

## LEGISLATIVE COUNCIL.

*Friday, 30th September, 1932.*

The Council met pursuant to adjournment, His Excellency the Hon. C. DOUGLAS-JONES, C.M.G., the Officer Administering the Government, President, in the Chair.

### PRESENT.

The Hon. the Colonial Secretary, Major W. Bain Gray, M.A., Ph.D. (Edin.), B. Litt. (Oxon), (Acting).

The Hon. the Attorney-General, Mr. F. J. J. F. McDowell (Acting).

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

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

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

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

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

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

The Hon. E. F. McDavid, Colonial Treasurer (Acting).

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

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

The Hon. W. Francis, F.I.C., F.C.S., Government Analyst.

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

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

### MINUTES.

The minutes of the meeting of the Council held on the 29th September, as printed and circulated, were confirmed.

### GOVERNMENT NOTICE.

THE ATTORNEY-GENERAL (Mr. McDowell) gave notice that at a later stage he would move the suspension of Standing Order No. 11 (1) to enable him to move the third reading of "A Bill to make provision for the regulation and use of motor vehicles."

### ORDER OF THE DAY.

#### MOTOR VEHICLES BILL.

The Council resolved itself into Committee and resumed consideration of "A Bill to make provision for the regulation and use of motor vehicles."

Clause 8 (1) (a)—Certificate of drivers, etc.

THE CHAIRMAN: It is proposed that the words "and a person shall not employ any person to drive a motor vehicle on a road unless the person so employed is the holder of a driver's certificate" be deleted.

Question put, and agreed to.

Clause 10 (1)—Disqualification for offences and endorsement of convictions.

THE CHAIRMAN: It is proposed to insert the words "or Part III." after the word "of" in the third line,

Question put, and agreed to.

Clause 24 (renumbered 25)—Duty to stop in case of accident.

THE CHAIRMAN: It is proposed in sub-clause (1) to insert the words "under control" after the word "animal" in the third line, and in sub-clause (2) to insert the words "and in every case where injury is caused to a person" after the word "aforesaid" in the third line."

Question put, and agreed to.

Clause 45 (renumbered 46)—Power to make regulations.

THE ATTORNEY-GENERAL: It may be said at a later stage that sub-clause (1) gives power to the Governor-in-Council actually to alter the Ordinance, which is quite unconstitutional. It is therefore proposed to substitute a new sub-clause for sub-clause (1) and to insert a new sub-clause (4) which reads:—

46.—(1) The Governor-in-Council may make regulations for any purpose for which regulations may be made under this Ordinance and for prescribing anything which may be prescribed under this Ordinance, as to the use of motor vehicles and trailers on roads, their construction and equipment and the conditions under which they may be used as to the conduct of passengers in hire cars and motor buses and generally for the purpose of carrying this Ordinance into effect, and in particular, but without prejudice to the generality of the foregoing provisions, may prescribe forms and make regulations with respect to any of the following matters:—

(4) The regulations and forms in the schedule hereto shall be in force until and except in so far as they are amended, supplemented, or repealed, by regulations made under the authority of sub-section (1) of this section.

Question put, and agreed to.

Regulation 11 (3). (a)—Dealer's identification mark.

THE CHAIRMAN: Government was asked to look into the question of restricting to not more than three the number of persons who shall be carried upon a vehicle which is being used under a dealer's identification mark. The point is that three persons are too few. Government has no objection to increasing the number to five if that would meet the view of the hon. Member who raised the point.

Mr. SEAFORD: That is acceptable, sir.

Question put, and agreed to.

Regulation 23 (1)—Granting of certificates of competency upon examiner's report.

THE ATTORNEY-GENERAL: I move that the marginal note be amended to read "Granting of certificates of ability" and that in the clause itself the words "ability to drive a vehicle of the class for which he is applying for a certificate" be substituted for the words "fitness to receive a certificate of competency, and thereupon the certifying authority shall grant or refuse a driver's certificate to the applicant."

Question put, and agreed to.

Regulation 37 (14)—Prohibiting carrying articles projecting on passenger vehicle.

THE ATTORNEY-GENERAL: I move that paragraph (14) of this regulation be amended by the deletion of the words "on the roof or" in the second line and by the addition of the words "and the driver of a hire car shall not suffer or permit to be carried any article or thing on the roof."

Question put, and agreed to.

Regulation 39 (34)—Prohibiting carrying articles projecting on bus and conditions for carrying articles on roof thereof. (35)—Carriage of goods.

THE ATTORNEY-GENERAL: I move that for paragraphs (34) and (35) the following be substituted:—

34. The owner, driver or conductor of a motor bus shall not carry or permit to be carried goods of any description, other than passenger's personal luggage, within the vehicle:

Provided that goods other than passengers' luggage not exceeding fifteen lbs. in weight or two cubic feet in measurement per passenger, may be carried in a container not exceeding 4 feet square by 18 inches deep on the roof of the vehicle or in a compartment in the rear of the vehicle constructed for the carriage of such goods: Provided also that goods or luggage carried in a container on the roof shall be securely strapped down and on a level with the top of the container and no more.

35. The owner, driver or conductor shall not carry or permit to be carried on a motor bus, any article, or thing projecting at either side

beyond the outer edge of the mud wing, or projecting beyond the radiator or projecting behind such motor bus.

