is money to be paid for feasibility studies, loans for all manner of things, loans we have to pay back. We want to get the money which comes by way of loans and grants into productive things. We cannot afford to fail in one single experiment. If we do this efficiently, we can dispose of the rice ourselves at good prices rather than have the Connell people do it for us. Those fellows do not tell the Rice Marketing Board what is the true price they receive. They do big deals and huge profits are

made in rice. They are not going to be in business unless they can make money. They believe that the whole country must work and they must enjoy it. This is a fundamental principle of their life.

I remember once telling a friend I met in England that I was going to a meeting which Lord Shawcross was to be presiding over, a discussion whether the law protected fundamental human rights, and he said, "But I am surprised. I thought Lord Shawcross was only concerned with the fundamental rights of institutions like I.C.I. and Courtalds." It is true we do not seem to realize that the fundamental rights of these poor farmers are in jeopardy when we do what we do. It is not a matter of taking property without compensation so as to violate the Constitution. It is taking a fellow's padi and rice in an oblique manner, depriving him of certain compensation to which he might be entitled. What is the difference between taking a man's property and not giving him anything at all and taking a man's property and giving him only half the value for it? The difference is one of degree. Basically, the positions are the same and this Government has contrived by all these techniques to physically wrest the padi from the rice farmer and to give him in return less than his due. That is why the Government will never countenance rice farmers to sit on the Boards and Committees which have to determine the prices which have to go to farmers.

This is a dreadful business and this is another sorry day in the history of this country. We have seen a form of agricultural slavery reminiscent of the period before the P.P.P. so constituted the Rice Marketing Board that the majority of the rice producers themselves controlled it. We have gone right back into the old imperial days. We have gone to a policy which sounds very much like saying, "Take it or leave it." This policy is going to harm farmers in varying degrees and it is going to harm the small farmer more than the big farmer. The big producer with 300 acres, if he has small profit margins, will be able to make it but the small fellow with three or four acres, which is generally the sort of holding, he is going to be very hard hit if the prices are not realistic.



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If the Government is catering for an industry which can only satisfy big farmers, then the time has come for an investigation into the needs of the little fellows in order to find an alternative to turn the little fellow into something else which is more lucrative to him. It is quite wrong to allow the little fellow to fry while the big fellows can make a living.

This matter is obviously a matter which is brought to us in a great hurry. It will be passed because as the Prime Minister says, they have the weight of numbers but when it is passed, the organisation of the Rice Marketing Board will remain the same. The personnel of the new Rice Development Corporation will reflect no higher and better quality than what any Government-organised and manipulated corporation reflects in this country. In other words, we will be passing more laws. We will be exercising legislative power, but the rice farmers and the rice industry will be remaining in the same position or deteriorating and getting worse.

I would suggest that further tinkering with the rice industry should be avoided and so far as the rice industry is concerned, there should be a conscious development of a bipartisan policy in this Assembly with respect to it and any innovations and improvements which the Government wishes to make in the rice industry should be the result of long discussion and should follow agreement on both sides of the House with respect to the path which the industry should take. Let the Government remember, I say it for the third time, that so long as the rice farmers are not emotionally and psychologically committed to the changes which are being proposed, so long those changes will fail of effect.

5.05 p.m.

**Mr. Roshan Ally:** Mr. Speaker, it appears to me that this Government intends to do away with the rice industry. Since this Government took office, in fact the Coalition Government, every Guyanese knows that the rice industry is going down the drain. Only a few days ago the hon. Minister was saying that there was no rice shortage. The **Evening Post** carried an article the heading of which was:

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“Big Rice Shortage. Fill up with more fresh fruit and vegetable.”

The Gallery was packed with housewives and the hon. Minister was telling us that there was no shortage, but the people knew that there was no rice. The very afternoon people were going into shops and asking for rice and there was no rice at all.

The grade of rice today is such that the farmers refuse to take the rice to the Rice Marketing Board or the bond. The special rice, the grade they call super is no more than No. 3, and No. 2 and No. 3 pass for broken and unclassified. This actually killed the farmers because the cost of production is so high today.

We are talking about a Corporation now. As far as I can see there are no fixed prices for which they will buy padi. They purchase people's padi. The sabotage that is going on at the Board at the moment is to discourage farmers from milling their own rice. When this Corporation starts buying padi what will happen. They may start with a very good price and the farmers, owing to the bad grades at the Board, may sell padi to the Corporation. But when the Corporation starts buying all the padi from the farmers and the small mills are closed, the Corporation may just simply start buying rice at \$2.00 per bag because there is no fixed price for buying the people's padi. This is nothing else but an American plan. *[Laughter]* America herself is behind all this. *[Interruption]*

The rice producers of this country have asked America for a loan to cultivate land; they will never give us a loan. They know that if they give loans for this and other things it will just bring down the rice industry to the gutter and even from the gutter to the ocean. *[Laughter]*

Mr. Speaker, we know that, only a few mornings ago, Connell and Company was selling rice abroad without any mark of Guyana on the bags. The quality of rice produced here is very high and it is very sweet; even the West Indians have said so. They said that one can eat Guyana rice without any sauce at all. The Connell Company was selling our rice abroad without our

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mark because it wanted the world to know that America was producing high quality rice and sweet rice also. I can remember that, sometime in 1958, the Ministry of Agriculture carried out a survey in this country to ascertain whether we had rice to supply the West Indian market only and claimed that we would be short about 10,000 tons of rice.

Our Government then asked the West Indian Government to purchase somewhere else because we were unable to supply that quota. ... let us say within three months it took them more than three years because when the rice is boiled it carries an odour, on the other hand, it does not last; just within three or four hours the rice becomes watery. But Guyanese rice can be cooked and left overnight and be eaten next day.

Mr. Speaker, there are many things that this Government is doing so as to destroy the rice industry in this country. It has brought a rice grain called Blue Belle. The farmers have refused to plant Blue Belle but this Government is still determined that farmers must plant Blue Belle. A man by the name of Sydney Ross who is a strong supporter of the P.N.C., a man who did his best at the last election to put the P.N.C. in office, has planted twenty-five acres of rice at Union Village with the help of the then Agricultural Officer Mr. Amsterdam. What was the result? He got sixty-eight bags of padi from twenty-five acres of rice lands. This man is now badly in debt. What did the Government do after? It found employment for this man so as to keep his mouth shut. *[Interruption]*

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That is not all. There are many farmers who have planted Blue Belle rice, but Blue Belle failed. Recently, the Minister himself said in this House that the Government will introduce another variety of rice because it has met with pressure from its supporters.

I think the hon. Member Ram Karran mentioned some of the figures of production for the years 1962, 1963 and 1964. We all know that in those years there were strikes and all sorts of trouble in this country. The then Opposition was doing everything possible to bring the

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Government down. Yet the Board in those years made a profit. In 1962 the profit was \$839,753; in 1963 it was \$613,053 and in 1964, \$557,085. In 1965 the losses were \$4,308,877 and in 1966, \$2,875,640.

When the P.P.P. was in office and the Rice Marketing Board was in the hands of the rice producers themselves the Board was subsidizing them with bags, insecticides and so forth. Between 1965 and now the Government has withdrawn all the subsidies and has increased the price of the bags. When the producers had something to do with the Board new bags were sold at 44 cents each, but when the P.N.C./U.F. Coalition Government got into office it took the producers from the Board and increased the price of bags to 88 cents, an increase of 100 per cent.

The Board also curtailed the price of rice and changed the grades. The grades Extra Super, Extra No. 1 and Extra No. 2 were abolished and, with nobody interfering with the Board or the Government, there was a loss of \$7,184,517 during those two years. This shows that what the Prime Minister said in this House a few years ago is nothing else but the truth. He said openly in this House that he has no interest whatsoever in rice.

**Mr. Deputy Speaker:** Are you quoting from some document?

**Mr. R. Ally:** The Prime Minister said so. I am just repeating what the Prime Minister said.

**Mr. Deputy Speaker:** Are you quoting?

**Ar. R. Ally:** I read it in the newspaper. I was not in the House at the time. This had been proven to be true. The Government has said that it has no interest in rice. When the members of the Government were in the Opposition they called the then P.P.P. Government a “coolie” Government. It has been proven that the eyes of these people are not yet open, and it appears to me as if there is mud in their skulls because they just simply cannot understand.

As I said, they now want to throw the rice industry into the sea. If a man comes to this country from Japan, Russia, China, India or Africa and travels through the country with nobody at all to direct him or tell him anything he would be able to point out the moment he came to an area where Afro-Guyanese are living; he would be able to point to areas where Indo-Guyanese are living, even though two villages may be next to each other with only a dam dividing them and with the same type of work being done in each. That is why some of my friends on the other side of the House do not like the Indo-Guyanese and called the P.P.P. Government a “coolie” Government. It is because Afro-Guyanese do not know anything about rice and do not want to go into mud and water. If Guyana is to depend on people of this type, then we will all starve and go down to the grave for want of food.

I should like to say that the Minister has set up a Committee which is called the Action Committee. The Government gave this Committee seed padi to distribute among farmers. I am made to understand that the padi was distributed free of charge and, instead of being given to farmers to plant; it was given to a certain section of the people, some of whom do not have land. They therefore milled the rice and ate it.

I am not preaching race – I was born and grew up among Afro-Guyanese – but I say that this Government is discriminating and creating race in this country. It divides and rules. The Americans are doing this by using the Government.

When the Prime Minister went to Springlands to declare the P.N.C. office open he said openly that the rice producers will have to “cow plough”. I was present. As far as I can see we are going back to the old days; we are going back to slavery and indenture. We are saying many things in this House but members of the Government do not think of what we are saying. They are laughing at us all the time. We are talking, but it is wasting time. This is the type of people we have to deal with in this country.

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What is going on today in this country? When the P.P.P. was in office the Board was in the hands of rice producers themselves. Farmers did away with the bull ploughs and bought tractors.

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In those days there were no diesel tractors, therefore, gasoline tractors were purchased. When the P.P.P. was removed from office the Coalition Government did away with duty-free gasoline. Automatically, some of those people had to do away with those tractors. Some of the Government's supporters who are rice producers can tell you, they know this. Today, tractor parts are more expensive than gold, so people are unable to repair the old tractors that they have. Therefore, we are definitely going back to the bull plough days.

With respect to combines, during the days of the P.P.P. Government some people purchased one combine and some purchased two combines. Now they are taking the two to get parts to make one combine, and they are unable to get even one because the parts are very expensive, and rice has no price at all. But this Government is not interested in this; it does not give a hang; it feels that "coolie" will suffer and not the country. It is a shame on the part of this Government to know that people are today going back to mud walls and trash roof houses because they cannot afford to build the modern type of houses that they built before. There is a type of bamboo called "wild bamboo". To my surprise, people are searching for it to build houses. There is a grass called "long grass"; today we cannot get any.

I should like to appeal to members of the Government to place control of the Board back into the hands of the rice producers themselves. They should have the right to elect their members and send them to the Board. There should not be handpicked members. If the Government does not intend to do this, then it should get its strong hands ready now. There is the Police Force in this country and the minute the farmer is finished reaping his padi and putting it into bags, the police should be present to seize the bags and put them into the silos. [The

**Prime Minister:** “What are silos?”] These big bins that are being put up all over the place are called silos. This may help some people to get richer.

When the Venezuelans were saying that two-thirds of Guyana belong to them, we heard our Prime Minister say, “Not a blade of grass”, but we have lived to see that the Venezuelans have taken more than gold, silver, and brass. “Ankoko gone, so what if the rice industry goes? I do not care. I am already a millionaire, I am now trying to see if I can become a billionaire, so what do I care whether Guyanese become slaves, or whether Guyana becomes a part of America? What do I care?” [An hon. Member (Government): “What are you quoting from?”] This is exactly what is going on now. Some people ride on the backs of other people and make themselves happy.

I do not know when the people on the other side of this House will realize that they are selling out their own people and country. I only hope that they would be able to look back one day and see that, while they are happy, their mothers, brothers, sisters, etc. are starving. There are people in this House who are ungodly, who eat and enjoy themselves while people are starving.

**Mr. Sutton:** We on this side of the table must be, and will be, the first to concede the Government’s right to make every attempt to solve the serious problems in the country, but it is unfortunate that we must recognise the situation which exists in the circumstances that cause the debate to be taking perhaps such overtones and such, shall we say, serious underlying animosity in trying to solve what is a problem of the country.

The trouble is that instead of concerning ourselves with general principles which are common to all fields of economic endeavour, so many of us set out to make ourselves experts on things which we certainly have very little knowledge of. As I said, we here could only recognise the situation as it stands and deplore the conditions which exist in the hope that we may succeed in drawing attention to the true ills of the country which are made no less by the lack of

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consultation, by the lack of making full use of our human and economic resources, by the lack of using assets where we have them, irrespective of whether the political opinions are ours or otherwise.

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In a country like this we are too small, we are too infinitesimal to talk about any section of us trying to produce and have the know-how necessary to be successful in our attempts to have this country progress along solid economic lines. We know that when the members of the P.P.P. left the Government in 1964, they left the rice industry in fact, in a sorry mess. They had concentrated on the production of rice to satisfy their supporters and did not give true concerted attention to the cardinal economic precept that it is very dangerous to produce any article, particularly any article that is an important world commodity, without first analysing your market situation and knowing exactly what is going to happen to the rice you produce.

We are here, and we are not looking for kudos from the Government or from the Opposition, but we are trying to analyse the facts as they are in order to arrive at solutions which are of benefit to Guyana. We all remember very well just before the 1964 elections several of the P.P.P. big noises tramped the country from one end to the other saying, "The first thing they will do is drop the price of rice if we lose the elections." The P.P.P. had been well aware of the fact that the bonds were bursting with the padi which was deteriorating and to sell it, at the current price, in the condition in which it was, was impossible. Unless a real crisis was to take place, the price of rice had to be reduced to move it to the world market, which we had to do, because we had more than our West Indian friends could absorb.

We will not oppose any measure of the Government for the sake of opposition. We are not here for that. We are here to analyse all that is put before us with the hope that the best will come out of it and we will do what we can by pin-pointing what we think are soft and weak spots



in order to get the economy of the country going forward and not backward, simply due to wrangling, and we will approach the matter in a constructive manner.

