

LEGISLATIVE COUNCIL.

Friday, 2nd December, 1932.

The Council met pursuant to adjournment, His Excellency the Governor, SIR EDWARD DENHAM, K.C.M.G., K.B.E., President, in the Chair.

PRESENT.

The Hon. the Colonial Secretary, Mr. C. Douglas-Jones, C.M.G.

The Hon. the Attorney-General, Mr. Hector Josephs, K.C., B.A., LL.M. (Cantab.), LL.B. (Lond.).

The Hon. T. T. Smellie (Nominated Unofficial Member).

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

The Hon. T. Millard, C.M.G., Colonial Treasurer.

Major the Hon. W. Bain Gray, M.A., Ph.D. (Edin.), B. Litt. (Oxon.), Director of Education.

The Hon. J. S. Dash, B.S.A., Director of Agriculture.

The Hon. R. E. Brassington (Western Essequibo).

The Hon. E. A. Luckhoo (Eastern Berbice).

Major the Hon. J. C. Craig, D.S.O., M.E.I.C., Director of Public Works.

The Hon. B. R. Wood, M.A., Dip. For. (Cantab.), Conservator of Forests.

The Hon. W. A. D'Andrade, Comptroller of Customs.

The Hon. Q. B. De Freitas, M.R.C.S. (Eng.), L.R.C.P. (Lond.), Surgeon-General (Acting).

The Hon. J. Mullin, M.I.M.M., F.S.I., Commissioner of Lands and Mines.

The Hon. E. G. Woolford, K.C. (New Amsterdam).

The Hon. N. Cannon (Georgetown North).

The Hon. A. V. Crane, LL.B. (Lond.) (Demerara River).

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

The Hon. J. Eleazar (Berbice River).

The Hon. J. Gonsalves (Georgetown South).

The Hon. A. E. Seeram (Eastern Demerara).

The Hon. V. A. Pires (North Western District).

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

The Hon. Jung Bahadur Singh (Demerara-Essequibo).

The Hon. G. E. Anderson (Nominated Unofficial Member).

The Hon. M. B. G. Austin (Nominated Unofficial Member).

The Hon. F. J. Seaford (Nominated Unofficial Member).

The Hon. Peer Bacchus (Western Berbice).

MINUTES.

The minutes of the meeting of the Council held on the 1st December, as printed and circulated, were confirmed.

PAPER LAID.

The following document was laid on the table :—

Return showing the output of bauxite, balata and other products for the years 1925 to the 31st October, 1932. (*Mr. Mullin.*)

GOVERNMENT NOTICES.

RICE (EXPORT TRADE) BILL.

Professor DASH (Director of Agriculture) gave notice that when item III. on the Order Paper was reached he would move the suspension of the Standing Orders to enable "A Bill to make provision for the establishment of a Board with powers to regulate and control the price and exportation of rice produced in the Colony" to be taken through its remaining stages, also certain amendments which had been circulated,

UNOFFICIAL NOTICE.

VISITS OF EXPERTS, ETC.

Mr. BRASSINGTON gave notice of the following questions :—

(a) The number of experts who have visited the Colony to advise on works of development or in any other direction within the past twenty years.

(b) The names of such experts and the objects of the visit to the Colony of each.

(c) The cost to the Colony of each visit.

(d) The cost to the Colony within the same period of visits abroad by officials or other persons for the purpose of representing the Colony at Conferences.

ORDER OF THE DAY.

APPOINTMENT OF NOTARIES.

Mr. CRANE asked the following questions :—

1. When does Government propose to proceed with the Bill providing for the appointment of Notaries in British Guiana?

2. Does Government appreciate that the failure to enact the legislation proposed by the Bill would be a grave breach of an undertaking given to this House by the Governor of the Colony himself on the occasion of the amendment of the Tax Ordinance to impose a tax on Notaries, to wit, that such a Bill would be introduced and passed at an early date?

3. Is it the intention of Government to permit the system of private Notaries in British Guiana to be maintained by a single Notary appointed by an institution whose authority in this Colony is highly questionable?

4. Is it true that the published Bill to give effect to His Excellency's undertaking has been held up by reason of representations made by this Notary, in which the claim to exercise a monopoly of private notarial practice was made?

5. Will Government undertake to have the said Bill introduced and passed at this present session of the House?

THE COLONIAL SECRETARY (Mr. C. Douglas-Jones) replied as follows :—

1. A Bill has been introduced.
2. See the answer to question 1.
3. Government does not contemplate there being one Notary only in private practice.
4. See the answer to question 1.
5. See the answer to question 1.

IMPORTED AND LOCAL WINES.

Mr. DE AGUIAR asked the following questions :—

1. What was the quantity of wine cleared for home consumption for each of the years 1917 to 1931, showing separately the quantity—

(a) in bulk.

(b) in bottle.

2. What was the duty collected during the same period, showing the amount collected each year separately?

3. What was the quantity of wine produced in the Colony by process of fermentation only for the past five years, and the amount of excise duty collected thereon? Show each year separately.

4. How many persons and/or companies were registered under the Bitters and Cordials Ordinance as manufacturers of "sweets" as at 30th September, 1932, and state the amount received for licences issued to such persons during the same period?