Question put, and agreed to.

THE ATTORNEY-GENERAL: I move the insertion of a new paragraph (43) to read:—

(43) The driver's cab, compartment or seat shall be designed to give adequate leg room and head room, and the controls shall be so placed that they can be easily reached and quickly operated.

Question put, and agreed to.

First Schedule—Form No. 5—Certificate of ability.

THE ATTORNEY-GENERAL: The regulation under which this form is made has been amended. It is therefore necessary to amend the form by the deletion of the words "Motor Vehicle" as well as "and a fit and proper person to obtain a Driver's Certificate."

Question put, and agreed to.

Forms Nos. 6 and 6A.—Driver's Certificate.

THE ATTORNEY-GENERAL moved the insertion of the following form of renewal in the forms before the form "Endorsements":—

FORM OF RENEWAL.

This certificate is hereby renewed and will remain in force from the..... day of..... until the..... day of..... inclusive.

Certifying Authority.

Question put, and agreed to.

Form No. 11—Conductor's Certificate.

THE ATTORNEY-GENERAL: I move that this form be amended by the deletion of "as to his character and suitability to act as a conductor of a motor bus and that I am satisfied he is competent to act as such from the date hereof until the day of 193 " and the substitution of "and am satisfied that he is a fit and proper person to act as a conductor of a motor bus from the day of to the day of "

Question put, and agreed to.

Fourth Schedule—Limit of speeds.

The following definition was added at the end of the schedule:—

For the purpose of this Schedule Georgetown shall be that area bounded on the North by the Atlantic Ocean, on the West by the Demerara River, on the South by the Northern boundary of Plantation Houston and on the East by the Eastern boundary of Plantation Kitty and the prolongation of the line of such Eastern boundary in a Southerly direction until the same meets the Northern boundary of Plantation Houston.

The Council resumed.

MITCHELL FOUNDATIONS.

THE COLONIAL SECRETARY (Major Bain Gray): I beg to move:—

WHEREAS difficulties have arisen in regard to the award of the Mitchell Foundations for the year 1932:

*Be it Resolved*,—That this Council approves of the award of four Foundations on the results of the examination held in December, 1931.

Members of the Council are aware of the difficulties which have arisen, and this is a suggestion by the officers administering the Trust—the Director of Education and the Colonial Treasurer—that those difficulties can most conveniently be overcome by awarding an additional Foundation on the last examination. In ordinary circumstances three would be awarded, one for a boy and one for a girl and a third for either a boy or girl according to the order of merit. In the circumstances which have arisen it is very desirable to overcome the present difficulty by awarding four: one to every candidate who has solid claims as it were on the examination. The Committee of the Council which is now sitting had the suggestion put to them and they approved of it, and I ask the Council to give us authority in order that these awards may be made as soon as possible. The report of the Committee is now in draft and we hope to lay it before the Council shortly but ask that this step be taken immediately to enable us to deal with the matter. I ask the hon. Member for New Amsterdam, who is a member of the Committee, to second the motion.

Mr. WOOLFORD: I beg to second it.

Motion agreed to.

## TOBACCO DRAWBACK REGULATIONS.

Mr. D'ANDRADE (Comptroller of Customs : I move that "Regulations to revoke the regulations governing the manufacture of cigars and cigarettes for drawback on exportation or delivery for home consumption" be approved. In June last section 14 of the Customs Duties Ordinance, Chapter 34, which provided for the drawback of duties on tobacco used in the manufacture of cigarettes to the extent of 50 per cent. when the cigarettes were for home consumption and 100 per cent. when they were for exportation, was repealed by the Customs Duties Ordinance, 1932, to provide for a drawback only in cases where the cigarettes were exported. A new sub-section was also added providing for the making of regulations by the Governor-in-Council to carry out the provisions of the section. Those regulations have since been made by the Governor-in-Council and are an exact reproduction of the original regulations, except that wherever there is any reference to drawback for home consumption those clauses have been deleted. The original regulations were made under section 9 of the Customs Duties Ordinance, Chapter 33, but Government has been advised that those regulations were *ultra vires*; at any rate there was some doubt on the point, and that is the reason for making special provision in the Customs Duties Ordinance for making the regulations.

Major CRAIG seconded.

The Council resolved itself into Committee to consider the regulations.

Regulation 2—Revocation of the regulations governing the manufacture of cigars and cigarettes for drawback on exportation or delivery for home consumption.

Mr. De AGUIAR: Any effort on my part or on the part of my colleagues would be useless to-day in view of the Ordinance which was passed on the 17th June, 1932. I am not here to take up the cudgels of the Company which is manufacturing cigarettes in the Colony, because I feel that that Company is quite able to take care of itself and will in due time make representations to Government in connection with these regulations. But it does seem to me that in this matter