We have heard unfortunately, drastic diseases need drastic cures. What do we see? We see that the Government considers that the rice industry is in such a bad way that it thinks it necessary to bring an Amendment in this Bill in the way it has brought it. It has said that it is necessary, for the time being at least, to get rid of a democratic institution in order to preserve democracy. We know that the Rice Producers' Association is a properly elected association. We also know that the Rice Producers' Association is one of the strong bases of the P.P.P. We also know that the Rice Producers' Association has been used by the P.P.P. to push its political fire even at the expense of its own rice producers. *[Interruption]*

We can say that without fear because we are not the Government, we are not regarded as the Opposition, we are here to analyse facts, whether it causes alarm on one side or discomfort on the other side, the intention is to get the best results for the people of this country. We have seen plans made by the Government which, on paper, appeared to be first-class plans for the solving of various problems, registration, elections, and all that sort of thing. The difference between plans on paper and executing them in fact – and on the question of the management of the Rice Marketing Board – is what we are afraid of.

It is true that the rice industry has to be modernised, has to be changed in some way, and in some way constructively, if it is to fulfil the purpose that it can and should. It is no use pulling punches and saying that what the P.P.P. advocates is right, or only what the Government advocates is right, or that we are going to put up a solution. That is not our duty. Our duty is possibly to consider a solution, to pin-point the cracks and draw them to the government's attention in the hope that they will be accepted and they will be implemented for the benefit of all concerned. We are not concerned with opposition for opposition's sake.

We have heard about the co-operative republic. We have heard about consultative democracy. We would like these catch phrases to be extended into the various phases of our economic activity. The members of the P.P.P. would have had and could have had absolutely no grouse whatever if the Government had told them, "Your rice producers, through their organisation, will be given adequate representation but because we in the final count will be responsible, we will hear them, listen to them, and if we do not like their advice, because your advice over the last three years has been no good to us, we have to take into account what the repercussions will be for the nation."

This Association has fallen down on its job. Its job was to improve the condition of the rice industry. The members know that rice is a world commodity. They know that the tendency is to reduce the prices while creating volume in turnover. They know the answer to the rice problem could not be rising prices. Compete as we must on the world market, rice is like any other world commodity and must be controlled by the principle of economics in the same way as sugar or bauxite. The Rice Producers' Association should know that it must assist in research in increasing the yield of rice per acre and not only hold out for the increase of the price per bag. If that is not done, there is no future for the rice industry or for that matter, any industry which is looking for increasing prices without trying to reduce the cost of production. *[Interruption]*

In relation to rice, rice producers know, the Government knows, that they carried a campaign against the Government's efforts to improve the production of rice through its new variety known as Blue Belle. We do not know enough about it. We cannot tell you the merits and demerits of Blue Belle, but we can tell you the merits and demerits of improving the yield per acre rather than increasing the price per bag if the rice is to be sold outside. Because we can never eat the amount of rice we are producing, our eyes must be set on the world market. Our enquiries must be: what does the world market require from the point of production to marketing and price per ton? If the world market is selling at \$10 a ton and we are producing at \$11 a ton, our export trade will die a natural death.

If one finds that the Government had to bring in an international marketing company in order to help sell, in order to find markets for the rice which was bursting in the bonds we took over in 1964, and one has now seen investigation in depth take place for better or worse, obviously trying to improve the rice industry, one should realize with the Government that it is better to produce rice that is suitable for the export trade rather than to produce the rice and find that even one certain grade is not popular and cannot be sold.

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You do not have to get rice expert. The problem is this. The Government does not want to take advice from the Opposition. We are in such a position in this country that anything which comes from the Opposition is no good for the Government. We must try to pool our resources. The Government says that it believes in the principle of consultative democracy. But those are just words. That is the only way we will get any place.

The Government is using rice as a political football. What will be the result only time will tell. What will be the effect of the Government's plan? It brings Bills; it would tell us where the commas have to go and where the "i's" are to be dotted, and a comma should go here and this or that is to be deleted and we are not told of the details. Therefore, we are in no position to assess whether the plans are likely to be successful or not. I agree with the hon. Member Dr. Ramsahoye that it is a very dangerous undertaking when we fail to prepare people psychologically and emotionally for important changes in their means of livelihood.

It is in our interest to let people understand, in spite of attempts of sabotage by the Opposition, that we are in fact committed to the development and improvement of the rice industry because it is of vital necessity to the economy of the country. As I said before, any person who has been in this country for any length of time must know that the rice industry is in a very bad way. It is sick; it needs attention. *[Interruption]* The Government recognises the fact and, we hope that the methods that it has adopted will, in fact, bring some relief to this situation. I would invite the other portion of the Opposition – the major Opposition party – to start to try to

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think in a complimentary manner. We hope that the Opposition will give constructive help where help is necessary and point out spots where weak spots appear. Just criticising serves no useful purpose and we on this side of the House in this section will never be a party to such action.

Now, Mr. Speaker, as I started off by saying that the real tragedy of the situation is finding it difficult to accept what the Government says. Our experience, over the last few months and over the last year is that this Government has compelled us to look for two meanings and six meanings to one word. When it says it is going in this direction and we look in that direction we find that it has gone in another direction. It tells us that it means this and not that. That is why there is so much suspicion, dread and fear by so many people in this country, in particular, the rice farmers. The Government has made it impossible for us to have absolute confidence in its statements because of the rigging of the election. It used the registration system to make it possible. *[Interruption]*

This is why we find it impossible to vote with the Government on this measure. We also find it impossible to vote with the Opposition because we must concede the Government's right to modernise the industry and we hope that if it is properly executed and properly represented a year from now it will get our unequalled support when we are satisfied that there are no skeletons in this cupboard. We feel that this House should be told something more. We ought to know the details. The Government should have brought a White Paper. You must take everybody in your confidence. When you are doing something good you have nothing to fear; let them see you have confidence in what you are doing. It is regrettable that the Government has not found it possible to announce to the rice farmers that it wants to find a way in ploughing back some of the profits that were made in the industry.

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Nothing of co-operative effort makes itself felt or can be discerned in this amendment. If the Government had just made a gesture to these people to show them what would be done after

adequate reserves for safety, say, after a period of two good years – the Government will possibly be going through a difficult time; all transition periods are difficult – but if the Government would let the people see that it intended to plough back some of the profits which accrue by means of the people without whom those profits cannot be made, then the people would have said, **“Look, we are part and parcel of this Co-operative Republic. They are planning to give us back some of the money which our industry has made possible.”** We see no signs of this and therefore we wonder if the Co-operative Republic, this consultative democracy, is only for a certain sector and does not apply to Guyanese as a whole. If Guyanese as a whole could be convinced that by these words the Government means exactly what it says, then I have no doubt that the degree of co-operation the Government would obtain would be meaningful.

Let us stop thinking in terms of what is good for me and what is good for us. Let us start to think in terms of Guyana; let us start to think in terms of what is good for this country. We must not throw out the man who has been involved for 20 or 30 years and what has been growing in this country for 20 or 30 years just because a man makes an experiment in Canada, India or Burma. Let us produce our Guyanese experts and use them.

Everybody remembers that when the members of the P.P.P. were in the Government they had certain agricultural economists to report on the feasibility of expanding the rice industry. They were warned by three economists that the expansion of the rice industry at such a rate, without first stabilizing the market position, was economically bad and would probably lead to an imbalance in the economy. That is exactly what happened. You do not produce and then look for markets. You survey and produce, survey and produce, and then you go constructively. Everybody knows that we can expand; we have the land to expand the sugar industry if we wish to, but we cannot eat the sugar ourselves and, as it is a world commodity, unless we know how it is going to be profitably marketed, expansion would be suicide. The same thing applies to rice. All I hope is that the Government will at all times keep getting constructive, knowledgeable and adequate advice and that it would try to use local expertise wherever it appears.

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Nobody can say that the United Force is trying to mislead somebody. We do not claim to have expertise in rice, but we know there are local people who can contribute to this exercise and we hope that the Government will try to make a success of it.

It is clear that owing to the well-known attitude of the R.P.A. the Government has been forced to amend this Ordinance in order to protect itself from sabotage. It has now assumed the power unilaterally to appoint people knowledgeable in the rice industry and it undertakes to give only one person representing the interests of the consumers a right to be on that Board.

We hope it will not be long from now when we will be able to associate the rice producers meaningfully in the industry at the highest level so that they will be part and parcel of the decisions taken on the industry and so that they will not feel, as the Opposition now rightly claims, that decisions were pushed down their throats whether they liked them or not. It is a very dangerous thing to have any industry in which persons who are responsible are not meaningfully involved in the decisions relating to such industry.

Because we are now suffering from what must be deemed to be a drastic disease in the rice industry, a cure as drastic is needed. After this surgery has taken place we hope that proper representative, democratically-based institutions will arise in order to ensure that everybody is satisfied that the best is being done.

A word of warning, however! I hope that the Government will see the necessity of removing politics from the rice industry and from other industries so that the best people will be put in the best places and so that people will not be put in positions because of their political affiliation when they know as much about the industry as can fill the eye of a needle.

**Mr. Bhola Persaud:** Mr. Speaker, what we are experiencing is the tacking of the final nail in the coffin of the rice industry. We experienced this in 1965, during the month of May, when the Coalition Government reduced the powers of the rice producers by controlling the

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administration of the Rice Marketing Board. We have seen many things happened since then. We have seen the imposition of experts, the bringing back of a man by the name of Peter Bayley, for what was called “the improvement of the rice industry.”

When we mention “experts”, I should like to quote from the pamphlet *The Government and the Rice Industry*, an R.P.A. publication. This is a list of some experts imported by the Coalition Government:

1965 Connel Rice and Sugar Company from New Jersey U.S.A. was retained to sell surplus rice on the World Market and to train local personnel in marketing, shipping, etc.

1965 Caffey and Efferson, two U.S. Rice Specialists, carried out an appraisal of rice production and marketing problems.

Connel and Hall, two specialists from the British Ministry of Overseas Development, investigated the storage and infestation problems of the rice industry.

1966 Frederick Johnson, a U.S. Consultant, considered the priority to re-establishing the rice industry on a sound basis.

1966 Forte Committee (local) carried out a survey on all aspects of the rice industry.

1967 the Mc Millan Advertising Company of Jamaica carried out a marketing survey in Jamaica for the Rice Board

Caffey and Efferson appraised the feasibility of establishing an adequate tropical coastal agricultural research facility in Guyana.

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Maynard and Company, Management Consultants of the U.S., carried out an analysis of rice handling operations, methods and procedures at the Rice Marketing Board.

1967/8 Rhodes Chekki, U.S. Specialists, reported on the storage to market segment of the industry.”

In spite of all of these experts, and apart from Peter Bayley who came to reorganise the Rice Board, we have not seen any improvement whatsoever in the rice industry. Now we are hearing of another plan to have a rice corporation. After the Government has failed all around it has now turned to a rice corporation. It is no wonder that they have failed totally because of political interference in the industry, over-staffing, maximum wages and salaries, lower production, favouritism, reckless management, marketing policy. These are things which have caused the rice industry to fail in this country.

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The Government is now introducing a rice corporation and we want to know what benefits the rice producers will get from this new venture. After failing all along, there will now be a rice corporation and the Minister is going to have the power to appoint these members to this committee. Some time ago there was appointed a member to represent the consumer and up to this day there has not been one representation from this member in connection with the consumer.

Today we are faced with a rice shortage and no one can doubt this unless one is barefaced like the Government. This is true because of what we have seen in the country, and even on the Essequibo Coast, the broken rice which was selling for \$8 and \$10 per bag, is selling for \$14 and over. This Government does not know because it is not seeing the needs of the farmers, and those who can talk on behalf of the farmers are the people who are living among them. This is part of witch-hunting.



Apart from the person placed there to represent the consumer, a person who was appointed and who does not know a single thing about rice, about producing and marketing, has been appointed to this committee. There is another person who I know very well, who does not know anything about rice, but who is closely related to a certain Minister has also been appointed. Today he is what is called the employment exchange on the Essequibo Coast and he is also involved in this rice committee. I am wondering how far we will go.

I remember that a former Minister of Trade and Industry (Mr. W.O.R. Kendall) and also the Prime Minister mentioned that they will give the undertaking that the rice farmers will not bear the loss incurred by the R.M.B. and the R.D.C. and that the Government will consider absorbing the loss as a subsidy. But instead of absorbing the losses they have reduced the rice farmers' prices by \$2 per bag, in some cases more than \$2, and then they say that they have made so much profit on the Board. This is at the rice farmers' expense.

Now this Government wants to replace the Rice Producers' Association, which is the only body that speaks for the 45,000 families, and it has created what is called a Rice Action Committee. This committee is also comprised of nonentities, more or less, some of them do not even know the rice root. Incidentally, a few days from now some of these people will be replaced by some more thugs from the P.N.C.

I read in today's paper about so many acres of land being ploughed by four tractors given by the R.D.C. and I want to observe here that these lands were ploughed for one section of the people in a P.N.C. stronghold. If anyone doubts this he can go and check at the R.D.C. from where managing is directed.

In connection with the subject of fertilisers and insecticides, one hon. Member mentioned that the insecticides are of no use and that the farmers are complaining that they are of no help to them. This is true. There are complaints about the misuse and misdirection of the fertilisers and insecticides. The rice industry has been built by the blood and sweat of the rice producers of this

country and today people from all walks of life who do not know the hardships and the suffering that producers are enduring are employed and being placed as directors to run the rice industry which is a big industry, a main industry.

I say very strongly that if there is to be any co-operation in the rice industry, the rice farmers, the rice producers, should have more representation than the people who do not know a single thing about rice.

**Mr. Balchand Persaud:** From time to time we have seen numerous Bills introduced by this Government and this Government always contends that they are in the interest of the majority of people in this country, that they are geared to help the working-class people of our country. The hon. Minister of Finance (Dr. Reid), who is in charge of the rice industry, has, from time to time, been making changes in the industry. The hon. Minister who is accustomed to finding cures for cats and dogs now tries to find a cure for the ills in the rice industry, but he is not quite aware of the numerous problems that confront the workers and farmers in this country.

This Government has been trying its best to see what methods it can implement to make the rice industry viable, but one must go back to understand the reason why there have been so many changes in the rice industry. Is it because this Government feels that the farmers in our country are unable to run their own affairs?

**6.15 p.m.**

Is it because of the colonial mentality of this Government that it wants to take away the powers of the farmers in running their own affairs and to put them in the hands of a few persons who are not farmers?

This creates a very embarrassing situation for our farmers because they are being demoralised psychologically. Government should not attempt to demoralise its farmers. It should give encouragement at all levels to encourage them. This Government has not been doing

this. What is the reason for all these changes? As I understand it, the P.N.C. and the United Force claim that the P.P.P. was using the rice industry as a political football. What is the position? We know for a fact that the American and British influence in our country in the past seven years was going lower every day, but it was the riots of the United Force and the P.N.C. that brought back the imperialist influence that the P.P.P. was trying to get rid of. This country which is claiming to be socialist is bringing back U.S. influence into the society.