5. Is Government satisfied that wine is produced under the best sanitary conditions in the Colony?

6. If Government is unable to furnish the full information asked for in questions 3, 4 and 5, what steps are being taken to—

(a) Recoup the revenue that is lost annually from this source without imposing additional taxation in other directions.

(b) effect proper control over its production under sanitary conditions.

Mr. D'ANDRADE (Comptroller of Customs) replied as follows :—

1 & 2. The following is a statement showing the quantity of wine cleared for home consumption and the duty collected thereon during the years 1917 to 1931.

Year.	Wine (Sparkling).		Wine (Still)—in Bottle.		Wine in Bulk.	
	Quantity.	Duty.	Quantity.	Duty.	Quantity.	Duty.
	Gallons.	\$	Gallons.	\$	Gallons.	\$
1917	585	921	3,504	4,008	21,222	15,617
1918	506	797	3,886	4,212	19,403	14,708
1919	631	994	4,828	5,158	19,429	15,381
1920	1,427	2,293	4,844	5,804	29,363	18,404
1921	1,567	2,962	4,745	6,469	23,042	15,685
1922	1,166	3,008	4,351	8,102	23,889	21,890
1923	2,758	7,035	6,119	11,628	37,844	33,120
1924	2,068	5,344	6,769	12,769	43,705	38,045
1925	2,133	6,399	5,266	10,519	47,642	47,045
1926	2,813	8,126	3,508	10,194	42,822	43,110
1927	1,737	5,046	2,339	6,833	38,308	38,703
1928	1,425	4,171	2,615	7,839	34,289	34,087
1929	1,458	4,263	3,025	6,446	21,792	21,086
1930	1,183	2,936	2,666	5,722	15,272	15,546
1931	924	2,711	2,176	4,617	8,160	8,220

3. The quantity of wine produced in the Colony during the past five years is as follows:—

1927	1,008 gallons.
1928	1,316 "
1929	2,060 "
1930	2,478 "
1931 ...	6,076 "
1932 to date	13,660 "

No licence duty has been paid.

4. Six. No licence duty has been paid.

5. This matter will receive Government's attention.

6.—(a) A Bill is now before Council providing for the amendment of certain sections in the Bitters & Cordials Ordinance, Cap. 119, whereby all local wine factories will be required to be registered and will be subjected to similar Government supervision as premises where compounds are manufactured. A new clause appears in a Tax Bill which will soon be introduced to Council providing for a payment of a licence of \$25 per annum in respect of all premises which are licensed for the manufacture of "sweets" (which includes wines) under the provision of the Bitters and Cordials Ordinance.

Government will consider the desirability of introducing legislation further to safeguard revenue.

(b) Please see reply to 5.

RICE EXPORT BILL.

Professor DASH: I move the suspension of Standing Order No. 36 (d) to enable me to move the second reading of "A Bill to make provision for the establishment of a Board with powers to regulate and control the price and exportation of rice produced in the Colony."

Mr. MILLARD seconded.

Question put, and agreed to.

Professor DASH: The Bill which is before Council is the climax of certain negotiations which have taken place between Government and representatives of the rice industry in regard to the marketing of Colony rice. It is not necessary for me to address Council at any length on the subject, since matters relating to the present condition of the rice trade of the Colony have been thoroughly ventilated in the Press in recent weeks. It has been borne in on Government that unless something of the nature of a Marketing Board, with powers *inter alia* to control and fix the export price of rice was formed, there was great danger of the Colony losing its present markets in the neighbouring Colonies. There has been, as honourable Members

are aware, a great deal of unnecessary price-cutting, suicidal competition as it were, among local exporters, and buyers in the Caribbean have been left wondering as to whether it was possible under such chaotic conditions to trade with us at all. In addition, there is the speculator who completes the whole circle of this vicious practice of underselling and cutting prices, when, in many instances, there was no need for such cuts to be made. The result is that rice has been sold, especially in Trinidad, at much lower prices in relation to the Indian product than need to have been the case, to great disadvantage of the producer. Large buyers in Trinidad have affirmed that in this uncertain and unsatisfactory state of things they would not wish to deal in British Guiana rice, but would rather transfer all their orders to India, the price of Indian rice being always stabilized, thus enabling them to transact their business under satisfactory trade conditions. If we put our house in order, however, there is no doubt as to the future.

The position has become so acute in the last few weeks that, with the present bumper rice crop being harvested, the outlook became so dark that those interested in the industry felt that drastic steps would have to be taken to place the marketing of Colony rice on a sound basis, and thus ensure to the grower, at any rate, the market value of his padi. The Rice Committee of the Chamber of Commerce has considered the matter very carefully with representatives of the industry from all the districts, and the Bill before Council has the unanimous approval of all concerned. Further, a Rice Association is being formed which, it is hoped, will, before many months, take the work of the Board under its wing; but, in the meantime, it is realised that no time can be lost and a temporary Board, with the necessary powers, has been provided for as set out in the Bill. It is confidently expected that this is the first step leading eventually to the creation of a fully co-operative rice pool with one centralized marketing organization. I wish to emphasise the fact that Government realises only too well that this is a trade matter and there is no desire whatever to place undue restrictive measures on trade, but Government feels that it cannot evade the responsibility of taking action along the lines proposed, in view of the strong representations which have been made for the benefit of an

creasingly important industry in this Colony.