Government has broken faith with the Company, because in August, 1931, when the Company contemplated the resuscitation of the cigarette industry, it prepared certain estimates and the Customs Ordinance, which was amended as late as 31st December, 1930, was considered and on the 1st October the Company notified Government of its intention. I presume Government received that letter, but even at this date an acknowledgment of that letter has not been received by the Company. It was therefore safe for the Company to assume that the regulations then in force would be continued, and the Company proceeded with its plans. Early in April machinery and everything in connection with the manufacture of cigarettes were installed and operations begun on the 7th April. A communication was addressed to the Comptroller of Customs in reply to a letter of the 24th March, when notice was given to the Company that steps would be taken to amend the regulations. I am not going to deal with the unfairness or the intention of Government but propose to review the facts. Previous to 1925 two Companies operated in the manufacture of cigarettes. One Company was capitalised by people abroad and the other was a local concern owned by two or three persons. For some reason or other the foreign Company had to cease operations. The local Company jogged along and either in 1924 or 1925 representations were made to Government for certain protection, and Government thought fit to introduce that protection in the Customs Ordinance of 1925. In spite of that small protection the Company was unable to carry on and in 1927 or 1928 it ceased operations also. The Company at present manufacturing cigarettes is also interested in another industry which I am proud to say is a flourishing one, and its embarking on the manufacture of cigarettes was in order to expand its operations. Although Government was notified of the intention of the Company no amendment of the Ordinance was introduced. Had it been done then the Company might have turned its attention to something else. The Ordinance was introduced on the 15th June and only two months previous to that date the Company commenced operations.

I anticipate that the reply of Government will be that it feared that the operations of the Company might at some time

or other encroach on the revenue derived from imported cigarettes and its only desire was to protect the revenue. Be that as it may, the position on the 15th June did not justify the steps taken by Government. The Company was not afforded an opportunity to make the new venture a success. One would have expected that in order to encourage another industry Government would have considered the question of giving further help to the industry because every new industry created means increased employment for the people. I have heard it said that the cigarette industry does not give much employment; but in the first week of its operations, which commenced on the 29th April, the Company employed 20 persons and on the 13th May that number had increased to 32. In the meantime the trouble arose from the letter received from Government and the Company has had to mark time. The Company advised Government that it was its intention to pursue its operations further than the manufacture of cigarettes. Orders have been sent away for seeds and at some future date it is hoped that the manufacture of cigarettes would include the use of locally grown tobacco. Apart from that there is the question of the "Black fat" industry. It is well known that "Black fat" tobacco can be grown in the Colony, but at the present time what is required are capital and organisation. That was another sphere the Company was prepared to embark upon. But when the Company had operated for only two months the concessions afforded to the previous Companies were removed. It was very unfair. Government acted with undue haste when it passed the Ordinance on the 17th June. It never afforded the Company an opportunity of getting on its legs or to show what it could do. We are all agreed on the question of fostering local industries. Any industry which provides employment for a fair number of people deserves to be termed a local industry, and the question of the importation of raw material does not arise. This Company said that at some future date it would undertake the growing of the raw material. I know that these remarks will fall on barren ground, but I hope that Government will further consider the question and if any further information is required it would be submitted.

Mr. D'ANDRADE: I think the hon. Member does not quite understand the position with regard to the protection that is given this Company as compared with that given to the last Company operating in the Colony. He stated that certain concessions granted to that Company had been withdrawn to the detriment of this Company. When the old Company ceased operations in 1925 the duty was then \$1.87 on imported cigarettes. That Company paid \$1.12 on the tobacco used in the manufacture of local cigarettes, in respect of which it obtained a refund of 56 cents, therefore the protection which the Company actually got was \$1.31. The position to-day is that the duty on imported cigarettes is \$2.73. The present Company pays a duty on the leaf tobacco of 91 cents per lb., therefore the protection it receives is \$1.82 as against \$1.31 received by the previous Company. When I was told by the manager of the Company that it had purchased the plant of the previous Company, I pointed out the position with regard to this duty and advised that before the Company went further it should approach Government in the matter and get the position definitely settled. I warned the Company that if that was not done I would have to bring the matter up myself. That was done. The matter was then very carefully considered by Government and it was decided that the protection of \$1.82 on cigarettes made locally was ample protection. In Trinidad the protection is around 80 cents. The question of drawback was also considered. If we give a drawback Government would have to reduce this \$1.82 protection, which would mean control of the manufacture of local cigarettes and entail a great deal of work both on the part of Government and the owners of the factory. It was therefore considered that the best way would be to give a large protection in the first instance and no drawback.

Mr. DE AGUIAR: I am very disappointed with the reply of the Comptroller of Customs. We would have liked to hear what effect this revocation has on the retail price of cigarettes. It is common knowledge that imported cigarettes can be bought for a half-penny each. The Company now manufactures matches and there would not be much in the way of supervision.

Mr. CANNON: The hon. Member should have asked that these regulations be postponed for further consideration in view of the charges made by him. I suggest that the Company be asked to make further submissions or to have an interview with Government and see what can be done. It does seem a great pity that the Company should be hampered in its operations. We want to encourage these operations. Government would be well advised to give the Company every possible assistance, and it can do no harm if the regulations are held over to enable the matter to be further considered.

Mr. D'ANDRADE: The regulations are made under the Customs Duties Ordinance, and they have been made by the Governor-in-Council and are now in force. This is just a formality to put them in order.

THE CHAIRMAN: Regulations were passed on the 28th August, 1932, under the Ordinance. The old regulations made by the Governor and Court of Policy can only be withdrawn by the Legislative Council, and this is simply to withdraw those that supersede these. Government is faced with a grave loss of revenue by the operations of this Company. If it is found desirable that cigarettes should be made locally and that the Company cannot possibly do so and compete with the imported article, if Government can sacrifice revenue I have no doubt that the position would be reconsidered.