The Government is afraid because the rice farmers of the country have always been behind the P.P.P. and the policies implemented by the P.P.P. Government were the best but now the Government wants to capture the political support of the farmers and by so doing it hopes to break the back of the P.P.P. The Government knows that it cannot capture any confidence or support of the cane cutters so it goes to work on another section of the community, the farmers, who can be more influenced because they are opportunistic. The Government had a try during the 1964-1968 term of office of the Coalition Government to see how best it could absorb the function of the R.P.A.

The hon. Member, Mr. Sutton, behaved in a manner in which he blamed the P.P.P. for the position of the industry. It was the United Force that promised the people – it was in the Coalition Government – \$30 a bag for rice. Where is that? The United Force promised the farmers 60 acres of land, well drained and irrigated and freehold. The members were talking through their hats. The fact of the matter is that the whole situation is so organised that they want to create disruption in the rice industry by making the farmers dependent on the Government, by creating this new plan. We have seen that the rice farmers during the early periods were having a control and say in the Rice Marketing Board, when they were able to negotiate their own prices and sell their own rice. We have seen the farmers being able to get the fruits of their labour.

If this Government believes in socialism, it must ensure that the workers get the full fruits of their labour. It was reversing the situation. The Government after removing the control from

the rice farmers, nominated its own persons to run the Rice Marketing Board where we have seen problems. We have seen that the government resorted to changing the grading system in the rice industry and as a result the farmers received less money. Consequently, the reduced price of a bag amounted to something like two dollars. As a result, the farmers are feeling the squeeze.

The cost of production in the rice industry is steadily increasing. Every year there are more problems. The farmers now have to pay increased costs for ploughing rice fields, for fertilisers, for taxes, for spare parts, for machinery, and farmers, because of the Coalition Government, had to pay more for licences for tractors and trailers. As a result, transportation costs for the farmers increased. They had to pay far more for reaping because Government cut out duty-free gasoline. Farmers had to pay more for drainage and irrigation of their lands. Together with that, they have had a fishy grading system. The cost of production has risen. The prices they received for their produce went down, now they are stranded, they have their necks in the noose because the Government wants to get control of them. The Government feels that this class of farmers is more opportunistic and should not have ultimate control.

The Government must understand this. It is talking about a co-operative republic, but I am sure it would have been better, instead of setting up a Guyana Rice Corporation, to have set up some co-operative association or something like that which would have got the farmers participating in the industry. A man would put more into something if he knows he is part of that something. The rice farmers are accustomed to working whenever they feel like working. They are accustomed to independence. You cannot seriously expect to make them perform the functions of a producer only. This is holding back the farmer. This is actually withholding incentive from the farmers. We should not try to implement in this country, iron discipline. They must be able to respond to conscious discipline and this will give them initiative to participate.

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Based on the Government's policy in the rice industry, the Government's co-operative republic will fail because if one looks at the whole situation, one will see who the people who will work in the co-operatives are. Surely, they will not be the older persons because the older members of families are already settled. They have small homes and they have jobs, and they are settled in the conditions to which they are accustomed. The younger ones, they have to go and make this co-operative republic a reality but there is no initiative on the part of the Government for them to stay in the industry. The majority of the farmers' children are going to live in the United States and in Britain, all because of the Government's rotten rice policy.

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Surely the Government should change its policies. Socialism speaks quite clearly on the issue of participation of workers in industry and agriculture at all levels. One cannot set up a corporation and be like the down to earth capitalist to extract from the workers and then give the money that is taken from them as loans. This would not help the farmers. If the Government wants to help the farmers, it must be able to channel the money back to the farmers through incentives. The Government gives the farmers loans and then say that this loan will have to be repaid with a 2 ½ per cent interest. The United Force has been saying that Jagan is going to make Black Bush Polder go "red". I am quite sure that they are sorry that they have said so. The United Force represents the ruling class; the Peoples National Congress represents them also – they want to satisfy that class. But we are conditioned to their way of thinking – people who get proper stooges, Ministers, Parliamentarians and so on and hope that they would be able to carry out their interest - -

**Mr. Deputy Speaker:** The word "stooge" is banned from the usage of the House.

**Mr. Balchand Persaud:** I wish to apologize and I withdraw that word. [**Mr. Hoyte:** "What word would you substitute?"] People who are puppets of the ruling class. [*Interruption*] The situation in our country is getting worse because the Government is trying to satisfy supporters in the street corners. The Government is putting pressure on the rice farmers; it is

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moving the rice industry backwards. The farmers are not getting assistance; they have been denied representation by the R.P.A. The Government has also denied the R.P.A. the right to provide things at cheaper rates for the farmers. In other words, the farmers will now have to go to the big merchants in Water Street to buy these things at exorbitant prices. For instance, three years ago an outboard engine 20 h.p. cost \$480; today, it costs \$783. And that is not all, sir. The Government is using methods to see how it can demobilise the rice farmers so that it could get political support.

**Mr. Deputy Speaker:** I think that it is a good time for us to suspend. This sitting is suspended until 8 o'clock.

*Sitting suspended at 6.30 p.m.*

8.04 p.m.

*On resumption --*

**Mr. Deputy Speaker:** The hon. Member Mr. Balchand Persaud was speaking for seventeen minutes. He may continue if he wishes.

**Mr. Balchand Persaud:** Mr. Speaker, before the Adjournment I was making the point that the government's policy towards the rice industry is one where it is trying its best to obtain political support from the rice farmers. That point was made in this House on numerous occasions and I think that this Government is aware that the rice farmers of this country understand the policies of its rice programme. This Bill seeks to dissolve the Rice Development Company, and in its place, set up the Guyana Rice Corporation. As I understand it, this Corporation will be responsible for the disposal of farmers' padi, rice and their by-products but we know what will be the result of things of this nature. I should like to quote from the R.P.A. publication **The Government and the Rice Industry**, page 24. It states:

“When the Rice Marketing Board tried to purchase padi in 1959, it suffered losses. Mr. Peter Bayley, the then Manager of the R.M.B. clearly pointed out the difficulties: ‘In certain instances in past years, the Board has been approached by farmers

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in particular areas where the millers have attempted to exploit the position by offering no more than the minimum price for padi of superior quality. Because of the additional transportation and handling costs involved, such transactions have resulted in financial loss to the Board.’”

It will be seen that in 1959 the then Government did introduce a policy of purchasing farmers' padi but because of rising cost, production, transportation, etc., it was felt that it was uneconomical and this was said in clear words by the then Chairman of the Rice Marketing Board. The Government hopes to have this padi milled by the Corporation's mills; also padi will be given to millers whose mills are up to date and can supply the type of grades that the Government hopes to have. And after inspection, the Government will choose which miller must have priority or the opportunity to mill padi. What will happen to the small millers? What will be the position of the small millers? The Government's policy is to make the small man a real man. How can the Government make the small man a real man when it is seeking now to do away with the small man – the small millers? This brings about a serious problem. Is this the mentality of those in charge – the various officers of the Corporation? Also the Government plans to set up its own large mills after it has made enough profits.

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The millers that the Government is now accommodating will have to go eventually. Therefore the system that the Government is setting up is that the farmers will have to till the soil; they will have to work in the rain and in the sun and do all the donkey work and then the Government, at the top, will sit like a big capitalist and reap the profit.

This will be the most profitable part of the operation in the rice industry. What will happen to the farmers? This is the part of the whole operations that the Government wants to control. It will mean that much of the small-scale milling that is being done in various areas will have to go.

Rice farmers may be engaged in other kinds of farming. They may have livestock and may depend on the rice industry for feed. In other words, they may depend on rice dust and broken rice. This will now be taken away from the small farmers and eventually will be controlled by the Corporation.

This is a clear indication that the Government's policy of making the small man a real man is a farce because many of the small-scale farmers, those who are in pig rearing, those who are rearing poultry and so on, may not be able to get the feed. They may have to buy expensive feed, whereas rice farmers, if they are able to get rice dust, and if they are able to reap the rice, would realise more profits. The Government is now introducing measures which are going to take away the right of the farmers to have all the by-products.

The Government is talking about having other types of by-products coming from the rice industry. So far it has only mentioned it in words. We do not know what it has in mind. I do not think that this is the right step because the Government must be in a position to consider the needs of small-scale farmers who are engaged in other types of farming, people who need the rice dust and broken rice so that they may be able to feed their cattle and poultry.

The members of this Government say they are socialists. One would expect that they would take over the ownership of the means of production. The fact is that the Government wants to own the Corporation and to use it to maintain a bureaucracy that the country cannot afford.

What is the position? If the hon. Minister of Finance (Dr. Reid) is realistic and is thinking sincerely about the working class, then he would know that you cannot have one section of the community doing the donkey work and the other section wanting to align itself with the ruling class and owning the wealth of the country. This is a national disgrace and the Government ought to change its policy with the setting up of this Corporation.



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8.10 – 8.20 p.m.

I noticed in today's newspaper – I do not think this is before the Assembly; if I am wrong I hope you will correct me, sir – a Motion is being brought to write off \$9,326,960 being debts owned by the R.D.C. and R.M.B.

**Mr. Deputy Speaker:** You cannot speak on that because it is not before the House.

**Mr. Balchand Persaud:** I wish to mention it because it is in today's newspaper.

**(Dr. Reid):** It is on the Supplementary Order Paper.

**Mr. Deputy Speaker:** It will come up soon for debate. You may wish to have a chance to speak on it later.

**Mr. Balchand Persaud:** The Government in its effort to show that the Rice Development Company does not own very much money sets about selling to its friends cattle and parts of machinery owned by the Company. Two bonds were sold to the Rice Marketing Board. This is another example of the Government trying to say that the R.D.C. was not functioning properly and that is why it has to be changed over to a Corporation.

The Government is only changing things. The main thing for the Government to change is not names but the consciences of these people so that they may administer in the interest of the people. The Government should use the profits of this organisation in the interest of the farmers.

Why is there a decrease in the production of rice? I wish to quote from a speech which was made by the Minister of Finance, Dr. the Honourable P.A. Reid. It appears as an article under the heading "**Our Rice Industry –It's Future.**" The speech was delivered at Anna Regina on Friday June 7, 1968. I quote from page 4:

"It is obvious that in the past nineteen years there has been a huge increase in the amount of land under rice cultivation and the amount of rice produced but, and this is the

important point, the amount of rice produced in relation to the amount of land under cultivation has not improved. Our yield per acre has steadily decreased and is today only slightly better than 13 bags per acre measured in 140-pound bags.

Our failure to produce more rice from less land is inconsistent with modern trends and makes an unhappy contrast with the progress made in this direction in the other rice producing countries of the world. In fact Guyana is the only major rice producing country in the world in which the yield per acre has steadily decreased. Every other country has increased.”

The Minister realized that while we plant many acres of rice we reap very little. As a result, the Government introduced Blue Belle because, as the Minister said at one stage, the yields were better. Introducing new varieties does not solve the problem. If one were to study the history of our country one would find that farmers tend to take up new lands on the coastal belt and, as a result, they have to wage war against pegasse land and so on. When they take new land they do not expect yields to be very high because the drainage and irrigation facilities are not adequate.

What has this Government done to provide the farmers with proper drainage and irrigation facilities? Can the members of the Government say what they have done since they have come into office? As far as I understand the situation, the Government expects the farmers to perform miracles. For instance, the sum of \$2 ½ million was loaned to farmers to buy combines. This helped the middle class. If this money had been used by the Government to provide better drainage and irrigation facilities the farmers would have had better yields.

**Mr. Deputy Speaker:** Time!

**Mr. Hamid:** I move that the hon. Member be given an extension to continue his speech.

**Mr. Ambrose** *seconded.*

8.20 p.m.

*Question put, and negative.*

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8.20 – 8.30 p.m.

**Mr. Ambrose:** Today is the blackest day in the history of the rice industry. It is the blackest day for 45,000 rice families in this country, a day that would long be remembered. We have before us a Bill that seeks to amend the Rice Marketing Ordinance and to make minor amendments to the Guyana rice Producers' Association Ordinance. What bothers me is that most of the people who today have to guide the destiny of the rice industry know very little about the rice industry or about rice at all.

A little before the adjournment the hon. Member Mr. Sutton of the United Force attempted to betray the farmers in the rice industry. He tried to involve the R.P.A. in the destruction that is facing the rice industry. The Minister of Agriculture and Natural Resources (Mr. Jordan) used half-truths to misguide the nation and laid blame for the destruction of the industry at the hands of the R.P.A. and, to a lesser extent, the Opposition. During our tea interval today, I had cause to speak to a member of the R.M.B. who, fortunately, has succeeded in securing his position on the new rice corporation. We are told that we have been advising people not to plant Blue Belle, and so on.

It appears that these people do not know the facts. I have already said in this House that it was not the R.P.A. alone which spoke out against Blue Belle. Caffey and Efferson, the U.S. consultants who came here and carried out a feasibility survey of the rice industry, were very clear. It cannot be said that the R.P.A. had influenced those experts – far from that. May I quote from *Government And The rice Industry?* This is an extract from what Caffey and Efferson reported.

**Mr. Deputy Speaker:** Where is it recorded?

**Mr. Ambrose:** It is recorded on page 15, **Government And The Rice Industry**. By no means can it be said that Caffey and Efferson were influenced by the R.P.A.

**Mr. Bissember:** To a point of order. I do not wish to give the impression that we on the Government side wish at any time to muzzle any hon. Member speaking on this important

debate, especially the hon. Member Mr. Ambrose who has always been dealing with the subject of rice, but the rules must be complied with and I submit that one should not repeat the arguments of other hon. Members. We have been having a series of repetitions of hon. Members' contributions and this is contrary to the rules. I am only drawing it to Your Honour's attention. The Government likes to hear the hon. Member Mr. Ambrose but, at the same time, this repetition is becoming very tedious on our side here.

**Mr. Deputy Speaker:** The hon. Minister's point is well taken. The Standing Orders do not permit speakers to repeat arguments but I have been keeping a very close look at this situation and I have noticed that, here and there, references have been made to what other hon. Members have said. I am, however, keeping this in mind and will be on the look-out for any further developments.

**Mr. Ambrose:** No other speaker has made this particular point. What I am saying is that it was not only the R.P.A. which rejected Blue Belle but also the U.S. consultants who came here to advise the Government.

**8.30 p.m.**

“The over-all scope and intensity of this programme is such that it has served only to slow down the most damaging fires and to give only minor assistance to the overall development of the industry. Blue Belle is at best a stop-gap – a United States-developed variety that happens to be reasonably adapted under first tests. It is known, however, that this variety is not resistant to Hoja Blanca, the most serious virus disease of the Western Hemisphere, and with widespread planting, there is the danger that the disease will become prevalent as it has in nearby Venezuela.”