Now, the idea of a Marketing Board to control the export trade of a commodity is not new. Indeed, in many industries at the present time, some sort of controlled marketing, to ensure reasonable prices in relation to production, exists. Perhaps the best example we have nearest to us is to be found in the Arrowroot Marketing Board of St. Vincent which is a body corporate, in the same way as it is proposed for the Rice Board, and which operates in conjunction with the Arrowroot Growers' Association with the least possible of Government interference, but, nevertheless, under Government's eye. This is what is intended in connection with the Rice Marketing Board and the Association which is in process of formation. It should be pointed out that this is not the first time that an effort of this kind has been put forward in regard to the organised marketing of rice in this Colony. About three years ago, as a result of the stimulus given to this question arising from my Canadian investigations, efforts were made by the Chamber of Commerce to secure the interest of the trade and the industry generally for a proposal of this sort. At that time prices had not reached the low level which they have reached to-day and the time did not appear ripe for the organisation which is proposed to-day. Those who opposed it at the time have now changed their views, and, as a result, we have all shades of opinion in the industry united in asking that this legislation should be enacted without delay.

I now propose to deal briefly with the principal features of the Bill. The opening clauses are mainly concerned with the establishment of the Board, its members, its powers and officers. Clauses 6, 7 and 8 are important in this connection. Provision is made for the fixing of the price of rice for export and in clause 10, when this price is fixed, provision is made for its wide publication throughout the country. It will be noticed that no provision is made for the fixing of the price of rice and padi locally. This matter received very careful consideration and although it was admitted to be very desirable it was impossible to arrive at a basis on which a price could be fixed on account of the difference in charges in the various rice-

growing districts in the Colony, not only in regard to cultural matters but in relation to transportation and milling and the individual arrangements which may exist between grower and miller. It was decided, therefore, that when the price of rice for export was fixed, at the same time an indication of the corresponding value of local rice and padi should be given to serve as a guide to the farmer in respect to what he might reasonably obtain for his produce. The proposed Association should do much to standardize practices and regularize charges.

It will be observed that every exporter must have a licence before he is allowed to export rice, for which a fee of \$20 is to be paid, and provision has been made for an annual renewal of the same on payment of \$10. These licences have been purposely kept low in order that no hardship may be inflicted on small exporters. The Board shall have power to grant such licences and to revoke the licence of any exporter who may contravene the provisions or regulations of this Ordinance. In clause 13 it is provided that no exportation of unsold rice, *i.e.*, rice on consignment, will be allowed and rice will only be allowed to be exported in pursuance of a contract of sale with a purchaser outside the Colony. When in Committee, I shall move an amendment of this clause by the deletion in lines 4 to 6 of the following words: "or unless the exportation is by or on behalf of a person who carries on business outside the Colony and who has bought the rice for exportation." I shall move in a new clause 14 to take the place of this clause as printed, namely:—

14. A licensed exporter shall not without lawful excuse, the proof whereof shall lie on him, in pursuance of a contract of sale for export sell rice at a price lower than the price which shall have been fixed by the Board.

I shall also move that the following be substituted for clause 15:—

15. The Board shall in the month of June nineteen hundred and thirty-three transmit to the Colonial Secretary a report of its transactions to the thirty-first day of May together with a full statement of its accounts and expenditure. The report shall be laid before the Legislative Council.

Finally, I shall move that a new clause 17 be inserted as follows:—

This Ordinance shall continue in force until and including the thirtieth day of June, nineteen hundred and thirty-three.

This definitely fixes the period allowed for a trial of the scheme at about seven months. The present clause 17 will be numbered 18. I beg to move the second reading of the Bill, which I commend to the favourable consideration of the Council.

Mr. MILLARD seconded.

Mr. CRANE: I have been observing the trend of Government interference with private trade within the last two years and I have been considering to what extent it is going to be to the benefit of trade and to what extent it will result in hampering what it proposes to amend. I gave every support to the attempt of Government—and I hope it has been or will be successful—to stabilise the quality of the rice exported from this Colony to places abroad. It is well known that in regard to other commodities goods were shipped from this Colony which were unfit for export and it resulted in the ruin of the export trade in those particular goods. I need hardly refer to the coconut industry which, it has been asserted, has been ruined by the fact that unripened coconuts were shipped to purchasers who refused to deal with us in regard to that commodity. When, therefore, I appear in a different rôle to-day I make no further apology for my stand than that I am convinced that however desirable the formation of a Marketing Board is this is not the point at which Government should begin. I do not propose to vote against this Bill for the simple reason that I do not want it to be thrown at me that I did anything to impede the progress of this industry, but I am going to take every opportunity to point out to Government that it is venturing upon a most unsound and unscientific procedure in the hope that it would benefit the trade for which all of us desire the highest prosperity. Some months ago Government formed a Committee which investigated the conditions under which coffee is produced and marketed. That Committee took the heroic step to suggest modern methods for saving that industry. It suggested pooling of the resources of the coffee producers to enable them to get their crops off the downhill, but it was too modern a policy and Government shrank from it as from a leper. To-day Government seems to have drawn closer to this modern practice of trade co-operation, and in this Bill it is proposed to standardise

the price and to limit competition. Those elements appear in all modern systems of economics.