Mr. CANNON: I did not understand that was the position, but I urge on Government not to wait until the Colony gets into a better financial position, because by that time there might be no Company. I think it serves a useful purpose to have a local Company to keep imported cigarettes in check.

The Council resumed.

Question that the regulations be approved put, and agreed to.

#### WEST INDIAN CUSTOMS UNION.

Mr. SEAFORD: I beg to move the motion standing in my name:—

WHEREAS it is desirable that there should be a freer and fuller exchange of domestic produce

between this Colony, British Honduras and the British West Indian Islands;

AND WHEREAS any such exchange of local products that may be secured by means of special Customs preferences would not in practice interfere to any material extent with the export trade to the Caribbean Colonies of either the United Kingdom or the Dominion of Canada, which are the only Empire countries that accord the West Indies substantial Customs advantages in return for the tariff preferences granted by the said Colonies:

*Be it Resolved*,—That this Council respectfully requests His Excellency the Officer Administering the Government (a) to communicate with the Governments of the Colonies concerned with a view of ascertaining whether they are in favour of the establishment of a West Indian Customs Union limited to the fixing of special tariff preferences for the encouragement of the exchange of domestic produce; and (b) to ask the Secretary of State for the Colonies to consider extending the terms of reference of the Federation Commission which will shortly be visiting the West Indies to include the examination of this question of a modified Customs Union for the British Caribbean Colonies.

I do not think I need say very much or detain the House very long as the objects of the motion will be fairly apparent. They are threefold. The first aims at securing or obtaining a better and a more secured market for the produce of the Colony and also for that of the British West Indian Islands by a fuller and freer exchange of domestic produce. The second aims at the fixing of a Customs tariff on a more uniform basis or, perhaps I might say, trying to get a more uniform tariff policy. The third is to obtain a greater or larger voice in the affairs of the Empire as regards trade and commerce. Dealing with the first point I do not think it would be denied that by entering into certain agreements with one another for the extension of mutual trade by means of special tariffs, or by the lowering or removal of trade barriers, the flow of trade between this and the other British Colonies will be facilitated and augmented to the benefit of all concerned. This will in no way, I think, be an infringement of any Treaty which exists with Canada. This Colony gives to other parts of His Majesty's Dominions preferences which they do not reciprocate. We are giving something and getting nothing in return. Were we unanimous we would have a much greater voice in that matter. I do not to-day intend to go into the details of any scheme as it would mean entering into numerous figures. Further, I do not think it would serve any purpose

now. What I would prefer is to get the general opinion on the scheme and the details can be worked out later. As regards the second point—fixing the Customs tariff on a more uniform basis—I do not think it would be disputed that trade would be very much less hampered if there was a uniform scale of preference or Customs than exists to-day. It goes further than the actual trade between this Colony and the islands. For far too long a time has this Colony been bearing the greatest burden of the Canadian-West Indian Treaty. I maintain that we are paying more than our fair share towards it. I do not wish to be misunderstood. I am not inferring that that agreement has not been of inestimable value to this and the other Colonies. I am not inferring that the preference given this Colony by Canada and the United Kingdom has not been of the greatest value. In fact, it has been the life-blood of these Colonies, but this Colony is paying more than its fair share and more than it ought to pay.

It is well known to hon. Members that this Colony is pledged by that Agreement to give a 50 per cent. preference on all Empire goods entering into this Colony. That has been extended to all the Dominions, so all Empire goods get a 50 per cent. preference. That is also agreed to by Trinidad and Barbados and to a lesser extent by the other islands, but on account of the higher duties prevailing in this Colony as compared with the other Colonies and on account of the ad valorem duties being based on c.i.f. and not on f.o.b. values as in the other islands with the exception of Trinidad which was changed a very short time ago, it means that the value of the preference given by this Colony, if expressed in terms of the value of the goods, is 20 per cent. whereas in Trinidad it was only 11 per cent. up to a short time ago, in Barbados 11 per cent., in British Honduras 10 per cent., in Jamaica 5 per cent., and in the other islands from  $2\frac{1}{2}$  to 9 per cent. That is why I maintain that this Colony is giving more than its fair share and we are asking the people of this country to carry a greater burden than they should. Here, again, I do not wish to be misunderstood. I am not suggesting for one moment that we should try to evade any undertaking that was made with Canada. It is quite the reverse for I believe that Trade with Canada and Great Britain would be bene-

fited if we had a uniform basis of preference fixed on a definite scale of preference on the ad valorem basis and not as at present on a percentage basis which leaves the value of the preference to be determined by the rate of duty existing in each Colony. I feel sure that a reduction can be made in this Colony without increasing taxation, which would be to the benefit of all concerned and tend to a uniform tariff policy. The third point I do not think needs any elaboration. If we were to get together and were able to speak with one voice and with one object in view, there is no doubt that far greater respect would be shown to any suggestions coming from these Colonies than is being shown at the present time.