This is what the United Nations consultants said when they came here and they carried out this feasibility study. The Report up to this day is a secret document and despite the fact that this happens to be so, the Government continues to say that the Rice Producers' Association has been stopping people planting Blue Belle. It is quite clear even from long experience. The farmers in this country have their own experience. All over this country the people have been

attempting Blue Belle and they have completely failed. If the government continues to spill such cheap propaganda for its own reason, to cut the subsidy of the Rice Producers' Association, let the Government come forward and say very honestly what the Rice Producers' Association has done that has been against the rice farmers and against the rice industry.

When the history of the rice industry shall have been written, the days when the industry was controlled by the Rice Producers' Association will be there foremost. After nearly a quarter of a century under bureaucratic control, the Rice Marketing Board was losing money and it was only when the Rice Producers' Association through its representatives took control of the Board in 1962 that we were able to make profits. We not only did this at the level of the Board but at the level of the Rice Development Company.

From 1954, the Rice Development Company itself was operating at a loss and it was only after the Rice Producers' Association took control of that organisation that profits were made. Still, we hear a lot of talk about the Rice Producers' Association. What the Rice Producers' Association did was to oppose measures that were against rice farmers and the rice industry and we were right. We were elected by the farmers.

When the Government took control in 1965, we warned it that it was a backward step. We warned it that it was taking away democratic control of the Board and replacing it by political support. It is no secret that the Board lost more money in 1965 than it has ever done. In one year it lost \$4.5 million, simply because the Government removed bona fide farmers, farmers elected by the Rice Producers' Association, and replaced them by political supporters. We warned the Government about the very thing which eventually came about. This was very clear. Not only the Board lost money, but the Rice Development Company.

What we need is not to change the names. What we need to have is a rethinking in the rice industry. The Bill seeks to change the name of the Rice Development Company to the Guyana Rice Corporation. What difference does it make? It must be borne in mind that what is

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necessary is to change the entire structure of the R.D.C. The R.D.C., like many government organisations, has been spending too much and making too little money. It is for the directors and the management to see to that. Changing the name would not help.

The R.D.C. came into being in 1954. By 1961, the R.D.C. had accumulated a loss of \$2.1 million and during that very period, this body paid by way of interest charges to the banks, \$2.5 million. Year after year the R.D.C. has been suffering losses. It has been a recurring loss all the time: \$2.5 million and \$2.1 million. During the period of control by the R.P.A., profits were made, and thereafter, the Government took control and put its political friends to carry on. *[Interruption]* For the information of the member, we got there by popular vote. We were elected by the farmers of this country.

The point I was making was that within the short period 1965, 1966, 1967, 1968, the interest charges have increased from \$2.5 million to nearly \$5 million. Well, imagine a company that has started with \$5 million, the original loan, has already paid as interest charges, \$5 million and it still owes on the original capital, \$4.5 million.

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And all that we have paid on the original capital is \$1/2 million. This has been the story of the Rice Development Company. What differences does it make by changing the name? What is necessary is to change the entire structure. To my mind the R.D.C. has reached the point where it should go out of existence and the Government should not create any such monopoly as it is trying to do. What it should do is to hand over control once more to the farmers so that they could run their own affairs.

The next thing is this. I feel that the Government should seek to change Clause 3 of the substantial Ordinance. In Clause 3 the Government seeks to amend the Ordinance to prevent the R.P.A. from nominating three persons to serve on the Rice Marketing Board. If this Amendment

is passed it would mean that the hon. Minister in his discretion would appoint the members to the Rice Marketing Board. This is a very sad situation. For the past twenty-three years the Rice Marketing Board has been operating by producers' representatives sitting with Government nominees and in 1962 the question of majority rule from the Rice Producers' Association would mean that for the first time in twenty-three years the Rice Marketing Board would be administered without a farmers' representative.

It should now be clear in the hon. Minister's mind that his political friends and supporters have nearly destroyed the rice industry and to continue in this manner only means further destruction. When one looks at the list of names published as Directors of the rice Corporation one will see that there are few people, like the hon. Minister himself, who have absolutely no knowledge of rice. The people who are put in charge of the industry have little or no interest or knowledge of the Rice Marketing Board and the rice industry. It is because of this that the Board continues to suffer losses. This is nothing new that the hon. Minister is trying to do. The Government had majority nomination on the Board and so it ran at a loss. The hon. Minister is seeking now to withdraw the three members who have been nominated by the R.P.A. making it a complete P.N.C. Board. There is no doubt that the industry will continue to go backwards and backwards all the time.

Apart from not allowing the R.P.A. to nominate members to the Rice Marketing Board, the Government seeks to withdraw the subsidy. The Government attempts by modifying Clause 10 of the Ordinance to remove all the authority from the R.P.A. and no doubt to withdraw the subsidy that the R.P.A. was enjoying for many years. The Government should reconsider the position in this particular Clause. The Government should take into account that the subsidy that has been paid by the Rice Marketing Board to the Rice Producers' Association is not Government's funds. The money that has been paid to the R.P.A. by the Board has really been rice farmers' money. This money has been accumulated over the years and because of the injustices --

**Mr. Deputy Speaker:** That is a repetition of what a previous Member has said.

**Mr. Ambrose:** I am referring to the injustices that have been created because of the maladministration from time to time. For instance, today, while the farmers of Guyana receive an average of \$17 per bag for rice sold to the Rice Marketing Board that very rice is sold to the West Indian market at an average of \$25 per bag.

8.50 p.m.

The Board, for instance, makes a profit by purchasing from the farmer at one price and then selling at an increased price.

Let us take the trend on the world market in this matter. The world market price today, as paid by Connell Rice and Sugar Company, amounts to \$304 (Guyana) per ton while the farmers in this country receive approximately \$200 per ton. This gives the Board a profit margin of nearly \$100. While we continue to receive low prices, at the average of \$19 per bag or, say, \$200 per ton, white rice from Thailand on the World market was reported by the Rice Bulletin of June, 1969, as being sold at £96 per ton amounting to approximately \$460 per ton.

**Mr. Deputy Speaker:** Time!

**Mr. Wilson:** Mr. Speaker, I think the contention of the Government in putting forward this Bill and the past measures for the amendment of the Rice Marketing Board Ordinance has been that they were to increase the efficiency of the rice industry. Let us examine this claim and see how correct it is.

In the first place, if the efficiency of an industry is improving one would expect that those who toil and those who work in it would enjoy a better standard of living and would have improved emoluments from the industry. Since the P.N.C. took over the reins of Government



the opposite has been true in the case of rice producers. During the regime of the present Government and its predecessor, the Coalition Government, not only have the living standards of the toilers in the industry been depressed but producers have found themselves in debt. They stand to lose much of what they acquired during the regime of the P.P.P. and the industry itself does not benefit the country.

Let us see the pattern of the figures in regard to production and the amount of money earned for the country from 1961.

**Mr. Deputy Speaker:** Are those the same figures the hon. Member Mr. Ram Karran quoted?

**Mr. Wilson:** I was not here when he spoke.

**Mr. Deputy Speaker:** I will stop you if they are the same.

**Mr. Wilson:** I am submitting that the figures show that during the regime of the P.P.P. production was increasing and more money was coming in as profit, whereas during the regime of the Coalition Government, and now of the P.N.C. Government, production has been declining and there has been loss over the years.

The hon. Minister of Finance, in arguing his case, claims that one of the means by which efficiency of the industry is measured is increased yield per acre. Now, it is one thing to talk about increased yields per acre, but we should also examine at what cost these increased yields are obtained.

Let us say, for example, that 30 bags of rice are produced from one acre at a cost of \$2,000. I do not know the normal figures but I am putting these figures for the sake of argument. And let us say that previously the farmer produced 20 bags per acre at a cost of only \$800. By

simple arithmetic one finds that in the long run the farmer received less for his work. More is produced but, because of the increased cost of producing this greater quantity, the farmer is "in the red" in the long run. This has been happening since this Government took over.

The members of the Government have argued about increasing yields. They seem to forget that there are two ways of carrying on agricultural production, or any other production for that matter. You could have the intensive method or you could have the extensive method. Hon. Members will remember the time when farmers "shied" rice. There was little labour but more land was used. The cost of labour was so low that in the long run there was a good return and it was economic.

When, however, people began to think of increasing the yield per acre and there were nurseries and plants, and seedlings had to be taken one by one and planted, more time was required. There would be an increase in yield per acre, but perhaps in the long run the cost of producing that increased yield might be so great that there is a loss. We would like the Minister to convince us that this increased yield is not obtained at such increased cost as to nullify the benefit.

Another fallacy in this kind of argument is that there is no claim for increased prices when there is an increase in yield. I say the two things are contradictory. You increase the yield per acre, therefore, do not ask for an increased price per bag of padi. I do not understand this kind of argument.

9 p.m.

Is the Government saying that, no matter how much it costs you to produce a certain quality of rice – the cost of living is rising, labour costs are rising, the costs of machinery, fertiliser, and fuel are rising – you must not look for increased prices? All industries, while

keeping an eye on efficiency and producing more per unit, also have to try to have improved quality so as to command increased prices.

I should like the hon. Minister, in his reply, to put forward arguments not only to show that the increased cost of producing does not nullify the increased yield, but also that there is no justification for the farmers to ask for increased prices. We cannot understand this. This Government gave the workers \$4 per day; now they want \$5 and \$6 per day. What has this Government done? If it had said, "**We are going to assist you to get your increased yield**", but you keep the price constant, steady, that would have been reasonable, so we must look for some other reason, some other motivation why this Government has pursued this course to remove control of the industry from the rice producers and reduce the price and bring the red herring, the fallacious argument about trying to increase yield. There must be some other reason.

The hon. Member Mr. Sutton actually confused himself in trying to support this argument. He was ambivalent in his argument. He actually contradicted himself or at least what is stated in his party's manifesto. When the rice producers were getting \$22 and \$23 per bag, the U.F. had promised them \$30 per bag. Now the hon. Member is arguing that you do not want increased prices, all you want is increased yield. Since this argument is fallacious, we must look for the real motivations on the part of the Government behind this sinister move.

In my view, the only plausible explanation I can find for the Government's attitude to the rice industry is that it is out to spite a single class of people. This motivation of spite can be traced to the head of the Government, the Prime Minister. I recall a booklet I read *My Brother Forbes*. Anyone who reads that booklet will see the origin of this vindictiveness against the majority of people who are the rice producers. This seems to permeate the minds and attitudes of all the Ministers and members on the Government side.

They began by reducing the subsidy to the R.P.A. and now we are coming to the final blow, they are taking all away, they are taking away from the people what they produce. It is the

rice producers who produce the profits earned by the Board. What more vindictiveness and discrimination can you find? Then what do they do? They establish a Rice Action Committee. What is this committee doing? It is taking the money earned by the sweat and the toil of rice producers and channelling it to the Government's supporters - [Mr. Jordan: "Who are rice producers.?"] - one group of rice producers.

In the August 1969 issue of **Barclays Caribbean Bulletin** we read this on page 16:

"In an effort to boost production of this crop, 14 co-operatives have been loaned G\$125,000 as part of a Government Rice Development aid Programme. There has also been a demonstration of planting rice from the air."

An examination of these co-operatives will disclose that the majority of members are from one ethnic group of the population. This is what is happening: You remove control from the R.P.A. where members are democratically elected by the people who produce the rice, take the money produced by the toil of these people, the majority of the rice producers, and then channel it to supporters of the P.N.C. And then the Government talks about a Co-operative Republic. What kind of co-operatives do we have? The essence of a Co-operative Republic should be co-operation, fair play, and justice for all.

I was reading figures from here but you said they were read by the hon. Member Mr. Ram Karran. Anyway, I will read other figures which demonstrate the inefficiency of this Government. Instead of the industry improving during this Government's regime, things have been going from bad to worse all the time. Now let us take the January 1969 issue of this publication *Barclays Caribbean Bulletin*. We read on page 15:

"RICE. Although final figures for the autumn crop are not yet available, it is evident that the crop will be the lowest within recent years; . . ."

They talk about efficiency! I continue.

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“. . . furthermore, the present indications for the 1969 spring crop are not encouraging, . . .”

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They will increase the yield per acre. That was in January.

In the February issue of the same Bulletin, page 16, it states,

“It is now confirmed that the 1968 autumn crop is the lowest within recent years. This fact, together with the indications of the 1969 spring crop, might place the Guyana Rice Marketing Board in a difficult position with respect to its contractual commitments in the West Indies.”

That was in February. Let us see how this was going in April. On page 14, it states,

“It seems clear now that the spring crop will not be up to expectations and concern has been expressed by the Rice Marketing Board in meeting its contractual obligation to the West Indian islands. Every endeavour is, therefore, being made to ensure an early and bumper autumn crop.”

Let us see if the picture has improved since then. Month after month there is the depressing picture of incompetence on the part of this Government. Let us see if there was improvement in the August number.

“During the period 1<sup>st</sup> to 30<sup>th</sup> June, the Board exported a total of 52,915 bags and 10,971 cartons of packaged rice, compared with 164,735 bags and 19,157 cartons of rice for the corresponding period in 1968.”

This shows a drop of about 300 per cent. Mr. Speaker, why all this interest in the rice industry? *[Interruption]* Of course, compare the interest in the rice industry with the interest in other industries. Why all this interest in the poor man's industry? Because the majority of the supporters of the P.P.P. are engaged in this industry. Is this to carry out a vendetta and spite

against the supporters of the P.P.P.? Compared with others, the rice industry is nothing. *[Interruption]* I am not going to make the point. I am going to ask Dr. Clive Thomas to make the point for me. Let me rely on someone. "Coco" is stupid, so let someone else do it. In the *Guyana Graphic* of the 17<sup>th</sup> August, page 5, I see what Dr. Clive Thomas has said about these people, these Caribbean governments, and it explains why they are bothering with the poor rice industry and leaving the other things. He says:

"The region's governments, he said, were merely tinkering with the 'peripheral issues.'"

The things that do not matter very much. They console themselves with the rice industry, the poor man's industry.

"What, he asked was being done about sugar and bauxite, the banks and insurance companies . . ."

I ask, why do you not try to streamline those things? It goes on,

". . . that so well explain the foreign domination of our economies and the subservience of the political leaders?"

This is the reason, a colonial mentality, which causes them to be bothering themselves with the poor man's industry and leaving the commanding heights of the economy. They talk about removing all the pictures from here and putting in all the pictures of the kabakas but this would not change them. Their outlook is colonial and until something drastic happens to bring these people to their senses, they will continue to oppress the poor working-class people in order to assist their bosses.

