

LEGISLATIVE COUNCIL.*Thursday, 2nd June, 1938.*

The Council met at 10.30 a.m. pursuant to adjournment, His Excellency the Governor, SIR WILFRID JACKSON, K.C.M.G., President, in the Chair.

PRESENT.

The Hon. the Colonial Secretary, (Acting) (Major W. Bain Gray, C.B.E.).

The Hon. the Attorney-General, (Mr. J. H. B. Nihill, K.C., M.C.).

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

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

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

The Hon. E. F. McDavid, M.B.E., Colonial Treasurer.

The Hon. F. J. Seaford, O.B.E., (Georgetown North)

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

The Hon. M. B. Laing, Commissioner, of Labour and Local Government.

The Hon. G. O. Case, Director of Public Works and Sea Defences.

The Hon. B. N. V. Wase-Bailey, Surgeon-General (Acting).

The Hon. B. R. Wood, Conservator of Forests.

The Hon. F. O. Richards, Comptroller of Customs (Acting).

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

The Hon. J. Eleazar (Berbice River).

The Hon. Peer Bacchus (Western Berbice).

The Hon. C. R. Jacob (North Western District).

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

The Hon. S. H. Seymour (Western Essequibo).

The Hon. J. W. Jackson (Nominated Unofficial Member).

The Hon. F. A. Mackey (Nominated Unofficial Member).

The Hon. T. Lee (Essequibo River).

MINUTES.

The minutes of the meeting of the Council held on the 1st June, which had been circulated, were confirmed.

ORDER OF THE DAY.**RICE MARKETING BOARD AS ADVISORY BODY.**

Professor DASH (Director of Agriculture): Sir, I beg to move:—

THAT, with reference to the report of the Committee appointed to enquire into matters affecting the Rice Industry, this Council is of the opinion that the Rice Marketing Board should cease to exercise the power of fixing the export price of rice, but that exportation of rice should continue to be subject to licence or permit. This Council also considers that the Rice Marketing Board should continue as an Advisory Body to Government in matters affecting the trade, and as a marketing Trade Intelligence and Publicity Centre. The Council further recommends that no change be made in the present provision for rice grading.

At the outset I wish to make it perfectly clear that in presenting this motion to the Council Government has no absolutely rigid views in the matter. Certain proposals are being put forward and it is hoped that they will provoke discussion in order that some decision may be arrived at in the best interest of the industry as a whole. I wish to make that perfectly clear because I do not wish it to be thought that Government has some cut-and-dried ideas to force down the throats of members of the Council in direct opposition to the wishes of those wholly engaged in the industry. I do not think it is necessary to address the Council at too great length on the motion because I think Your Excellency in your opening Address indicated the general trend of Government's views concerning the question of control of the rice export trade. In the first place I think it will be admitted that the report of the Committee,

which has been laid on the table, is a very valuable document, not because anything new has emerged from the arduous enquiries of the Committee—we all know that a great deal of hard work was put in by the Committee—but because in many respects the report serves to crystallise the problems which are so perplexing and which are so little understood by the average individual who is inclined sometimes to think that in matters of this sort if Government would only do this or that all would be well; ricefields would spring up, barns erected, mills established, and British Guiana rice would go forth to all the world. There is, of course, no simple solution. Further, anything that Government can do—and this point has been stressed over and over again in this Council—to be successful must have the complete support and backing of all those engaged in the industry. This still seems a long way off.