The second part of the resolution asks the Secretary of State for the Colonies to consider extending the terms of reference of the Federation Commission which will shortly be visiting the West Indies to include the examination of this question of a modified Customs Union for the British Caribbean Colonies. I am well aware that before anything definite can be arrived at it will be necessary to get an expression of opinion from the majority, if not all, of the Colonies themselves; but I maintain that if the scope of enquiry of the Commission can be extended to include this question it would save a great deal of expense and a lot of time in the future. The question is bound to come up sooner or later and I desire that it should be brought up at the present time. I do not suggest that the Commission should be asked to go into the details of the scheme as I believe that could be better left to a Committee appointed by the various islands, but I can see no harm to their going into the general question and reporting on it, whether favourably or otherwise. I ask Government to accept the motion and not to accept it and pigeon-hole it, but to do the utmost to push it forward. I am anxious like everyone else to see the Colony advance, and that can only be achieved if we get together. I ask hon. Members to give the motion their unanimous support. If we can advance the trade of the Colony and that of the West Indies at nobody's expense we will find that it is to the mutual benefit of all of us.

Mr. DE AGUIAR: I formally second the motion and reserve my remarks,

The Council adjourned for the luncheon recess.

Mr. CRANE: I do not propose to give this subject the very careful consideration which it deserves. For one thing it has rather been sprung upon us; for another we have not the time at our disposal to give it the fullest consideration. But as one of those who are interested in what has been called the Federation of the West Indies—a subject which is somewhat connected with this plea for a Customs Union between British Guiana and the Islands—I desire to add a small contribution to this discussion. I have been trying over the adjournment to understand really what this motion aims at, and it would appear that the mover of it is rather confusing two ideas and has therefore rendered it impossible for the Council to accept the motion in the form in which it now stands. The hon. Member seems to be confusing the idea of commercial reciprocity with the idea of a Customs Union—two entirely different ideas altogether. A Customs Union, as I understand it, is the grouping of a number of States under one central authority for the purpose of levying Customs duties with a view of lessening the cost of collection; secondly, for securing a better administration of the fiscal laws of those States; and, thirdly, generally for promoting the trade and commerce common to the various members of the Union. The result of it would be the imposition of uniform duties of Customs, absolute freedom of trade between those States no one being given a preference over the other, and protection of the produce of the various States either by tariffs or prohibitory measures against outsiders. But that does not appear to be the object of the hon. Member. I take it that he does not ask us to suggest to the other Colonies involved the establishment of a system whereby a central body is to levy Customs duties in British Guiana and the Islands, yet that is the meaning of a Customs Union. If the hon. Member means such a system as that then he has made the first bid for the federation of the West Indies and British Guiana, and in that he will find me behind him. But I do not believe in half measures.

If there is to be a Union of British Guiana and these Islands for the purpose

of a Customs tariff, then we must have the logical conclusion which is followed in the case of every Customs Union whose policy I have had the opportunity of consulting. Perhaps the most famous of these Unions is the German Customs Union. That led to Political Union. In South Africa there was a Customs Union between Rhodesia and others which also led to Political Union. In Canada the various Provinces in 1867 federated and the Dominion Government controlled a uniform Customs duty. In Australia an attempt at making the experiment was rejected and there was never any union until the Political Union of 1900. The hon. Member is attempting to put into force in British Guiana and the West Indies a system which has been proved by experience cannot be adequately worked unless there is complete Political Union between the various principals of the group. Therefore, as far as the West Indies and British Guiana are concerned, the evidence of history is rather against attempting any experiment of a bare grouping together for the purpose of collecting Customs duties. Apparently the hon. Member does not mean even anything of the kind but is really aiming at securing some measure of reciprocity, some concession by means of which a preference will be given to this Colony in return for a preference which it gives to some other place. It is for the hon. Member to enlighten the House as to whether he means a Customs Union in fact or a Reciprocity Agreement as we have with Canada. As far as the bare question of preference is concerned, I have yet to see what benefit will accrue to this Colony if we were to establish a system of commercial reciprocity. Before such a system can be valuable to the contracting parties each party must produce goods which the other parties require. In other words, there must be an exchange of necessities between the parties to the agreement. If you have no substantial quantity of products produced by one party which the other requires, then the system is bound to collapse. The principal export from this Colony is sugar. Its value amounts to the very high sum of \$5,325,755. Next comes rice with a value of \$1,060,339. The report of the Comptroller of Customs for 1931, from which I quote those figures, also shows that we exported to Barbados charcoal to the value of \$43,202, wood fuel to the value of



\$26,437, and to Trinidad plantains to the value of \$10,473. What do we get in return from these various places? We get nothing from the Leeward and Windward Islands. From Trinidad we get oil fuel of the total value of \$258,953. That is the first point at which we get a substantial import from those countries. What else can we think of that we take from any of these islands? I believe we bring fragments of Little England now and then as ballast in some sailing vessel. We do not want a Customs preference for that.