I want to warn Government that in all places where co-operative marketing is in existence there is also co-operative production. Government is starting now from the wrong end of the stick, as it started many years ago with the Vegetable Products Factory, in its attempt to control markets with loose and uncontrolled production. Government is dealing with the marketing end and leaving out entirely production, which is primary and antecedent to marketing. The point which should be attacked first is to see that the small producer gets something from what he produces and not to make a gesture to those who buy from him. That is what this measure proposes to do. Where is the legislation to secure growers in their holdings? Where is the legislation preventing extortion by landlords? Where is the legislation, or even organisation, to assist the small grower in the planting and harvesting of his crop? We know of some isolated and puny effort made by Government, but that movement has not yet made itself felt throughout the Colony. Instead of the Agricultural Department extending its laudable attempts at Anna Regina, and making itself felt throughout the Colony by practical results in the form of increased crops grown at remunerative prices, we find that Department dallying with the situation and looking after the trappings while the necessities of the situation are left untouched. The mover of the motion tells the Council that this Bill is the result of negotiations which have taken place between Government and representatives of the rice industry. We should have been told, rather than being given that general statement, how these various persons have been represented. We are not satisfied that those parties knew what was about to occur and that they were given proper representation. I was told that the Director of Agriculture got up and simply mesmerised the Association, in his usual breezy and convincing style, by indicating that it is going to bring about the millenium in the rice industry and everybody thirsting for some additional gold in his pocket simply collapsed. If the Director can convince me I shall vote with him, but he did not convince the representatives of the

rice industry as he attempted to convince us here to-day. He has not produced a single argument to convince any man that this is a policy which Government should participate in.

The Director of Agriculture tells us that a certain species of animal called the speculator has been underselling and cutting prices, and he leaves us to be contented with that. Underselling has become the fashion in commerce and he tells us to initiate legislation to prevent the speculator from selling rice cheaper than any individual. I am informed that there have been occasions when rice buyers in Trinidad have had their bonds filled with Indian rice because it could have been obtained cheaper than British Guiana rice. What happened? The disreputable individual called the speculator, who had surplus rice, gets a schooner, cuts down freight charges, and when he goes to Trinidad he undersells the man who has Indian rice. Do you call that unfair? I think it is eminently just, apart from the fact that the man is free to do it on ordinary principles of commerce. He undersells the man who imports Indian rice, and because that man undersells him you hear a squeal. It is the man who undersold them that caused the merchants of Trinidad to come here, and it is ingratitude on the part of our merchants and traders who ship rice that they should want to press out the man who brought the little trade that Trinidad has denied them. What are the facts on which the mover of the motion has based his conclusion as to the certainty of the future? Trinidad merchants say they cannot trade with British Guiana unless underselling is made to cease. Indian rice is in competition with British Guiana rice. British Guiana should have driven Indian rice out of the Caribbean long ago. That has not been accomplished because traders in Trinidad would not reciprocate with us. We are asked to give a preference to Trinidad oils and petrol and Trinidad does not recognise the justice of giving British Guiana rice a preference over Indian rice. Injustice is at the basis of this proposal and injustice will never triumph except for a time. Far be it from me to frustrate the enterprise of the traders of rice in this Colony, but I should like to hear what is to be the position of the man who is growing the rice. He is the man I am minded

to protect in these transactions. A Producers' Association must be antecedent to a Marketing Board. It is a misnomer to call this a fully co-operative pool. Rice is produced at varying cost of production. The cost of production depends on various factors which differ all over the Colony. A man in British Guiana is to be prohibited from selling to the man in Trinidad lower than a certain price. At whose instance in Trinidad is this legislation brought forward? We are too trusting. Although conditions may be bad for the Colony we catch too easily at these doubtful expedients of trade.

Has this Government got a guarantee that similar or complementary legislation would be enacted in Trinidad to secure the promised trade to us if this advantage is yielded? We have nothing of the kind. We have a loose statement from a loose body of merchants to whose benefit it may be at a moment's notice to drop British Guiana rice and go back to Indian rice. Our traders have accepted that as sufficient warranty to come to Government to pass legislation to coerce the man in British Guiana. It is an irregular arrangement to bind the inhabitants of this country in their free movement in commerce whilst the corresponding individuals in Trinidad are left free. What assurance have the merchants, traders or shippers of rice got that the supplies of Trinidad will be taken exclusively from this Colony? I have heard no such statement from the mover of the motion. One of the most serious objections to this proposal—and it is an unanswerable objection—is that there is nothing binding on the Trinidad merchants not to purchase rice from India below the price fixed by the British Guiana Marketing Board. Rice is not to leave this Colony unless the transaction is one of sale. If a *bona fide* trader comes to the Colony and purchases his supplies he can take those supplies away. What is to be the position of a man who cultivates rice here and carries on business in Trinidad? You are excluding the man who has sown rice in British Guiana, and you are also excluding the speculator from buying rice in British Guiana. Why shouldn't a man be able to export rice taken from his own fields? He knows of nobody abroad to buy and he is to be compelled to sell to somebody here at their own price. Are you also going to fix the purchase price of rice in