At this stage I do not propose to go over all the subjects which have been dealt with in the Committee's report, but I think I must refresh the minds of members concerning the position of the trade at the time the Marketing Board came into being. As the result of the propaganda work of the Department of Agriculture the rice industry rapidly assumed a status of very great importance. Production increased by leaps and bounds. On the other hand marketing was rather disjointed, and Indian competition increasingly active. Large numbers of speculators and small producers travelled with their rice to the neighbouring island markets accepting ridiculously low prices, and even adopting the methods of the pedlar. Cut throat competition was rampant. The Trinidad Chamber of Commerce made strong representations to our local Chamber that unless a stop was put to those tactics they would not buy Demerara rice. Naturally, sir, Government viewed the matter with great concern, as the industry was expanding and it was essential to find suitable markets for the produce. As a result of the Chamber's representation the Rice Marketing Board came into being with powers to fix prices, issue licences and permits, and to take all such steps in collaboration with the Rice Grading Office of the Department of Agriculture as were necessary to satisfy our customers. Under-selling and cut-

throat competition has been considerably reduced thereby, and the Board, I think, has rendered useful service not only in the matter of stabilising prices in relation to grades but as a general intelligence bureau for the trade as a whole. It has even gone out of its way to arrange sales for and on behalf of exporters when, as happened immediately after the 1934 floods, there was a shortage of rice locally and Indian rice completely dominated our natural markets. It will be recalled that in 1935-36 buyings from India were so heavy that there were no purchases of Demerara rice at all, and the Board had to step in as an intermediary between Barbados and Trinidad buyers and local exporters.

These facts must be recalled else they are likely to be lost sight of in the debate as well as by those who, in a rash moment, have nothing good to say for the Board, and are inclined to abuse it. I am not claiming that the Board has at all times been able to function efficiently, not through any inherent fault in its constitution so much as due to circumstances which keep intruding themselves, and over which the Board cannot possibly have any control, especially if those for whose benefit it exists do not always play the game. As a result of the many criticisms to which the Board has been subjected—it is even blamed for the drop in production during the last four years—Government appointed a Committee to go into the whole matter. In the report, already referred to, recommendations are made for a Brokers' Board and Association with many and complicated arrangements, including, for example, quotas among exporters which experience has taught provide endless opportunity for dissension. Like the Marketing Board which it is sought to supersede, such an organisation has no control of stocks, and many of the difficulties confronting the present Board will have to be faced by any new Board or any new organisation which may be developed at the moment. It will be appreciated, for example, that as rice is an important article of food, supplies are never stationary, and complete control is not possible to the same extent as it is with say, St. Vincent arrowroot, the bulk of which can only find an outlet in the export market. It is not unusual for a miller or producer to offer

a certain quantity of rice for export and then, when delivery is expected, for such supplies to have been considerably reduced by local sales. Experience has taught that no central authority or organisation in the present state of the industry can get round that difficulty. At the present time about 50 to 60 per cent. of the annual production is consumed locally, leaving the remainder—roughly about 20,000 tons on the average—to be disposed of in the export markets. This production compared with our competitors, India and Burma, is infinitesimal, and when it is considered that all of our supplies are in the hands of so many primitive and inefficient mills, the problem of ensuring deliveries is further accentuated. It appears, therefore, to me at any rate, that before an association of the kind proposed can function efficiently two requirements are essential, viz.

(1) An increase in production enabling forward sales to be made with confidence that supplies will be forthcoming ;

(2) Replacement of inefficient primitive mills by larger operating units which will permit of rice milling under all sorts of weather and an easy check on stocks maintained.

It is realised, I think by us all, that under existing conditions, in dull and showery weather it often happens that rice cannot be obtained from mills although there may be plenty of padi available to meet orders. At such times local sales may be more profitable than export, and this causes a breakdown in deliveries. In all these circumstances, if too much legislation is attempted, in practice the object of such legislation may be defeated, and it is for this Council to say how far legislation should go. Eventually—and here again I am voicing my own opinion—the stage should be reached when some export association with a central bond and complete sales service would be of tremendous advantage and ensure, among other things, complete uniformity of shipments and values according to grades. I do not believe that any half-way measure is going to accomplish what we all want. Half-way measures never seem to work out right in the long run, and I look forward to the time, which I think is not far distant, when we shall

have all of our rice exported through a central organisation which will have complete control of supplies delivered to it.