I cannot conceive what are the substantial products which we export to these places and import from them which would create the necessity for asking for a separate, individual and special preference from these islands collectively. These islands enjoy the preference which we give to Canada and extend to Great Britain and all her Colonies because they come within the general definition of British Colonies. I submit that before we would be justified in approaching the Governments of the West Indian Islands we have to make out a case that these Islands produce articles which we require and take from us produce which we can export to them. On the other hand, we find that of the imported foods which this Colony needs the bulk comes from Great Britain and Canada. We already have our reciprocity arrangement with Canada—whether it is good or bad is a question upon which I am not expressing any opinion at the moment. We also have a preference from Great Britain already. I know it will be said that there is a very large available market in the West Indies as regards rice. I have seen that written since 1929 in the annual report of the Director of Agriculture—a large and as yet unexplored area in these various islands for the marketing of our rice. But even with the limited quantity of rice we produce the greater quantity of it remains in the country for want of those available markets. There must be something wrong. What is wrong, I suggest, is that we are always tackling a problem by putting the cart before the horse. Domestically we have been doing it, and externally we have been doing it also. When we attempted to tackle the question of a Government Products Factory we set up the factory and the machinery before we had the raw materials. In like manner

we are now looking for the markets before we have the produce. The rice that remains in the Colony, and which will deceive the unwary investigator into the belief that there is plenty of the product, is produced at too high a unit cost and collected all over the country, therefore with all your available markets you are not able to offer it at a price to secure purchasers. That is what is wrong with the rice trade. Before our commercial magnates look for a Customs Union and a Reciprocity Agreement let them produce the goods at a competitive cost. No Reciprocity Agreement or Customs Union is going to make up the tremendous leeway which the first cost bears to the final cost of Indian rice. India is going to claim the same preference as British Guiana is going to claim and say that despite the long distance and heavy cost of transportation it is able to produce the product at our door cheaper than we are able to produce it in the field. A Reciprocity Agreement is not going to solve the problem; it has to be solved in the cost of production. These gentlemen who want a Customs Union are not the producers but the middlemen. I advise them to put the brains which they have in the commodity into the business of production somewhat more than they are doing at the present moment, and to cease concentrating on marketing and do the first essential of cheapening the cost of production in order to beat their competitor. Beyond rice I can see no other product to establish any substantial trade between this Colony and the West Indies.

I would be very pleased always to support any motion brought before the House by the hon. Member, whom I regard as one of the brightest Members on what I may call the Opposition side of the House, but I cannot support a motion which is calculated to make us look ridiculous in the eyes of the various Governments to which we are asked to make representations for something that will have no bearing whatever on our problem of increasing colonial trade. I desire to ask the House whether we need really communicate with the Governments of the various Colonies with a view to ascertaining whether they are in favour of establishing a West Indian Customs Union. But perhaps the crowning joke is the proposal to ask the Secretary of State for the

Colonies to consider extending the terms of reference of the Federation Commission which will shortly be visiting the West Indies to include the examination of this question of a modified Customs Union for the British Caribbean Colonies. The Commission to leave England to consider the question of the government of the Leeward and other Islands is a Political Commission and the terms of reference are mainly political. The hon. Member would have this Commission which is mainly charged with the execution of a political mission to enquire, as far as British Guiana is concerned, not as regards the Political Constitution but as regards a Customs Union. The hon. Member would have had every Elected Member supporting him if he were asking that the terms of the Commission were extended in their entirety to British Guiana. May I ask who is to benefit from this Customs Union? Is it for the benefit of the merchants alone on the product they have collected from the small producers, and in the production of which they have shown themselves up to the present time very slow to participate? I must leave out of this criticism one of two local firms that have put money into the actual production of crops in the Colony, but on the whole the commercial section of the country have been merely distributors of the products of the farmers, and although some of them have been here for over a century they have not put themselves substantially in the business of production. I offer that criticism in the best spirit and not in a spirit of ridicule. This motion, well meant as it is, does not solve the problem, which I know the hon. Member desires to solve, and I suggest that after discussion the motion be withdrawn as we cannot accept it.

Mr. CANNON: I was somewhat surprised when I heard the hon. Member give notice of this motion. Not many days ago the hon. Member spoke in emphatic terms against the efforts of the people's representatives in this Council when they were trying to induce Government to bring about an amendment in some shape or form of the deplorable Constitution which we are now labouring under. I was still more surprised to hear him say to-day that the Reciprocity Treaty is the life-blood of this country. Possibly that is the reason why we look so anæmic. I do not wish it

to go forth that I accept any such suggestion. My opinion is—and I have endeavoured to induce Government to share it with me—that it is the curse of this country. So long as Government is prepared to continue the collection of Customs revenue in its present form so long will the country go backward and downward. I have been endeavouring in every possible way to induce Government to take some steps to remedy this state of chaos, but without success. I was promised by Sir Edward Denham that this Treaty with Canada would be a subject for consideration at no distant date, but nothing has been done to endeavour to bring about some change in the affairs of the Colony. It is impossible for us to enter into any arrangement with the neighbouring Colonies. We have no other sources of revenue than Customs and internal revenue. The islands have several sources which we do not possess and we have to stand alone. The last speaker stated that we get a couple hundred thousand dollars worth of gasolene from Trinidad. I understand that the price of gasolene is 53 cents per gallon. That is outrageous. If we had not this Treaty with Canada we would be getting gasolene here at half that price. And Trinidad gives us no preference on our rice. Nothing is to be derived from this motion. We have been told that duty is levied on the c.i.f. value of goods. It is scandalous to charge people duty on exchange and I maintain it is illegal. I cannot support the motion and I hope the mover will withdraw it.