this Colony? Without such a provision this legislation would be incomplete. It is not justifiable to attempt to prevent a man who owns his own rice to transfer it to his own bond in Trinidad or Barbados and there sell it. It is the business of the Governments of Trinidad and Barbados to legislate and keep out the speculator and protect their own citizens. But in Trinidad the public benefits from this competition and the Trinidad Government remains inactive, but this Government is going to control things there. Government should not come to this Council and ask Members to support a one-sided scheme because a few people have been shortsighted enough to say that we should give somebody something without proper safeguards. The Board is to function with respect to shipments of rice to purchasers abroad who have not given even the slender undertaking that the Trinidad merchants have given.

Professor DASH: Clause 13 provides for exportation under certain conditions to special markets.

Mr. CRANE: What is a special market? The Board is to define what is a special market. There are people who now go to foreign West Indian islands and take small cargoes of rice. They would not be able to take them in future if this irrational legislation goes through. I am opposed to any scheme which compels a man to sell his rice in British Guiana, and you do that without fixing the price that the local merchant should pay him. Even before the Bill was introduced the necessity for amendment was seen. You are saying that rice shall only leave this Colony in pursuance of a contract of sale. It is a violation of constitutional law and trade. It is your responsibility, sir, and I ask you not to create a situation which might inflict a hardship on the people who produce rice and have the courage themselves to market it. It is the right of every producer, who by his enterprise and the use of up-to-date methods could produce rice cheaper than his competitor, to sell below his competitor's price and so capture trade. I ask you to recognise the age-standing principle that competition in trade is the ruling factor. Get your Marketing Board by all means, but use no coercion. I ask the Director of Agriculture to produce any similar scheme that

has been carried out in any part of the world. The solution of the difficulty which has arisen is a statement by the Trinidad merchants that they are going to buy British Guiana rice and that they will not buy Indian rice even though it is cheaper than the market price fixed by the Marketing Board. This is a piece of class legislation until we get guarantees. When we get those guarantees every rice producer will benefit and we will know what we can depend on. I will conclude by saying that since this movement is sponsored by responsible persons connected with the industry, it is my duty as a patriotic Guianese not to obstruct what has been decided upon by the majority but to state my reasons against the proposal whether I stand in the minority or otherwise. This Bill can be improved by Government endeavouring to obtain the co-operation of Trinidad and the other Colonies, and given safeguards by those Colonies I will support this measure as I have supported any other.

Mr. ELEAZAR: I move that this Bill be read this day twelve months. Government by tinkering and interfering with this industry has had it thrown at it that it is the destroyer of the rice industry. What caused Government to interfere were the machinations of the same parties who I believe have induced it to bring this Bill before the House. This Bill is intended ostensibly to benefit the rice-growers. Who is responsible for this Bill is not the producer, the man who with his wife and family labours until late in the rice-fields, but the man who buys his produce and wants to get everything out of it from somebody elsewhere. The people who are selling rice abroad are buying it at the cheapest price and preventing the producers from milling it themselves while these gentlemen batten on their life-blood. I ask Government not to proceed in what is called protection because it will only result in the ruin of the industry. If Government would endeavour to see that freight rates are reduced it would be making some attempt at assisting the producers of rice, because that is one of the mightiest factors which preclude rice-growers from being able to compete on even terms with rice grown so many thousand miles away. Some rice growers have been cajoled into the belief that this step is for their benefit, but when Govern-

ment makes enquiries and is satisfied that this project can benefit nobody it must protect these people from themselves. An individual who has grown his own padi and converted it into rice cannot sell his rice because he happens to know nobody in Trinidad or Barbados, and he goes there and is prepared to sell to the best advantage. This Bill provides that he must sell his rice before he leaves this country and at a price not lower than has been fixed by the Marketing Board. How can it be just. For whose benefit is it?—for the benefit of the few people who are engaged in the export trade. I ask Your Excellency not to allow your name to be tarnished with this measure. When Sir Wilfred Collet found that he was deceived by this body of men he would not trust them again. The Marketing Board is to control and fix prices for export. Where is the Board to assist the producer, to say to him that he should not pay 200 per cent. on the loan to plant rice, and here is the Agricultural Bank where he can borrow money at a cheap rate? When he has to pay loans he is left with next to nothing, and even the profit he should get he is debarred from, because he cannot sell his produce in the best market but must sell it to somebody who compels him to sell it to them.

The Council adjourned for the luncheon recess.