**Mr. Deputy Speaker:** Does any other hon. Member wish to speak? *[Pause]* Then the hon. Minister will reply.

**Dr. Reid:** Mr. Speaker, sir, we have listened with some amount of interest to some of the discussions that went on here. It can be very easy to describe this rice industry over the years when the P.P.P. was in charge of the Government. Those members speak now as if in their time the rice industry was a flourishing industry, but I do not have to tell the people of this country what the rice industry has been in their time because it was during their period of government that they asked the United Nations adviser to come to this country and look at the rice industry, and on page 12 of that Report by Dumont, this one sentence tells the whole story. Since we do not want to waste time, I think if I read this one sentence, it would be enough to emphasise what I have always said, that the rice industry was in a bad position. This is what the Report states:

“Rice cultivation in this country is entirely unsatisfactory.”

9.20 p.m.

During the course of my reply I will support what Dumont had to say by a document from the person who was Chairman of the Rice Marketing Board during the regime of the P.P.P. It is not what we had to say about the rice industry and it is no secret.

We have had several reports over the years. Fifty-two people have investigated the rice industry. These reports are as follows:

- 1952 - Report of the Rice Farmers (Security of Tenure) Committee.
- 1952 - The Production and Marketing of Rice.
- 1953 - Rice Farmers (Security of Tenure) Ordinance.
- 1957 - Report on Scheme of Compensation to Small Rice Millers.

- 1958 - The Rice Industry of British Guiana.
- 1959 - Special Case Report on Marketing of Rice in British Guiana.
- 1959 - Development of Export Markets for British Guiana's rice.
- 1959 - Rice in British Guiana.
- 1961 - Rice Storage Investigations.
- 1962 - Improvement of the Quality of Padi and Rice
- 1962 - The Mahaicony/Abary Rice Development Scheme and MARDS Rice Factory.

In all of these reports the same point is made that the rice industry was in a difficult position. It was not doing well. I admit that my friends on the opposite side know what to do about the rice industry but these days we do not pay people for what they know, we pay people for what they do. They must do something.

Notwithstanding what hon. Members opposite have said the Prime Minister had this to say in a broadcast to the Nation made on 2<sup>nd</sup> October, 1966. I quote:-

“In some quarters it has been said that Government does not appreciate the problems facing the rice industry and lacks sympathy for the rice producers. The fact, however, is that my Government not only appreciates the problems but has been deeply concerned about the state of the industry and the lot of the producers. The producers are Guyanese, and this is a Government of all Guyana, the welfare of all whose citizens it is its duty to further. The rice industry is important to the economy of the country. If it prospers, Guyanese economy to that extent prospers; if it suffers Guyanese economy to that extent suffers.”



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Notwithstanding what they were saying, it is on record what the Prime Minister has said and we put this speech into effect. *[Interruption]*

Some time ago there was necessity to reduce the prices of padi and on the 29<sup>th</sup> September, 1966, the then Minister of Trade (Mr. Kendall) had this to say:

“This evening I want to take this opportunity to put before the Nation the facts which have led the Government to consider a reduction in the prices of all types of rice purchased by the Board. The Board, many will recall, was constituted by my Government on May 26, 1965. Up to that time the Rice Producers’ Association had been in control of the Board and when the change was made there was an accumulated surplus of nearly 58,000 tons of rice over the previous two years.”

*[Interruption]* Later on I will come to what the Chairman of the Board under the P.P.P. regime had to say. *[Interruption by an hon. Member.]* We will come to that in a moment. Our concern now is to ensure that the industry will improve and I am convinced that the Rice Producers’ Association is an obstacle to the development of the rice industry. *[Interruption]*

**Mr. Deputy Speaker:** Order.

**Dr. Reid:** We have therefore removed rice from politics as we have always indicated. That is why we paid no attention when the pressure was on to reduce the prices of padi during the election campaign.

We have had the opportunity of visiting rice growing areas and we have spoken to rice producers. I have evidence that a decision was taken as to what should be done to see how these farmers could be helped and so improve their production. We invited the President of the Rice Millers Association as well as the Managers of the various companies. I wish to quote from an article. This is not the minutes of that meeting. It would have been good to read the minutes of that meeting but I would not do so. I should like to read from the *Rice Review* a publication of

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the Rice Producers' Association. This is what is reported. I quote from **Rice Review** January/March, 1969, page 18:

“In view of the Minister's refusal to increase the purchase prices for padi and rice and to restore the Association's grant, Mr. Ramlakhan who attended the first meeting, intimated that it was sinister for the Minister to use the Association's advice and experience conveniently and as a result he would not be prepared to serve on the Committee.”

This is their report. The point I wish to make is this. Mr. Ramlakhan indicated that he would not serve on a Committee which is dedicated to serve the farmers and to assist them. *[Interruption]* That was the same Rice Producers' Association that was enjoying grants from the Rice Marketing Board and here we have the President indicating that he would not be involved in anything to help rice farmers. He could not because this document later on will tell us why.

9.30 p.m.

Let us proceed. During the past 10 years the industry has experienced a considerable number of problems. The Reports that I have mentioned all indicated that something must be done if we are to save the rice industry. The Rice Producers' Association had the authority to assist rice farmers all over this country, it had the authority to help them in getting new varieties of rice and to put into effect new technological advances, but we find that its business in the main was not the rice industry. Thus the industry went down and down from producing 17 bags per acre to producing 12 or 13 bags per acre. The Association has now outlived any usefulness that it had, thus the Bill as proposed must certainly remove it from the rice farmers.

We have heard from our friends on the other side of the House that Blue Belle has failed and therefore the Minister of Agriculture is looking for a new variety. We have been trying to tell the people of this country and those who claim to know so much about the rice industry that unless there is continuing research we will never be able to keep up with the changes in the world.

On the last occasion I said that the Philippines now have a variety which is producing three times the quantity that was produced before. This business of research must go on and no one variety has come to stay. It is recorded that the variety that the farmers would like to use now has been in this country nearly 100 years even though it is now outdated and better varieties have been found.

I have had correspondence from a farmer at Cane Grove and he was happy to report that a month or so ago he reaped a crop of Blue Belle after about 86 or 87 days. He reaped 28 bags per acre. I do not wish to call his name because I know what may happen to this poor rice farmer. That is the only reason why I am not calling his name. I was even tempted not to say where his residence is because we have had serious incidents in the same area when farmers who were progressive were trying to adopt changes.

I want to remove a few remarks from the record. The price of a bag is not 80 or 85 cents. It is 45 cents. I listened with some disgust to the racial tones that were brought into the debate. Not so long ago – I thought my friends would have heeded this – I read out, with some reluctance because I hate to do this, the names of persons who had received help from the Action Committee. I was forced to divide them into racial groups. There is evidence and the people are still alive so that my friend (Mr. Ram Karran) may go and check for himself to find out that the work being done now is for all rice farmers, preference being given to those who need help the most, the small farmers.

We have heard that the small farmer cannot make a living from growing rice on 5 and 10 acres of land; he cannot be saddled with machines. We are happy to report that machines are being brought in to help the small farmer so that he would not have occasion to buy the high-priced machines.

Marketing and price must always be important and although some people here want us to believe that in the final analysis we set the price for the commodity, it is good for them to know

that when the commodity, from the small country's point of view, goes on the world market, it is not that small country that fixes the price. Those who are accustomed to international arrangements will know that the world market fixes the price and the small country has no part in it. If rice is to be sold in the world market we must produce rice that can compete in that market.

I have heard that the rice industry was making profits until the P.N.C. got into the Government. One should ask, What kind of profit? On the books there was an indication that there was a profit but when a physical check was taken a number of bags of rice could not be identified; machinery listed as assets could not be found. How could you have profits under such circumstances? No physical check was carried out all through the years. The rice industry was losing money.

In time we will come to another Motion that seeks the permission of the House to write off some of the debts and thus free the industry of all the interest it has to pay. My friends talked about this but they did nothing about it in their time. We shall free the industry from this burden so that it may proceed on the road to development.

The hon. Members talked about storage. We are building facilities for storage. It is good for the House to know that because of bad storage facilities the industry has been losing some \$4 million per year. It was only during this Government's term of office that efforts were made to correct this so that rice was not spoiled by weevils and other pests. The silos that are in process of being constructed are in keeping with a modern industry of this size. We need to store padi properly and rice even more carefully, so there is no apology about this. We must have facilities for storing and if we can save \$4 million in this exercise, then it is economically sensible to do it.

We have made profits even though my friends were arguing so much that we were destroying the rice industry. We have come to the point where profits have indeed been realised. This has happened not only by the change of price but because of the prevention of waste in so many quarters. Better care has been taken of the padi and rice. What is happening? I said a

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while ago that there are small farmers who, without assistance, can do very little to improve their present position and so, instead of increasing the price of padi and pricing ourselves out of the world market, we have done what is reasonable and what is wise, and that is to improve facilities for the farmer so that he can produce more bags per acre. I am fully satisfied that if this is achieved then the farmer must benefit. He will produce better grain if his fields are better cultivated. If his land, on the whole, is better prepared and if he is given the impetus for increased production, then the farmer will get more bags per acre.

I said a while ago that in the Philippines production was tripled and farmers who were getting 5 or 10 bags per acre have reached the point where they are getting 15 or 28 bags per acre. We are certain that the farmer's lot will be improved.

9.40 p.m.

The Opposition spent years and years talking about the rice industry but no action was taken. Now the farmers are getting assistance. They used all sorts of names to describe the rice farmers. I was a little ashamed of some of the remarks I heard from some of my hon. Friends. I do not know how they can carry on the affairs of this country when such remarks are made in this House about people of this country.

I said that they knew all along but they could do nothing. One person was saying that we should even keep the small uneconomic mills. They have been advised all through the years that we need better mills — central mills as a matter of fact — but, because of their politics, because they needed all the mills in an arrangement to let the farmer give the miller a bag of padi for the P.P.P., they dared not do anything that would improve the rice industry and improve the milling. When the Board was changed in 1965 the industry was saved then and we are fully convinced that when this Rice Corporation is set up — and there is no Ordinance compelling this Government to have members of the R.P.A. on that Board — we will see significant progress.

I said a while ago that we are now in communication with the farmers. We have visited all the areas from the Corentyne to Essequibo. We have talked with the farmers, we have found out some of their problems, and we are in the happiest position tonight to report that some of these problems have been tackled in all the areas in this country with no regard, no relevance, to the politics of the people or to the racial make-up of the various groups.

We trust that the farmers in the rice industry are now seeing who are their friends and I am certain that this is what is disturbing members of the Opposition. To my mind they have committed a crime against the rice industry. The record of the P.P.P. and the rice industry is a criminal one. When the members of the P.P.P. were leaving the Government there was an arrangement with Cuba to buy the farmers' rice – their supporters, they claim – but as soon as they got out of office that political arrangement went out of existence and they did not care whether or not the rice farmers starved. That was their interest in the rice industry and any Government that made that type of arrangement in connection with a national industry has committed a criminal offence and should not ever be in a position to represent rice farmers in this country.

Then we had the famous bag arrangement. Thousands of bags which could never be used came into this country. This arrangement was made by the then Chairman of the Rice Marketing Board, who was a leading light in the P.P.P., notwithstanding whether or not the bags could be useful, because he was going to get a commission. That was another criminal offence.

They sold rice to East Germany but no money was collected; the P.P.P. agent disappeared. [Mr. Ram Karran: "That is not true."] During the strike they took rice from the R.M.B. for which they never paid. Fellows visited the Board as workers, removed rice from the Board, and when traced they were found going to Freedom House with it. [Mr. Hamid: "Shame."] This is another criminal offence committed by the members of the P.P.P., and now they say that the rice industry was prospering in their time.

We assumed office in December 1964 but before that date the rice industry was in such a difficult condition that their own Chairman recognised this. It was obvious, so he sent a document to his comrades advising them about the rice industry. I should like to read this document so that the people of this country would know what they have been dealing with all through the years and would realise why it had become necessary to remove the R.P.A. I quote:

“Dear Comrades,

For some time now I tried to focus members’ attention to the serious and deteriorating situation at the Rice Marketing Board but without success. I am again doing so and sincerely hope that some firm action will be taken in order to correct same in the interest of the Party and the Rice Producers.

(1) **Financial Situation and Stocks**

The Board is in serious difficulty. There are large stocks of White and Parboiled rice now lying in all the Mills throughout the country including the R.D.C. for which the Board cannot receive. These stocks of milled rice have been lying there now for about eight (8) weeks. The R.M.B. does not have any further storage space and even if it can find additional storage space the Board will not be able to **purchase same because of lack of Funds**. A large quantity of both types is rapidly deteriorating. Farmers’ problems are increasing. Rents to pay, bills to honour, hire purchase machinery accounts are due and other debtors are now at their throat. The Board had as at 31.12.64 approximately 150,000 bags white and 108,000 bags parboiled. What therefore do we do? I suggest that our only saviour is **Cuba**. Cuba should be asked to lift within two months not less than 130,000 bags. If this is achieved together with the normal shipments to the West Indies, sufficient money and space will be provided to receive the quantities already milled and to take care of smaller quantities to be processed. **It must be**

**clearly understood that the Banks have refused further assistance.** Following this the R.M.B. should send out immediately a sales team to try and dispose of the remaining surplus and to make arrangements for a year's sales in advance. The stock position is as follows:"

Then he stated what I have already said; the total value of this was then over \$7 million. I continue to quote:

"May I also point out that from recent figures submitted, the Board will suffer a **deficit of about quarter of a million dollars** during the 1963 – 1964 period.

**(2) Administration and Labour problems:**

For the past year there have been bad public relations between employee and Management and farmers. The farmers are disgusted over the Management's attitude to their many difficulties."

Listen, you will hear more:

"The bags issue was a set back . . . "

I told you just now of the bags issue:

". . . and now the inability of the Board to take up their rice is another. The relationship between workers and Management deteriorated greatly. The fact that the Board was able to function during the eighty (80) days strike is a record. There is too, a lack of confidence in the present executives of the Union. While this situation exists the unrecognised union is attempting to take control and has again applied for recognition. There are a number of workers who have signed withdrawal notices and have submitted same to management. Certain officers of the Board are lending support to the unrecognised union and there is a general deterioration of authority and responsibility by Management. There is not unanimity between members of the Board and as a consequence the situation has reached the present state. What therefore, do we do? I suggest that every help be



given to the recognised Union and a change in the composition of the Executives be advocated. That management and Board be advised to co-operate with the recognised Union. That all members of the Board do keep together prior to every meeting a private P.P.P. members meeting to be held to decide on all issues listed on the Agenda.”