Mr. BRASSINGTON: I cannot agree with the two previous speakers. I do not see what harm this motion can do. The idea underlying the motion is closer commercial union between this Colony, British Honduras and Trinidad. I think we are all agreed that that is desirable. The hon. Member for Georgetown North is perfectly right in regard to the treatment we receive from Trinidad in relation to our rice. But what are we going to do? I am against Federation. This Colony is big enough to stand on its own bottom. We can fight out our own battle here, and I think we do it although some people think we do not in a creditable manner. Coming now to reciprocity with Canada, I beg to differ with my hon. friend the Member for George-

town North. Where would this Colony be if we had no sugar industry? Take away the sugar and rice industries: what is going to happen to us? There are four commodities we depend on, viz., sugar, rice, coffee and coconuts. We get a handsome preference from Canada for sugar, coconuts and coffee and are doing everything we possibly can to introduce our rice there. While the Colony may not benefit by the Canadian Reciprocity Treaty the main industries do benefit very considerably, and I make bold to say that sugar would have gone out of existence had it not been for this Treaty. I do not think we are getting fair treatment from the Mother Country in the way of preference in return for the benefits we confer. We do pay more in preference than our purse justifies. I do not see what harm this motion can do. For one thing it would be interesting to wait and see what the Secretary of State will have to say upon it. After all we are the slaves of the Colonial Office and have to dance to any tune that the Secretary of State wishes to call. But I maintain that we shall always be in the position we are in to-day until we are allowed to manage our own affairs. The local Government are not allowed to do what in their hearts they know is best for the Colony. I do not know that the motion is going to do any good, but it certainly will not do any harm.

Professor DASH: I do not wish at this juncture to say anything in favour of the motion or against it. I do not really know what Government's views may be in the matter. I rise merely to throw some light on one or two little mistakes which have crept into the debate, unwittingly no doubt, and to say a word or two on matters which have come to my attention. The hon. Member for Demerara River drew a very good picture between what is usually referred to as a Customs Union and Reciprocity, but if it is closely examined the term Customs Union is very often interpreted broadly to mean those countries which have exactly the same tariff. That term I heard used by no less a person than Mr. L. S. Amery, who is an authority on the subject. In respect of rice the hon. Member referred to the report I submitted at the beginning of 1930 as a result of my Canadian mission. The country has certainly made considerable progress in the extension of our rice markets since

that report was published, as the exports will show. To-day the position is somewhat different to what it was then from the point of view of Indian competition. It is not so much a question of price as it is a question of method of trading. For some time Demerara rice has been cheaper in Trinidad than Indian rice. Indian rice to-day is being quoted at a higher price than Demerara rice. The reason is that the merchants are able to go to India and get special concessions and make forward contracts which have not been possible here. That is one of the greatest difficulties from which the rice trade is suffering to-day. Indian competition from the point of view of the cost of production is admittedly a serious one in overseas markets like Canada and Great Britain, but it is not such a serious factor in the Caribbean markets. The difficulty is competition and under-selling amongst the people here. The statement has been made that none of the large commercial houses have put any money in the production of rice. I am not here to speak for them but I do not think that statement is quite true. As a member of the Rice Committee my attention has been called recently to losses sustained by a number of these large commercial houses which have financed rice-growing on a considerable scale from time to time.

Mr. SEERAM: I am in favour of greater trade facilities between British Guiana and the West Indian Colonies, therefore the motion has my support. There is a very wide avenue unexplored for trade relations between these Colonies, and I ask Government to leave no stone unturned to bring about such a relationship by tariff preferences. It should be possible for us to get gasolene cheaper by arrangement with Trinidad, and in course of time we should be able to capture the West Indian markets for canned meat and canned fruit and other local products, but I do not think this is a matter that should be put before the Federation Commission. For that reason I move that the operative paragraph of the motion be amended to read:—

That this Council respectfully requests His Excellency the Officer Administering the Government to communicate with the Governments of the British West Indian Colonies and British Honduras with a view of ascertaining whether they are in favour of granting to this Colony special tariff preferences on products exported from this Colony in return for similar special tariff preferences on products imported into this Colony from those Colonies.

Mr. CRANE: I formally second the amendment.

Mr. DE AGUIAR: I seconded the motion before the adjournment and am now going to make just a few remarks in support of it. I am very disappointed that some of my colleagues have thought it fit to introduce new phases into the motion. I looked at the motion from its commercial side. I had in mind that the mover of the motion had a very strong desire to request Government to get into communication with the Governments of the various Colonies with a view to obtaining a special tariff preference on products exported from this Colony and to grant them a similar preference. I also know that the mover had in mind the parlous situation of rice. Those of us who are connected with the rice industry in some way or other can appreciate the position in which the industry finds itself owing to competition of the Indian distributors. I was surprised to hear that Demerara rice is being sold in Trinidad at a lower price than Indian rice.

Professor DASH: That has been told me and others by a responsible merchant. As I pointed out, it is not so much a question of price as the method of trading.