Mr. ELEAZAR: When the House adjourned I was on the eve of pointing out how inequitable it is for Government by legislation to seek to equalise the selling price of rice when the cost of production is so variable in the districts. I will give an illustration of what came directly under my own observation. Certain growers on leased land were charged \$2 per acre for water. Their next door neighbours did not have to pay for water. The men who had to pay for water would naturally look for a higher price for their rice than those who did not have to pay, but you are compelling them to sell at the same price. In some districts labour also is cheaper than in others. Those individuals can safely be left to look after themselves, but people who are to benefit seek to take advantage of them, ostensibly with the intention of saving them but in reality looking after themselves. Government has not attempted to

fix the price of padi. The grower is compelled to sell his padi for anything to the combine who call themselves exporters. Every section of the Bill is iniquitous. When any state of affairs becomes so clamant as to require legislation the real people who are made to suffer are those to come to Government and ask for legislation. The growers are being robbed day after day in the sale of their padi and nothing is done to protect them. When some of these self-same persons deceived the Government they almost throttled the industry, and now when by its own effort the industry has rehabilitated itself they have come back with their old game. A telegram was put in the hands of every Elected Member yesterday asking him to support this Bill. I asked who was the sender and nobody could tell. The sender was the renter of land who would get the padi for almost nothing and will eventually be the exporter. When Government puts before this House a Bill that carries such high penal consequences Members must take the matter seriously. It leaves one man entirely at the mercy of the other, and the man who is going to get hit all the time is the unfortunate producer. We have not heard how Government intends to control except by saying that this person shall not sell rice below a certain price for export. Assuming that you fix a price and it is sufficiently high, there is no control over the man who wants to buy. There is nothing to bind Trinidad to buy Demerara rice, and I do not see how Government can legislate to prevent a man from doing as he pleases with his rice. The merchant is not coming into the trade for the benefit of the Colony but for the purpose of making money. If competition is the soul of trade, let the people who are growing rice have competition amongst themselves.

Mr. DE AGUIAR: I can understand the difficulty of the hon. Members in not appreciating the benefits which are likely to accrue to the rice industry by the introduction of this Bill. I think this Bill has taken them somewhat out of their depth because, undoubtedly, it is a hard business proposition and it is almost impossible to expect Members with a legal turn of mind fully to appreciate the points raised in this Bill. (Laughter). Let us examine what has led up to the introduction of this Bill. This Colony for several years

has had a very large surplus of rice for which it has had to find an export market. Within recent years the bulk of that rice has been shipped to the West Indian markets, and the main object of this Bill is to secure continuity of those markets. Representations have been made from time to time to exporters of insecurity of purchases of rice from this market as the result of the competition rampant in Trinidad by the activities of speculators from this country. I do not think that Members would contend that the activities of speculators have brought, or are likely to bring, any benefit to the rice industry of the Colony. This Bill is for the purpose of restraining such action. I am disappointed that Members have not been able to see that if this Bill is passed the position of the growers of rice would be 100 per cent. better than it is at the present time. The export market would be more or less stabilised and that would be of material benefit to them. The average grower is not an exporter of rice, and this Bill is to control the export of rice. I therefore do not see how this Bill is going to affect the grower. What it is going to do is to prevent the speculator from injuring the export trade. The method adopted by these speculators is to take 50 or 100 bags of rice from the grower by means of the temptation that he would get a better price in the islands than he would ordinarily get here from the man in the street. The Marketing Board in fixing the price would do so in accordance with cable advices received from India and elsewhere. When a cable is received giving the price of rice it would be known what the price is in the world's market, and in accordance with that cable the price would be fixed for Demerara rice. In that way there would be no question of asking for a higher or a lower price. Would those Members be surprised to know that the present price of Indian rice is below that of Demerara rice? I understand that they would not be surprised so I need not pursue the point. Reference was made to the fact that the Bill makes no attempt to fix the price of rice sold locally. That aspect of the question was very carefully considered and it was found that there are several difficulties which make it almost impossible at this date. There are supplies in the hands of the small man which it would be very difficult to control, therefore any attempt

to control the selling price locally would hardly be effective. A good deal has been said as to our not obtaining a preference for our rice in the West Indian markets. There can be no doubt that if it is possible to obtain a preference for our rice in these markets it would be the best thing to do. That question has been considered from various angles but it is felt that the time is not opportune to make representations. I hope the day is not far distant when it would be possible to make such representations.

THE COLONIAL SECRETARY: Before the debate goes further I should like to make some remarks in reply to the two hon. Members who have opposed the Bill, and I trust that those Members will accept any criticism I make in the same friendly spirit. The hon. Member for Demerara River has often in his place in this Council proclaimed himself to be a champion of progress and development. This morning he stood before the people of the Colony as a reactionary of the worse type. The hon. Member, and his learned colleague too, criticised the wishes and demands of a very large number of people in the Colony—the rice-growers, millers and those who market their produce—who are dependent upon the rice industry.

Mr. ELEAZAR: Where is the evidence of it?