How could they look after the rice industry? They were looking after the politics. I continue to quote:

“That the Chairman be advised to co-operate with members and change his attitude by accepting and following all such decisions taken. That Comrade D. Ramlakhan be replaced as Liaison between the Party and the members and this responsibility be now taken over by the General Secretary. That in all vacancies and positions **and or any** additional recruiting of workers only, Pro P.P.P. members be given a chance. That a gradual but tactful and ruthless policy be carried out to remove trouble makers and non-party workers. That greater assistance and every consideration be given to every rice producer. That all district committees be addressed at least once every month henceforth and attempt to resolve rice farmers’ problems at local level and so prevent attempts to seek Ministers help.

I submit the above for your consideration.

Yours fraternally,

(Sgd.) Mooneer Khan.”

Mr. Speaker, I say no more.

**Mr. Deputy Speaker:** Hon. Members, before I put the question, I shall ask the Clerk to read the long title of the Bill.

*[The Clerk read the long title of the Bill.]*

*Question put, and agreed to.*

*Bill read a Second time.*

*Assembly in Committee.*

*Clauses 1 and 2 agreed to, and ordered to stand part of the Bill.*

*Clause 3*

**9.50 p.m.**

**Dr. Reid:** Mr. Chairman, I should like to move an Amendment here to delete the word, "persons" in the first line of paragraph (1), and to substitute therefore, the word "members". The line will now read, "The Board shall consist of eleven members who . . ."

**The Chairman:** Does any member wish to speak?

**Mr. Ram Karran:** I have an Amendment to this clause, it is the deletion of all the words appearing after the word, "persons" in the first line of (a) (1) (c), and the substitution therefore of the words, "representing the interests of producers." My friends from across the Table seek to advise me and suggest that this Amendment defeats the purpose which we had advocated earlier, but as hon. Members are aware, the quality of advice capable of coming from that side of the House and particularly from that member is worthless.

Clause 3 (a) (1) (b), "one person representing the interests of consumers of rice", one would need to look very carefully into the meanderings of the brains of the hon. Minister and his

advisers to find out why such an elaborate wording appears in relation to the section dealing with the persons to sit on the Board. Before the Amendment to this Bill, it was set out in precise detail that there shall be so many producers, so many millers and so many landlords, and despite all that the Minister has said, nothing seems to relate to the Bill we are discussing, I submit that from experience, that with this slight amendment, the producer members of the Board, those members who had represented the producers, free and unfettered from Government control, will make for better administration of the Board.

The Minister read fairy tales. He has not disputed that the Board made profits during the regime of the P.P.P. He has not attempted to justify the losses of the Board since the management of the Board was handed over to the P.N.C. If the Government is going to categorise the persons representing consumers, it ought not to leave to the Minister, the right to select persons who appear to be qualified as having had experience in matters relating to the industry and I should strongly suggest that the R.P.A., which is elected by the farmers be allowed to carry on.

If the hon. Minister is suggesting that there has been rigging in the Rice Producers' Association as in the case of his party in the National Assembly and elsewhere, then let the hon. Minister change the principles of the elections. The Minister cannot sit on the chair and tell us what he wants to change.

**10 p.m.**

This does not belong to the hon. Minister. *[Interruption]* The hon. Minister must remember that things said here are recorded.

**Mr. Deputy Speaker:** I think it is time for us to suspend. This sitting is suspended for fifteen minutes.

*Sitting suspended at 10.01 p.m.*

*On resumption –*

**10.20 p.m.**

**Mr. Ram Karran:** I was appealing to the hon. Minister to accept the Amendment to the Clause so that it will be clear to the producers that they will have a say. As I said the hon. Minister has a measuring rod and he decides who are qualified but most of the persons selected so far have no experience.

Something must be done to remove the fear which pervades the whole country that the Government wishes not only to destroy the industry but to destroy their opponents. This is the feeling all over the country. I am not exaggerating. Surely no individual, no matter how powerful he is, should virtually have power of life and death over so many people.

What is the measuring rod? What is the principle the hon. Minister will use to decide who will serve as representatives of the producers? Will the hon. Minister tell us what principles he will apply? If he does not accept the principle of election perhaps he might be able to convince us on this side and we would withdraw the Amendment. But I wish to observe that in no part of his speech has he tried to justify this measure. I hope that in this specific case where so much injustice seems to have been done that the hon. Minister will try to act with justice and without fear. I am not saying that he will succeed.

**Mr. Wilson:** Mr. Chairman, I wish to support the Amendment put by my hon. Colleague Mr. Ram Karran. In doing so, I am sure that you will agree that it is not infallible. The persons who are going to be selected to serve on this Board will be selected in the hon. Minister's absolute discretion. All power corrupts. Even if the hon. Members of the Government do not

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accept altogether the Amendment proposed by my hon. Colleague, I feel that there should be some sub-clause whereby persons could find themselves on the Board as representing the other points of view which do not necessarily conform with those of the hon. Minister or of the Government.

Now, if every hon. Member here is appointed simply on the basis of the hon. Minister's absolute discretion, there would be no room for criticism and I am sure that the hon. Minister will agree with me that there would be no progress. The hon. Members on the other side talk about consultative democracy. Where is the room for consultation?

10.30 p.m.

With respect to the "Co-operative Republic", I have to agree with the hon. Member Mr. Sutton who said that these are only words and we must look for action which will give meaning to these slogans "Consultative Democracy" and "Co-operative Republic", then the Minister would concede that there should be a sub-clause in this Bill to provide for members to be elected by some institutions. On that principle I support the Amendment of my colleague the hon. Member Mr. Ram Karran.

**Dr. Jagan:** Sir, the hon. Member who has moved this Amendment has put a point which I think should be considered very seriously by the Government. When one considers what is being done in relation to the principles which the members of the Government have enunciated, one would think that they would readily accept the Amendment which the hon. Member has proposed.

The Rice Marketing Board is perhaps the only major successful co-operative enterprise which has been established over a long period of time. Perhaps my hon. Friend the Minister of Agriculture and Natural Resources (Mr. Jordan) does not know what the word "co-operative" means. The Rice Marketing Board was set up with the objective of helping rice producers to

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remove the sharks in the industry and it seems that what is being proposed now is to bring in different sharks.

This organisation started out years ago when a man like Seaford was Chairman of the Board, when criticisms were levelled against this organisation and when, because of these criticisms, the Colonial Office modified the composition of the Board to bring in an equal number of producer members and what may be called "Government members". At one time there were eight each with the Chairman coming from the Government side.

I have personal experience of that period and the system did not work satisfactorily. The Chairman used his casting vote on many occasions on the side of extravagance, to wit, salaries. For instance, allowances were paid to a former Manager of the Board, Mr. Bayley.

As a result of all those struggles, the membership of the Board was changed to give the producers a majority control.

I remember that in the period 1958 to 1961 Mr. Jainarine Singh moved a Motion in this House asking that the Board should be made into a full co-operative. Incidentally, this was a slogan which the P.P.P. used in the days when the colonial Government not only dominated the Board, but manipulated the Board against the interests of the farmer.

Jainarine Singh moved his Motion to make the R.M.B. a co-operative. We said that the Board was a co-operative in the sense that whatever profits were made belonged to the producers and must be shared with producers whether today, tomorrow or in the future. That principle was there.

What we were concerned about was the question of management and control. We said, "O.K., we will make the Rice Marketing Board into a true co-operative not only in terms of the sharing of the profits, that is, the profits going back to the producers, but in terms of giving the

producers majority control." So we changed the law and gave the producers 11 out of 16 members. The number of producer members on the Board was increased from 8 to 11, and for the first time, under the P.P.P., the producer members had a majority. There were others, experts of the Government like the director of Agriculture, an individual from the Treasury, a member of the Rice Development Company, the Director of Agriculture who had specialist knowledge. These people sat on the Board to give guidance to the producers.

That is how we feel a co-operative must be run. The Government talks about "workers' control". In the speech from the Throne we were told of "workers' control". This is another principle of socialism. The members of the Government talk about socialism. We do not see any workers' control anywhere. In the co-operative the people control; it is not possessed from above. Where is the co-operative principle?

We are told that we are going to have a Co-operative Republic. This is the main co-operative enterprise in the country. There are no consumers co-operatives that we can see and talk about. There are none. This is a producers co-operative. The Government wants co-operative farms to be set up. This is one that has been evolved over a period of time and now the Government is seeking to take it back where it started, to put it under bureaucratic management and to emasculate it.

Indeed the Government is taking it back to precisely what was rejected some years ago when the Colonial Office in 1960, in this very House, brought a proposal that a company set up by the C.D.C. was to be exempt from the provisions of the Rice Marketing Ordinance, that it should be free to sell rice in the world market where the price of rice was higher.

I do not know if hon. Members know about it. The C.D.C. wanted to go into rice cultivation in British Guiana. The British Government was then faced with revolution in the Far East and was afraid that the rice bowl of the Commonwealth would go. So it thought of planting rice in Guyana.

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I make this point because it is very important. It shows that this Government is even worse than the colonial regime we had in the past. The C.D.C. then wanted to go in for rice cultivation on a plantation basis, but the C.D.C. made the point that unless it was free to sell and market rice outside of the control of the R.M.B. it would not embark on the project.

The Colonial Legislature, then dominated by the Governor, turned down the proposal from the then Financial Treasurer, the Czar of Guyana, Sir Frank McDavid. The Colonial Legislature turned it down and now we find a Government which calls itself "Guyanese, nationalist, socialist", which says it is developing a Co-operative Republic, is now establishing a similar corporation for a similar purpose, namely, to help out the big boys.

10.40 p.m.

At that time, the Legislature turned down the proposal and the C.D.C. turned around and lent Government the \$5 million to modernise the Mahaicony Abary mill, to expand the drainage and irrigation facilities for the cultivation, and to build a new white elephant, badly planned, badly organised, at Anna Regina. All of this was done on the basis of advice from Sir Frank McDavid, the financial wizard, that it would make money, it would be very profitable. They got a five-year loan from the C.D.C. This was all going to be very profitable just like the \$20 million we are hearing about now. But we have lived to see that not a penny was received to repay the loan until the P.P.P. got in and the first instalment on that loan was paid. Why? Because the R.D.C. shared, like any farmer, in the increased prices which accrued from the sale of rice to Cuba. It was able to get additional revenue and thus pay some of the instalments.

Lance Rayman who is a businessman, a capitalist, and who was a former Chairman of the R.D.C., went to East Germany and negotiated for a factory to convert rice bran to make a by-product out of it, rice bran oil. That idea was rejected by the new Government. And so the R.D.C. is losing money, because of loss of the Cuban market which gave an additional price to the farmer, and the bureaucracy with huge overhead costs. There is provision in this clause to set



up an unrepresentative body to manage and control an industry which it does not know anything about. Therefore, if the Government is really sincere in what it is saying, it must go back and cancel these new proposals that it is making.

What it is doing is to emasculate the Board to deny the farmers of this country the profitable lucrative markets outside of the West Indies so that the Government, through its Corporation, will be able to repay the \$5 million loan to the C.D.C and the additional millions which it is borrowing from the Yankees. You are going to sound the death knell of the rice industry. We have a right to warn you.

If you are going to chisel the farmers in grading their padi and pay them whatever price you want, if you are going to get them to sell to the Board and limit their markets to the West Indies only where, traditionally, the price is always lower than the world price, and then on top of that you are going to add a bureaucracy which has no interest but what it can get out with such bureaucratic control, why in the name of god don't you people control the sugar planters? Why don't you take over their markets? You all have big mouths. When it comes to the parasites you do not want to control them, but you want to take over the small man. [Mr. Hoyte: "You had seven years, why didn't you control them?"] We controlled them; they prospered, they benefited. Go and see.

The point is very clear. These people are only fooling the world, using slogans about socialism, Co-operative Republic, and all that nonsense, but the very one industry that is in the hands of the people of this country they want to milk it dry so that they can support their parasitic friends, the C.D.C. and the Yankees who are lending money to set up a big bureaucracy. The point about all of this is that we have moved this amendment so that those who have some interest, some stake in this industry, would have a say.

My friend talks about Blue Belle. Why doesn't he tell us what one of the biggest farmers in Essequibo feels about Blue Belle? Farmers are not going to go against Blue Belle if it is going

to bring them additional income. Farmers generally want more money; they are as poor as church mice, especially in this country. Nobody is sabotaging Blue Belle. The Minister said that the R.P.A. is going against the interest of the farmers.

**The Chairman:** We heard those arguments already.

**Dr. Jagan:** The R.P.A. is an elected body.

**The Chairman:** I know, that is what you said.

**Dr. Jagan:** I am speaking on the amendment. It was the R.P.A. that elected the eleven representatives. First there were eight and before that the Colonial Government handpicked them. That is what this Government is doing now. First the R.P.A. elected eight and, subsequently, under the P.P.P. regime it elected eleven. The R.P.A. is not chosen by the P.P.P. but by the rice farmers. The Government is seeking to abolish it because it cannot win one seat in the elections. What we are finding now is that when the Government cannot win elections it rigs them and when rigging cannot help it abolishes. Isn't that what you are proposing?

If you are going to have a co-operative organisation, co-operatives must have democratic elections to elect their leadership, and an election in the R.P.A. is a statutory matter. Consequently, when the Government is going against the R.P.A., when it is preventing the R.P.A. from having a say, from appointing nominees to the Board, what it is virtually doing is saying that it has no confidence in workers' control or democratic management and democratic control, either of co-operatives or of trade unions.

**10.50 p.m.**

This is what it is saying. I repeat, this Amendment does not say that the Rice Producers' Association must select the members. All it is saying is that the members must have a vital stake

in the rice industry, people who are knowledgeable, those who understand, and in this way there will be better supervision and better management of the Rice Marketing Board.

**The Chairman:** I will first dispose of the minor Amendment by the hon. Minister, which is found in clause 3(a) (1), to delete the word "persons" and to put in its place the word "members". This sub-clause will therefore read:

"The Board shall consist of eleven members who shall be appointed by the Minister as follows -"

*Amendment put, and agreed to.*

**Dr. Reid:** Not that we want to waste time but I want to point out some erroneous statements. In many cases, people support a principle when it suits them and when it does not suit them they oppose. In the past our experience has been that the rice industry has suffered considerably and this Government must take a firm stand in ensuring that reorganisation is properly done, and if any person or organisation is corrupt, it should not be given legal authority to be in this new organisation.