Mr. DE AGUIAR: Why Demerara rice in Trinidad, Barbados and the other islands is at so low a figure is really due to the competition with Indian rice. One of the most aggravating questions is the cost of freight, while it is much cheaper to produce rice in India than in Demerara. Those are economic factors that we cannot get over quite easily. This motion is long overdue. A reference to the trade statistics would show that the imports of Demerara rice by Trinidad and Barbados could be substantially increased if there could be a *quid pro quo*. We should therefore go to these Colonies and endeavour to make some arrangement with them. The whole idea behind this motion is to secure a market for our rice in the West Indies because it would be very difficult to successfully introduce it in either Europe or Canada. The question is one that should be carefully gone into. We have a lot in common and I see no reason why the Governors of these islands would not be willing to enter into an

agreement with this Colony for an interchange of produce.

THE COLONIAL SECRETARY: I think the general opinion is that the mover of this motion is to be congratulated on having raised a question of considerable importance to British Guiana and possibly to the West Indian Colonies. He has asked Government to accept this motion and Government is inclined to do so as an expression of opinion which requires consideration and investigation. He also asked Government to accept it actively and not passively and not to pigeon-hole it. I think I can give an assurance that it will not be pigeon-holed. The hon. Member for Demerara River was inclined to throw cold water on the motion because it does not contemplate a complete Customs Union. I think a system of reciprocal arrangement is quite worth investigation and consideration either by this Colony or the others which would possibly benefit. The debate with respect to rice and petrol alone would justify consideration by the two Governments concerned. There is one other trade which is being organised—the cattle trade. We have in the Colony at present certain enterprising individuals and firms who are giving a great deal of attention to that, which is another industry which should not be lost sight of in this connection. The question of linking up the economic problem with the constitutional question which the Federation Commission is to consider is one which Government cannot accept. While we all attach importance to the constitutional problem which the Commission will consider, it does not affect us directly although it will be of interest to us. I consider that the mover of this motion has done us all a service by raising this question and drawing public attention to it, including the attention of Government, and Government will accept the motion for an investigation and consideration of the principles involved.

Mr. SEAFORD: I was surprised to hear from the hon. Member for Demerara River that this question was sprung on the House. This has been an ever pressing problem. I do not look upon it as anything new, and there is no confusion in my mind. My idea is to find a better and more reliable market for the produce of this Colony, and the hon. Member himself

mentioned sugar, rice, charcoal, wood fuel and plantains as some of the articles exported. I was surprised that he forgot cattle, hides and other things.

Mr. CRANE: Perhaps I know too much of the Government of Trinidad asking if we could supply 70 head of cattle per month and they were told "No."

Mr. SEAFORD: That is the very reason why I desire that Government should take action. If you have a secured market you will build up the cattle industry, but you are not going to do it if you do not know where you are. The sole idea of the motion is to find markets and when those markets are found and can be guaranteed the products will be forthcoming. As regards what the other Colonies will send here that is for them to determine. We are giving them something for which we are getting nothing in return and we might well ask for some rebate of Customs duties in return. I was surprised to hear the hon. Member say it was no good our asking for a market for rice unless we are prepared to put rice on the market at a competitive price. Unless he is desirous of seeing the labour market cut down to the level of the Indian labour market we can never do that.

Mr. CRANE: The hon. Member is misrepresenting me. I said the cost of production must be brought down, obviously by machinery and mass production. I am making no suggestion of bringing the cost of labour of the people of the Colony down to the cost of Indian labour.

Mr. SEAFORD: Even with mass production and machinery we shall have to pay the people here very much more than in India. The only way to keep the price of labour up is by the introduction of capital. The hon. Member for Georgetown North referred to the Canadian Reciprocity Treaty as sucking the life-blood of the Colony.

Mr. CANNON: I rise to a point of order. I never said so. It is the hon. Member's own quotation. The hon. Member said the Treaty was the life-blood of the Colony, and my reply was that possibly that was the reason why we all look so anæmic.

Mr. SEAFORD: I disagree entirely with the hon. Member and endorse the

view of the hon. Member for Western Essequibo. There is no doubt that without the sugar industry there would be no Colony to-day. My sole object in bringing forward this motion, call it what you like, is to get Government to take action to find better and more markets for this Colony.

THE PRESIDENT: There is very little I can add to what has been said on behalf of Government by the Colonial Secretary. It is quite clear that what the hon. Member has in mind is an endeavour to devise some measure of reciprocity in regard to certain products which we produce and which we know the other Colonies want and we want to sell to them. That is well deserving of consideration and investigation and Government is quite prepared to do what it can in that direction. I do not know whether the hon. Member is prepared to accept the amendment by the hon. Member for Eastern Demerara.

Mr. SEAFORD: When I moved the motion I was very careful not to bring in anything about politics. I have come to the conclusion that politics was the root of all evil—(laughter)—and was trying to eliminate it altogether. If it will get the unanimous vote of the House I am prepared to accept the amendment because all I desire is to get better markets for the Colony.

Motion as amended put, and agreed to.

#### MOTOR VEHICLES BILL.

THE ATTORNEY-GENERAL: Pursuant to notice I move the suspension of Standing Order No. 11 (1) to enable "A Bill to make provision for the regulation and use of motor vehicles" to be read the third time.

Professor DASH seconded.

Question put, and agreed to.

THE ATTORNEY-GENERAL: I move that the Bill be read the third time.

Professor DASH seconded.

Question "That this Bill be now read a third time and passed" put, and agreed to.

Bill read the third time.

The Council adjourned *sine die*.