THE COLONIAL SECRETARY: I will remind the hon. Member of the proverb he has so often quoted: "When fowl cock mek dance cockroach no bus'ness dey" (Laughter). The hon. Member referred to the extortion of landlords. We know that there are extortionate landlords, but we also know that there are reasonable landlords, who appreciate the position that unless their tenants can grow rice and obtain a satisfactory price they themselves are going to be prejudiced and not going to receive their rents. Mrs. Fung-Kee-Fung, one of the ablest business women in the Colony, who is a large landlord, has appreciated that that is the whole crux of this business. The hon. Member referred to the iniquity of endeavouring to control people who have rice for sale. It is the absence of control that has been the ruination of this market. Speculators have been able to leave the Colony with small consignments of rice and dump them down

on markets which are capable of taking a good deal more than the whole production of this Colony at the present time, and they have dumped them at a price which is either lower than the contract price or left them there to be sold at any price. Our rice has been dumped on those markets to such an extent that there is no confidence in them. What we are trying to do is to fix the price of the raw material, which is padi, so that it would bear some definite and true relation to the finished product, which is rice. In addition to the Indian competitor which we have to recognise, we have had to contend with competitive selling amongst our own people, and that has been found to be a most vital thing that can happen. What we want to create is competitive buying between our rice and Indian rice, and as long as we can do that we shall be perfectly safe and our industry can be saved. Practically every merchant and every small miller is endeavouring to sell individually in the same market with the result of competitive selling. That is what we are endeavouring to eliminate. If we can fix the price of our rice in relation to the price of Indian rice, the fixing of the c.i.f. price of our rice in Trinidad will have the effect of fixing the price of padi. The rice-growers are not such ignorant people that they cannot work that out for themselves. We have had an instance already with the cane-farmer. The cane-farmer knows exactly what he may get for his cane and why he should get that price. We want to produce exactly the same conditions in regard to the rice industry. I ask hon. Members not to be influenced by the criticisms of the hon. Members for Demerara River and Berbice River, in which there was an indication that they did not understand the fundamental principle of dealing with the question.

THE ATTORNEY-GENERAL (Mr. Hector Josephs): The importance of the rice industry is the excuse which I make for intervening in this subject. I venture to think that by reason of that importance and what is at stake in connection with the matter we should approach this question with deliberation and care in somewhat of a judicial spirit, and that no advantage will be gained by the importation into the discussion of any heat or undue warmth. The question before the House is that of weighing carefully all the

considerations and circumstances in order to see whether this is a measure which is likely to be of assistance to the rice industry as a whole. I think that is how we ought to approach it and then take the various points and see how they balance up. The hon. Member for Demerara River has very properly invoked into this discussion the general principle of the liberty of the subject, and he was followed in some degree by the hon. Member for Berbice River. I agree that in all matters affecting the interest of the community the liberty of the subject must have fair and full play. With the exception of the period of the War we are passing through conditions of greater abnormality than anything that has occurred in the lives of anyone of us. Those conditions are world-wide and they react on British Guiana from outside in addition to our own troubles which we have to fight against. To whatever those economic conditions may be due, we find that it has become necessary to take unusual measures to endeavour to overcome those economic difficulties and to carry on industries on a paying and profitable basis. It follows that the special circumstances, such as those we are going through, demand a relaxation from the general rule and demand the application of special remedies. That, I venture to submit to the Council, is probably the position in which we are to-day in considering the question of how we are to deal with our rice trade.

The restriction on the freedom of commerce is not only not new but there is a very recent precedent for it and quite near to us too. Some of the actions taken at the Ottawa Conference are to some degree an interference with the ordinary freedom of trade for the benefit of the Empire and of countries comprising the Empire for the benefit of their industries. But quite near to us in the island of St. Vincent, about three or four years ago, when there was great difficulty in carrying on the arrowroot industry which was vital to the island, a statute was enacted containing much greater restrictions than are contemplated by this measure, which is merely a temporary measure of an experimental nature. Difficulties have arisen in recent years affecting the rubber industry, and we know that in the East the production of rubber was controlled in order to

maintain the price. During the time those restrictions continued they were undoubtedly in the interest of the people who produced rubber. In the West Indies some similar restrictions still exist with regard to the liberty of the subject, and the importation of penal provisions into the ordinary law in respect of what hitherto would have been treated as a breach of contract gives rise only to damages. In the case of the Jamaica Producers' Association a large number of people contracted to supply the Association with bananas and other products, and the Association purchased various steamers which now constitute a Line. It is essential to that industry that the supply of fruit must be regular and certain. It is carried out largely by contracts with people, a contractor binding himself to supply a certain quantity of fruit each week or fortnight, as the case may be, at prices which are fixed for various months of the year. Something may happen which may make the price in the open market higher than the contract price and the contractor may be tempted to sell in the open market where some other company may be anxious to buy up the fruit at the higher price to the disadvantage of the contracting company. In order to prevent such a condition of affairs arising a special statute was enacted which provided that people who had made contracts to supply that Association with fruit shall be liable to severe fines or imprisonment if at the time when the fruit was required they had it and did not sell or supply the fruit to the Association. There were one or two cases in the early days and fines were duly inflicted and nothing more has arisen and everybody seems to be satisfied. It has been decided in that Colony to produce as much edible oil as possible, and last year a statute was enacted which gave the Governor power to prohibit the importation of edible oil except under licence and to refuse to give a licence at all, also in order that there should be a sufficient supply of locally produced edible oil in the Colony to prohibit the exportation either of coconut or edible oil without a licence. In that enactment also there is the power to fix the price of edible oil locally and also power to fix by proclamation varying duties on imported edible oil. The same thing has arisen in connection with the manufacture of rum. The Colony had the name for producing that

spirit, which some people describe as being of an evil nature. Whether that is so or not the fact remains that so much of it was produced that there was rather more than could be consumed and the market was becoming overcrowded. It was therefore in the interest of the industry that the production of rum should be controlled, and at the request of the majority of the manufacturers of rum a statute was passed restricting production by each manufacturer to half the annual average production for a period of three years before.