We will make sure and see that they have people knowledgeable in production, in manufacture, in marketing, in agriculture, in industry, and in commerce, and that will supply the needs of the farmers. This organisation must be geared to serve the farmers properly, not a political organisation, and after reading the last document, I fail to see how the Leader of the Opposition has the type of courage to stand there and try to preach. People who are supposed to know about rice on this new Board of the Rice Corporation will be two public officers, one person representing the interest of consumers of rice, and people representing production, manufacture, marketing, agriculture, industry and commerce, and there will be no person there to represent rice producers as an association. We make that clear. An association that has become corrupt must be removed.

**Mr. Wilson:** The Minister has done a great disservice to himself. He has not replied to the point made. He is stressing the point that according to clause 3 (1) (c), eleven persons representing production, manufacture and the like will be on the Board, but the point we have made is that these persons who find themselves on the Board should be elected. We want to help the Government to work in line with the selections it makes.

**Mr. Ram Karran:** I merely wish to enquire first of all whether the Minister is sleeping and cannot comprehend the Amendment and the proposals put up to be examined. The hon. Minister reads something and tells us, "I am not aware of it", and even if, Your Honour, that is a fact, does it in any way destroy the argument from this side of the House that we should not allow any individual, even if it is the Governor-General, to have a say against the lives of so many people and against the interest of such a large industry especially at a time when the government talks about a co-operative republic?

Secondly, the Minister talks as if he is alpha and omega. He is going to see that this or that is not going to happen. He is not going to be here forever. This legislation, I presume, will be passed but when he is no longer there, when he has no interest, probably when his pocket is filled, we do not know, the Opposition would like to see that the law would have been so enacted that whoever is responsible for the subject under discussion, will not have the power to create hardships in the industry and will not be able to remove fair and free selection of those who are to represent a large section of the country's community.

The hon. Minister might wish to give a reason why, not by pulling some letter from his pocket and reading the beginning and the end. This Parliament has not yet been reduced to a farce, I hope. I hope it has not reached the stage where the Minister is not going to take advice but will decide by himself, "I will do so and so." The Ministers are legislators, people holding prominent positions and they should at least try to convince the nation that what they are doing would aid the nation. *[Interruption]* His colleagues and the Prime Minister say that the Minister of Finance has no tear ducts. That is why he unleashed the dogs on the poor people. If I had

spoken for the record, it would have been more serious. I speak for the rice producers and anyone who has any reason would see that the rice industry is being thrown down the drain.

11 p.m.

**The Chairman:** I shall put the Amendment by the hon. Member Mr. Ram Karran:

*Amendment –*

Deletion of all the words after the word “persons” in “(1) (c)” of paragraph (a) and the insertion of the words “representing the interests of producers”.

*Put, and negative.*

*Clause 3, as amended agreed to and ordered to stand part of the Bill.*

*Clause 4, as printed, agreed to and ordered to stand part of the Bill.*

**Mr. Wilson:** Mr. Chairman, - -

*Clause 5*

**Mr. Balchand Persaud:** I notice that Clause 5 seeks to give authority to the Corporation to sell and export its own padi and any by-product of padi.

**The Chairman:** Are you proposing an Amendment?

**Mr. Balchand Persaud:** I am speaking on the Clause itself. It is clear that the Government is now setting up a parallel organisation to the Rice Marketing Board, and giving

this Corporation authority to sell its own padi and so on. Now the position is that normally, the Rice Development Company would send all its rice to the Rice Marketing Board and it is the Board's responsibility to sell the produce, but we have seen that this Corporation that the Government is now seeking to set up will be given the right to sell rice and padi. This is clear that the Government intends to by-pass the Rice marketing Board and one could see that sooner or later the Board will be scrapped. This Corporation will be a separate institution and the Government hopes to exploit the farmers of this country. The whole arrangement is wrong. One can see by these clauses that the Government will eventually destroy the Rice Marketing Board. I think that the Government should seriously consider removing Clause 5(b). I feel that it should be deleted.

**Mr. Wilson:** Mr. Chairman, Clauses 6, 7 and 8 deal with the principle of dual control. Here we are having two organisations with almost equal power. Dual control leads to confusion and will eventually lead to inefficiency with regard to the rice industry. This seems to have originated from colonial mentality. This Government is following the pattern of the colonial masters. I think that this Government which claims to be interested in helping the Guyanese people to decolonialise themselves should not engage in such practices – promoting to divide and rule people.

**Dr. Jagan:** Mr. Chairman, this clause is really intended to emasculate the rice Marketing Board. We see here an attempt to reduce the ordinary producer to a second-class status compared with the Government producer. I should like to ask the hon. Minister of Finance whether the Rice Marketing Board will be entitled or allowed to sell rice anywhere in the world? Or is it allowed to sell only to the West Indies? If it is that the Rice Marketing Board will continue to sell in the local markets and in the West Indies, it means that the producers – the rice farmers – who continue to sell their rice to the Board will be at a great disadvantage. For we know that the local prices are subsidised virtually. We know that the West Indian prices are generally lower than the external prices – I mean outside the West Indies. The Government's farm, mill and buying agency will be in an advantageous position compared with the farmers'

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co-operative. This is really taking advantage of a position because the Government has an interest in the Rice Corporation.

11.10 p.m.

This company owes the C.D.C. \$5 million and now the Government has received a loan from the United States of America which it says it is going to plough into this industry. I think the government will admit that a dual organisation must be more inefficient than a single selling organisation in that you are going to have additional costs, because you are duplicating the same services, and the money must come from somewhere. It must come from the producers ultimately, whether it is going to be the producers who sell to the Corporation by getting inferior grades and inferior prices or the people who sell directly to the Rice Marketing Board. Therefore, one would say that this is certainly an inefficient way of going about this whole business.

The Government has another solution which it is not taking and that is to use the so-called "profits" that it is boasting about not only to restore the prices to what they were originally, that is, before they were reduced, but even giving an extra amount, taking into consideration the additional cost of production. It was this factor – the additional cost of production – for which the West Indies paid increased prices.

If the Government is concerned about the losses at the Rice Development Company and about the necessity for paying back the money owed to the C.D.C. and to the Americans, then increased prices paid by the Board to the farmers and to the Company will allow the Company to become a viable concern. That is the way to solve the problem. It cannot be solved in the way the Government is going about this business.

This dual organisation is bound to be inefficient; it is bound to be more costly in terms of doing the same job. Secondly, it is going to be penal so far as farmers are concerned. What we

are now seeking is state monopoly capitalism, the state using its position to engage in an enterprise tied up with imperial enterprises abroad in order to rob the farmers. That is what is being done.

Let people know clearly what you are about and do not talk nonsense about a "Co-operative Republic". Let the Minister answer these direct points I am making. Let us hear him and let him not ramble all over the place. Let us hear criticisms on the points I am making. These are criticisms we are going to hear and, as the rice industry is affected, criticisms are going to come from the ordinary man. Let the Government remember that if the ordinary man does not find that it pays to produce rice he is going to go into something else.

If the Government is convinced that the rice industry must go, that it is not economical, that we must produce cattle or something else, let us have a clear-cut debate and let the policy be laid down. Let everybody know, but do not let the members of the Government say that they are interested in developing the rice industry, that they have been borrowing money to develop it when, with every administrative step the Government takes, it is out to kill the industry.

I am not going to accuse the members of the Government unnecessarily of wanting to destroy the industry, but what I am saying is that the steps they are taking are going to lead in this direction. Sir Frank McDavid was a genius in certain matters. They said he was a wizard, but we know that grandiose plans were made for the Mahaicony/Abary mill and all the other mills. A loan of \$5 million for five years was taken on the premise that the Company would be so profitable it would be able to pay back the loan. Five, ten, twenty years have gone, and we have not yet paid it back. We have paid the C.D.C over \$5 million in interest alone and we have not started to pay the principal.

The Government is now seeking to rob the farmers in order to be able to pay the loan. Sir Frank McDavid made a mistake, the Colonial Office made a mistake. They planned the Anna Regina project and planned it badly. Expenses were too high. There was not enough padi; it was



sited in the wrong place. All right, if they made mistakes they have to pay for them now. Let us take money from the treasury, let us vote it and wipe off the debt or let us make a different arrangement, but do not let us do it this way.

The Government is going about this thing badly and this will have the effect of penalising the farmer. If this is its intention, say so, if it wants to destroy the industry do not let it come along and say it wants to develop it and that it is the R.P.A. that is destroying it.

I do not understand the reasoning of the Government in this matter. I have been involved in this question of rice for a long time. I know that one Governor, Sir Patrick Renison, had a high-powered Commission on this question. There were all kinds of reports and all kinds of recommendations were made. The Government now seems to be going back on all these proposals. It is not accepting even the advice of some of the experts.

If the Government wants to make progress it has to talk to the people who know about this, who are involved in it. I am not speaking about P.P.P. persons only. Let the members of the Government talk to other people who have a stake in the industry. A big man at Mahaicony, not a P.P.P. man, says he is going in for cattle now, that it cannot pay to plant rice at this price and because of the way in which rice is being graded. A big man in Essequibo – I had a drop from him the other day in his car; we talked about Blue Belle; he speaks to the Ministers and takes them to his home. He showed me the economics of it. If the Minister talks about getting so many bags of Blue Belle, then you have to add the cost of fertiliser, the cost of extra handling, weeding and so on, and the thing cancels itself out. This is the point. Do not tell us one side of the story.

The plain fact of this matter is that what the Government is trying to do is to sound the death knell of this industry. This is an industry for the small man. Big industry, foreign controlled, takes out most of the money from the country. The rice industry does not generate a vast amount of national income – it generates a very small amount – but what is generated

remains in local hands and circulates in this country. The multiplier effect takes place and keeps the economy buoyant. All businessmen will tell you this.

If the industry goes either in the direction of state monopoly capitalism or if it disappears, let the Government tell us what it has in its place. Britain is talking now of going into the Common Market. Soon there will be the question of sugar. What else is there? We have heard a lot about cattle and beef. What are the plans? Where is the cattle industry developing? So, sir, do not let us destroy what we have until we have a clear-cut idea where we are going and what we propose.

**Mr. Ram Karran rose.**

**The Chairman:** I shall put the question now. We have spent 20 minutes on this clause. Mr. Wilson spoke and you spoke. The matter has been dealt with completely.

**Mr. Ram Karran:** I did not speak on this. I have a new point.

**11.20 p.m.**

We are here to debate a matter. With respect, I did not speak on this clause. It is a very simple question the answer to which the hon. Minister may be able to embody in his reply, if he wishes to reply to the points raised. It is a small but important point.

**The Chairman:** You have an amendment to clause 7.

**Mr. Ram Karran:** I am merely seeking an explanation.

**The Chairman:** We are dealing with clause 5. You do not have an amendment to that clause.

**Mr. Ram Karran:** In his reply during the Second Reading of this Bill the hon. Minister failed to give any particular reason for the change in this important principle where the R.M.B. has had complete control of the sale of rice. This clause seeks to vest that power in the Corporation. The permission of the Board shall not be required.

**The Chairman:** But the Leader of the Opposition dealt with that.

**Mr. Ram Karran:** No, he has not dealt with that aspect. I am asking the hon. Minister to explain. I asked him to reply to this during the Second Reading but he did not. Now that we are dealing with this clause - -

**The Chairman:** Is there anything the hon. Minister would like to say on this?

**Dr. Reid:** Just a few words. It has been decided and the proposal is that the R.M.B. will continue to sell rice in the traditional markets as well as on the local market. The Guyana Rice Corporation is going to seek markets outside the local markets and the traditional markets. The price of rice and the price of padi, notwithstanding the different types of grades, will not change. You will not get a different price when you sell to the Corporation and a different price when you sell the R.M.B. The price of rice and the price of padi will be one price wherever you sell, depending on the grade. It has to be recognised that, all through the years, notwithstanding what is being said, the rice industry has not been improving and the last speaker emphasised the business of increasing the prices. We are now in the process of ploughing back profits into the lands to help all farmers, especially small farmers.

There was some talk of mills being planned. One would wish to ask, What kind of planning was done with respect to the mills at Black Bush Polder and Cane Grove? We have got the results of that type of bad planning and we are now proceeding with this reorganisation so that the rice farmers can really make a living out of rice. Notwithstanding what is being said,

there will be nothing here to prevent the Government from moving forward with this reorganisation so that the farmers can benefit.

The Guyana Rice Corporation will develop all the skills and techniques to meet, beyond our traditional markets, the special type of markets where people use white rice most of the time. That is the type of production we would like to see the Corporation specialising in so that there would be no conflict with the type of rice that is being produced and it would specialise in producing white rice in the non-traditional overseas market.

**Dr. Jagan:** The point - -

**The Chairman:** The hon. Leader of the Opposition already had his say.

**Dr. Jagan:** The Minister made some erroneous remarks.

**The Chairman:** The hon. Minister was replying to your contribution.

**Dr. Jagan:** If the Minister makes a mistake and informs the House incorrectly, certainly, we have a right to correct him. He said something about prices. I should like to say something on that.

**The Chairman:** You have made your comments on clause 5 and I allowed the Minister an opportunity to make a reply.

**Dr. Jagan:** May I make an observation?

**Mr. Ram Karran:** On a point of order.

**Dr. Jagan:** I notice you do not call up the Minister on points of procedure in this House. When Ministers introduce Motions they speak very briefly and when they reply they introduce a ton of new matter which is *de novo*.

**The Chairman:** I have got to be fair. I did not prevent the hon. Leader of the Opposition from being in his seat during the debate. This is Committee stage and we are discussing details, we are not going to go into another general debate. I am sure you know that.

**Dr. Jagan:** The Minister is misleading the House. This is just a question I should like to ask.

**The Chairman:** I will allow you to ask your question.

**Dr. Jagan:** I am asking the Minister if the R.M.B. will be allowed to sell rice outside of the West Indies. He said "traditional"; I think he means West Indies. I made the point that, as the R.M.B. has to sell rice on the local market at a lower price than the world price or the West Indian price, by and large, the farmers will be losing money. The Corporation will not be selling rice on the local market. As I understand it, the Corporation will not be buying rice, it will be buying padi, therefore, it will not be paying the same price as the R.M.B. The R.M.B. does not buy rice, it buys padi; rice is different from padi. The hon. Minister has misinformed the House.

**The Chairman:** The Minister understood what you said.

**Dr. Jagan:** He has misinformed the House. That is why I am correcting him. The Corporation will be in an advantageous position compared with the Board, therefore, the people who deal with the Board will be at a disadvantage because they will be selling in the West Indian market where the price will be lower than the world price.