I only mention those instances as showing the existence of restrictions which in the interest of the general community occasionally become necessary to put on the liberty of the subject. The matter therefore is of such importance that we cannot dispose of it by the suggestion that it might be disadvantageous. The circumstances which have led to the introduction of this Bill have already been mentioned. It must be borne in mind that it is not a Government measure in the ordinary sense of the term. We all know that the instability of the market in Trinidad has been putting our rice trade to very great disadvantage. I venture to think that the unrestricted exportation of rice is a gamble. A case like this is not singular. A man purchases rice, perhaps largely on credit, and takes it to Trinidad hoping to make a substantial profit. Sometimes he cannot dispose of his rice as quickly as he hoped and expected and eventually he has to take such a price as he can get in order to cut his expenses and return. It has been contended that the people from whom he has been buying rice in this Colony suffer loss, because he is unable to pay them not only the price which he promised but perhaps any substantial price sufficient to cover the expense they themselves have incurred in producing the rice. The question is whether a stable market will not be better, generally speaking, for the producers. As I understand it, the price of rice will be fixed by the Marketing Board in accordance with knowledge of the ruling price in the world's market. That price will be cabled here and will be sent throughout the Colony, as is provided in one clause of the Bill. The result of that is that the rice-grower will know what the price is for rice which is being sold for

export, and in a short time he would learn to base the price of his padi on that. It may take some little time to get accustomed to the working of the machinery, but if we can do that the argument in favour of it is that he will be paid for his rice, which is an important consideration, and will get a price which he will not have much reason to grumble at. And competition in the market will help to fix the price. The benefit is going to be far-reaching because it will go down to the grower of rice. I gathered that meetings were held at which there were present millers and growers of rice and the matter was discussed and explained, and that they themselves realised the unsatisfactory state of affairs and expressed their willingness to the general principles being put into law. Now the question is for this Council to decide whether the law is to be carried out or not. But is it not worth taking into consideration their own views? An important question to be borne in mind also is the duration of the measure. It is not a permanent measure which it will be necessary to come to this Council to repeal. It is to expire by effluxion of time on the 30th June, and I take it that by that time there will be sufficient knowledge of its working. I have not ventured to put forward views of my own but general conditions with respect to something which has been put forward with the object of helping one of our important and vital industries, and I hope we shall be able to commune together in that spirit and arrive at a conclusion in the interest of the industry.

Mr. BRASSINGTON: I am going to support this Bill principally because I have been requested to do so by my constituents. Throughout my public life I have always endeavoured, even when I do not agree with the views of my constituents, to record my vote according to what the majority of my constituents wish me to do. I have received several telegrams requesting me to support the Bill. The convincing speech of the hon. Attorney-General has made it quite clear that it is the duty of every Member of this House to sink any differences or prejudices we might have in the matter and make an effort to do something that will materially benefit the Colony. There can be no doubt that if the measures this Bill provides for are

successful they would make a very big difference to the rice industry. Instances have been given by the Attorney-General of similar measures which have been successful in other places, and whatever the disadvantages are I think they will be outweighed by the advantages. This Bill will demonstrate to the islands that we are making an effort to put our house in order as far as the markets of those islands are concerned. I think that in itself will be a great step. The great point about the Bill is that it is of a temporary nature, and probably at the end of six months the improvements that can be made will be adjusted. The growers are the backbone of the rice industry and I hope it will be found possible to have on the Marketing Board a member who will represent the growers.

Mr. SEERAM: The rice industry has my unlimited sympathy and I shall endeavour at all times to do what I can to assist it. It is gratifying to find that the industry has so many friends. There can be no doubt that at the present time the industry is undergoing a severe crisis and everything should be done to assist those who are engaged in it. This is a measure in the best interest of the industry. It is well known that rice-growers cannot recoup the expenditure on cultivation. The industry is suffering mainly for want of a proper market. There is no doubt that exporters have been underselling one another and that there are too many speculators going to the islands hawking rice to the detriment of the industry. If a minimum price can be fixed for the various grades of rice and exporters are placed under a penalty not to sell below that price the market will be stabilised, and that would benefit not only those engaged in the industry but the Colony itself. The Bill refers to a contract of sale. I do not know to what extent Government will be able to prevent an exporter of rice from going to Trinidad and entering into a fictitious contract of sale at a certain price when the contract price may be another. Another point is that when we fix a minimum price India may decide to lower the market to a rate to kill our trade.

The Council adjourned until Tuesday, 6th December, at 11 o'clock.