**The Chairman:** Does the hon. Minister have anything to say on this? This is final.

*[The hon. Minister indicated in the negative.]*

*Clause 5, as printed, agreed to and ordered to stand part of the Bill.*

*Clause 6*

**Mr. Balchand Persaud:** Clause 6 reads as follows”

“Subsection (1) of section 12 of the Principal Ordinance is hereby amended by the insertion of the words ‘other than the Corporation, and any manufacturer when he manufactures rice for and on behalf of the Corporation’ between the words ‘manufacturer’ and ‘shall’.”

I wonder what would be the position because further down in the Bill there is provision for the Government to prevent the farmers or the small millers from purchasing padi and, since all the padi has to be sent to the Corporation, it is quite clear that padi produced, dried and stored in silos will be administered by the Corporation and will be allocated to approved rice mills only. If this is the case, then the Corporation will be the main purchasing source of the farmers’ padi. This means that, after being purchased, the padi would be milled by the Corporation and, as a result, the Corporation would have a monopoly, to a great extent, with respect to the production of rice.

**11.30 p.m.**

What would be the position of the Rice Marketing Board? From where would it get rice?

The second point I wish to make is that to remove the control of the Rice Marketing Board over buying padi is an indication that the Government does not have any future plans for maintaining the Rice Marketing Board. This will become a white elephant and a waste of taxpayers’ money because of the cost of running two corporations. As a result, we do not know

where we are going. There would be competition developing between the two organisations but if the Board should give some incentive, it would be able to purchase padi.

**Mr. Ram Karran:** Going back to clause 5, there is a printing error in the margin. The word "section" is incorrectly spelt.

**Dr. Reid:** The farmers will be free to dispose of their padi as they see fit. Other mills will be free to purchase padi in this country.

*Clause 6, as printed, agreed to and ordered to stand part of the Bill.*

*Clause 7*

**Mr. Ram Karran:** I beg to move the Amendment standing in my name and to urge that there is nothing in this Ordinance, now that we have fought against the original Amendment, to allow rice producers to sit on the Board for the safeguarding of the interests of the people who will be selling padi and rice to these organisations. It is an accepted principle all over the world that monopolies which deal in commodities shall not control the prices.

As I said during the Second Reading of the Bill, even the weighing of rice at the Rice Marketing Board is done by private individuals, sworn weighers and gaugers, and it is inconceivable that these two organisations, the Rice Marketing Board and the proposed Rice Corporation, will be fixing the prices of these commodities. It is to offset such a situation and provide protection for the people who will be doing business with these organisations, that we are seeking to set up a principle under which these commodities will be purchased.

The law of supply and demand would be expected to apply since no other group, except perhaps small producers of feed and small poultry and cattle rearers, might be buying padi and perhaps broken rice, but the bulk of the commodity will be purchased by the Rice Marketing

Board in the form of rice, and by the Rice Corporation in the form of padi. It would therefore be proper for some qualification to be put on the principle of purchasing and that is why we seek to tie the hands of the producers in sticking to the cost of production in the case of these commodities. I do not think this is an unreasonable request and I trust it will be accepted in the interest of the industry.

In the case of the Rice Marketing Board where for some reason or other, a large quantity of rice was in the bonds which were unable to hold it, either because of lack of shipping facilities, loss of markets or some other reason, if such a situation should again arise, then one can see the price of such commodities being depressed even though temporarily. On the other hand, we know that unfavourable weather conditions can damage padi and dealers in this commodity may depress the price to the disadvantage of the producers. In order to avoid such a situation developing, I strongly suggest to the Minister of Finance that this Amendment be accepted for the protection of the farmers.

**Dr. Reid:** The fixing of prices will remain with the Board. It is the Board's responsibility. The interest of the farmers is always given due consideration as well as the cost of production. There is no need for amendment.

**The Chairman:** The Amendment seeks to put a new paragraph (d) as subsection (6), and this should read, "The fixing of prices for padi and rice in this section shall bear relationship to the cost of production."

*Amendment put.*

**Mr. Ram Karran:** Division!

*Assembly divided: Ayes 13. Noes 26, as follows:*



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11.30-11.40 p.m.

*Ayes*

Mr. Teekah  
Mr. Remington  
Mr. Bholā Persaud  
Mr. Balchand Persaud  
Mrs. Branco  
Mr. Ambrose  
Mr. R. Ally  
Mr. Y. Ally  
Mr. Hamid  
Mr. Wilson  
Mr. Jagan  
Mr. Ram Karran  
Dr. Jagan

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*Noes*

Mr. Zaheeruddeen  
Mr. Wrights  
Mr. Van Sluytman  
Mr. D. A. Singh  
Mr. Saffee  
Mrs. Limerick  
Mr. Fowler  
Mr. Corrica  
Mr. Chan-A-Sue  
Mr. Budhoo  
Mr. Bancroft  
Miss Ackman  
Mr. Aaron  
Mr. Thomas  
Mr. Salim  
Mr. Haynes  
Mr. Joaquin  
Mr. Duncan  
Mr. Ramsaroop  
Mr. Carrington  
Mr. John  
Mr. Bissember  
Mr. Hoyte  
Mr. Kasim  
Mr. Jordan  
Dr. Reid

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*Amendment negatived.*

*Question put, and agreed to.*

*Clause 7, as printed, agreed to and ordered to stand part of the Bill.*

*Clause 8*

**Mr. Wilson:** Mr. Chairman, I have three points of criticism to make against this Clause. When I spoke on Clause 5, I also referred to Clauses 6 and 7. I pointed out that - -

**The Chairman:** We want what you have to say on Clause 8.

**Mr. Wilson:** We are being asked to substitute the word "Minister" for the word "Board" and the Section will now read:

"16. The Minister shall from time to time, after estimating the quantities of rice required for consumption of the country, determine the quantities which are available for export."

In anticipation of my colleague the hon. Member Mr. Ram Karran, I submit that this will make the confusion three-fold.

My second point is that this clause is also suggesting an amendment to the Public Corporations Ordinance, Section 16, which reads and I quote:

"16 (1) The Council of Ministers may give to a corporation directions of a general character as to the policy to be followed in the exercise and performance of their functions and the corporation shall give effect to any such directions."

Here we are having specific directions to the corporations. We are going to put aside power. This contradicts the principle of a corporation and the corporation must be autonomous in

matters of detail. Now the Minister is going to give detailed directions as to the quantities of rice, etc.

The third point follows from this, in that the removal of the responsibilities from the persons who have been elected to carry out the business of the Corporation and are being given to the Minister only shows that the Government has no confidence in the people whom it is going to elect.

**Mr. Deputy Speaker:** The hon. Minister.

[The hon. Minister offered no reply.]

*Clause 8, as printed, agreed to and ordered to stand part of the Bill.*

*Clause 9*

**Mr. Ram Karran:** I wish to discuss the principle of this provision. [**Mr. Jordan:** "The principle is discussed in the Second Reading."] Section 16A of Chapter 249 states and I quote:

"(1) The Minister may, after consultation with the Board, give to the Board such directions of a general character as to the exercise and performance by the Board of its functions under this Ordinance as appear to the Minister to be requisite in the public interest, and the Board shall give effect to any such directions."

The significant thing about this is that the hon. Attorney General is absent today. I wonder if this was drafted in the Ministry of Finance or the Attorney General's chambers. How can the Minister, after consultation with the Board give them directions? I really do not follow that. Perhaps the hon. Minister can tell us how this is possible. One would have thought that this consultation would be with someone from outside – perhaps, a rice producer.

What is the object of this? As my friend asked just now, "Why not abolish the Board altogether?" What is the purpose? Maybe the Minister will be able to tell us. He is going to "give to the Board such directions of a general character as to the exercise and performance by the Board of its functions under this Ordinance." This hon. Minister must be a superman. He has his Ministry, which is a very heavy Ministry, to administer; he is Deputy Prime Minister; and he will have to give directions, not advice. It states:

"after consultation with the Board, give to the Board such directions of a general character as to the exercise and performance by the Board of its functions under this Ordinance."

It is no wonder that the hon. Minister cannot give us an explanation of any of the clauses. Why, we ask, has the Government decided to allow the Corporation to have power to export rice and without the permission of the Board? The hon. Minister is silent. Can he tell us why he is going to arrogate to himself, as he has done in so many other cases, the power to give directions to the Board? Why does he have to give directions to a Board that has been functioning for as long as you have been alive, sir?

**The Chairman:** Having made that point, if you sit down the Minister may answer you.

**Mr. Wilson:** I should like to point out that I observe that the Minister does not seem to have confidence in the people appointed yet he is making appointments from among his cronies. This does not make for the development of responsibility.

**The Chairman:** Hon. Minister, do you wish to exercise your right of reply?

**Dr. Reid:** Mr. Chairman, this is not a new provision. It is a matter of policy. A general direction must be given by the Minister involved in the Corporation. This is done in the case of all the corporations.

*Clause 9 agreed to and ordered to stand part of the Bill.*

*Clause 10*

**Mr. Balchand Persaud:** Clause 10 seems to remove the authority from the Rice Marketing Board to pay an annual grant to the Rice Producers' Association. We have known the R.P.A., since its formation, to be a very progressive organisation, an organisation which represents 45,000 families in this country.

While the R.P.A. may not have that amount of members yet it is very strong among rice farmers in our country. The whole system of the Rice Producers' Association and the Rice Marketing Board was that the R.P.A. was the sole bargaining agent of the farmers, to negotiate markets for them, to get better prices for them. Therefore the Rice Marketing Board saw fit to give an annual grant to the R.P.A. We have seen this Government giving grants to certain reactionary organisations which are working against the interests of the Guyanese society.

**The Chairman:** Speak to the clause, please.

**Mr. Balchand Persaud:** This is a fact. We say that the Government should consider giving a grant to the Rice Producers' Association because, while the membership fees payable in the R.P.A. have been increased to one dollar, yet the amount of money collected does not put it in a position to give proper representation to the farmers.

The R.P.A. and the rice Marketing Board work in co-operation and since the Board is to carry out the same functions and the Government has denied the rice farmers all right to negotiate for the farmers in the interest of the country, then let the Government appreciate that while the R.P.A., the mouthpiece of the farmers, may not be able to give proper representation in view of the amendments put forward by the Minister, yet it will be able to speak on behalf of the

farmers. I would say that the Government should consider giving a grant to the Rice Producers' Association.

**Mr. Bhola Persaud:** There is another point on clause 10. The grants from the Rice Marketing Board are normally made from the profits of the Board and since they come from the profits - -

**The Chairman:** You said this about ten times during the debate. What you are saying in Committee was said ten times during the debate.

**Mr. Bhola Persaud:** I want to say - -

**The Chairman:** That has been said already.

**Mr. Wilson:** I think it is most unjust to deny the Association a grant. I think the Government should assist democratic institutions. The Rice Producers Association will be a democratic institution elected by the rice producers and encouragement should be given to such an institution. One way in which this should be done is by giving grants.

**Mr. Ram. Karran:** This was the most unkindest cut of all.

**The Chairman:** I hope you are not going to repeat the arguments made during the Second Reading debate.

**Mr. Ram Karran:** I think it is unfair of Your Honour to anticipate. I want to refer to the historical aspect of it. As you know this Association was first set up as an advisory committee and eventually a law was passed. Members were elected. This was done for special reasons. At the time the farmers were very reluctant to be herded into this organisation because the middlemen, the dealers, the exporters, had confused them saying that the Government was going

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National Assembly

11.50-12 midnight

to take away the rice. They were very reluctant to contribute to it and it is a historical fact that provision was made for the Board to make a grant to the Rice Producers Association so that the Association could carry out its business.

We are not believers in paternalism. We do not believe that any form of paternalism should exist, but the Government is rather harsh in cutting out this solemn arrangement overnight. My hon. Friend Mr. Budhoo knows this. He has been a member of the Association from its infancy and I am surprised that he has accepted the guillotine and has taken his seat so complacently. It is no use going to the lobby and complaining to the members of the Opposition that you are breaking up the rice industry. This is the time to talk, and this feature particularly is one that needs sympathetic consideration by any reasonable Government.

**12 midnight**

As I said just now, this is historical, and when hon. Members over there, particularly the hon. Minister of Finance (Dr. Reid) and his colleague the hon. Minister of Agriculture and natural Resources (Mr. Jordan) who ought to know better, talk about the R.P.A. squandering public funds, that is the limit, that is a falsehood. I should like to say that not one cent of the money expended by the R.P.A. comes from central funds. The hon. Minister, in introducing new matter in his reply to the debate, referred to a sum of \$100,000 which it is alleged that the R.P.A. owes to the Ministry of Agriculture.

**The Chairman:** That does not come within the ambit of this clause.

**Mr. Ram. Karran:** I am trying to justify the retention of the grant. The hon. Minister said that \$100,000 was misappropriated, mis-spent, or lent and not recovered by the R.P.A. and, therefore, it is public money whether it came from the R.M.B. or the Ministry of Agriculture in the form of insecticides, weedicides, etc. This, to my mind, is no reason for the Government to legislate against the continuation of the grant to the R.P.A.

**Mr. Bissember:** If the hon. Member is going to be much longer, I would ask that the House resume so that we can take the adjournment.

**Mr. Ram Karran:** It would be better for us to complete the clause. I was saying that there is absolutely no justification for the Government to wield a hatchet on the members of the R.P.A. because it is their money and it is for them to choose whether they will pay in the form of cash at the time they joined as members of the Association, or whether they will pay in a sum out of the profits of the Board. Perhaps the Government would be justified in having negotiations with the R.P.A., or perhaps by resolution in Parliament or in some democratic forum it may decide to limit the Association to a particular sum and say, "You may spend this and no more", but for the Government to come and say, "You must not anticipate any grant or contribution" – I think "contribution" is a better word – would be extremely unjustifiable.

Perhaps the hon. Minister would like to reconsider this because, as I said just now, this is the unkindest cut of all. It is the beginning of the end of the R.P.A. which the Government wishes to get out of the way, and perhaps the beginning of the end of the rice industry and all that goes with it.

**The Chairman:** Does the hon. Minister wish to say anything?

**Dr. Reid:** This was discussed in the general debate: in moving the Second Reading and in winding up during the Second Reading. It is clear that the clause seeks to disallow any grant to be given to the R.P.A. because of its inability to function in the interest of the rice producers.

*Clause 10, as printed, agreed to and ordered to stand part of the Bill.*

*Assembly resumed.*



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National Assembly

12.00-12.05 a.m.

**ADJOURNMENT**

**Resolved**, "That this Assembly do now adjourn until Friday, 5<sup>th</sup> September, 1969, at 2 p.m." [Mr. Bissember]

*Adjourned accordingly at 12.05 a.m.*

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