To come more particularly to the terms of the motion, it will be conceded that while price-fixing had and still has certain advantages, in the present circumstances of the industry it has many important and far-reaching disadvantages. I am not going to elaborate those disadvantages to-day. I think those who are engaged in trade realise only too well what those disadvantages are, but I do repeat, and I wish to emphasise in the Council, that everything that has been done in that connection was undertaken with the best possible end in view, the interest of the rice industry, and if it is found at this stage that price-fixing should no longer be kept on the Statute Book I think we are all agreed that it should go. It is Government's opinion, moreover, in view of the strong opposition to the existing legislation, and wishing to free the industry from as much control as possible, and the irksome measure of control which was undertaken with the best intention, that price-fixing legislation should be dropped. That, of course, forms part of the motion. It is hoped too that with price-fixing out of the way, financing by Water Street interests may be easier and may lead to increased activity in the industry generally.

Under no circumstances should shipping on consignment and attendant peddling be allowed once more to reduce our markets to that chaotic state which I indicated in my opening remarks, but I think it is desirable to provide such legislation as may be necessary to prevent that eventuality. It is for this Council to say how far such legislation should go. It is also Government's view, and I think it is the view of all those who have taken any interest in the rice industry, even outside rice producers and millers themselves, that the Rice Marketing Board, with its trade connections and the statistical service which it has built up, can still be of great value to the industry and should be or might be retained with such procedure as may be considered necessary for safeguarding our markets, and as a Trade Intelligence and Publicity Bureau. We are all aware, and I think it has been mentioned from time to time in this Council, that in all industries, particularly since the War,

there has developed a certain centralised authority which is charged with the general oversight of markets, supplying information to growers and so forth. These Boards have developed all over the world. In England, a country which boasts of freedom, there have been more Boards than in any other part of the world, and they operate in all the industries. There are times when producers may not see eye to eye with them, but in the long run I do not think it can be gainsaid that such Boards are very valuable, and it would be a pity, it seems to me, that a useful Board which we built up here should be disorganised and put out of business at this stage. I think it would be a piece of rashness to abolish with one stroke an organisation created after considerable thought, and discover later that a blunder has been made which it would be too late to rectify. I am confident that the saner course to adopt is not to dispose of those props which have been laboriously built up until we see clearly what the next step should be. I think we must continue to feel our way for some time before taking such a drastic step.

As a full measure of unanimity seems to be assured in respect of grading, I hardly think it necessary to take up the time of the Council with a discussion of this matter. I think it is agreed that it is essential, and that the existing provision should continue. Once more before I take my seat I should like to assure the Council that Government will appreciate a full discussion of these problems, as its idea is certainly to do whatever is best in the interest of the trade and the Colony generally. I commend the motion to the consideration of the Council. I can do no more, sir.

THE ATTORNEY-GENERAL (Mr. Nihill) seconded.

Mr. MACKEY: I was pleased to hear the opening remark of the Director of Agriculture that Government held no hard-and-fast views on the subject, and that it was very anxious to come to some definite decision which would be of benefit to the industry generally. With regard to the motion, my own opinion is that more details should have been given, but perhaps that might be done later on. I observe that the motion states:—

“... this Council is of the opinion that the Rice Marketing Board should cease to exercise the power of fixing the export price of rice, but that exportation of rice should continue to be subject to licence or permit...”

With that view I am in entire agreement, but at the same time I think some more information is required. The present export licence, I understand, is \$50. The opinion has been expressed in many quarters, and I share it too, that the licence should be increased to \$500. In my opinion if that were done it would put a stop to peddling and speculators going over to Trinidad and the other Islands, to which the Director has referred. On the other hand it is quite possible that if the licence was fixed at such a high figure several shippers might join together and get one licence only, which of course would tend to defeat the whole object, but I think regulations could be framed to make it an offence for one licence to cover a combination of shippers.

I am in doubt as to the reason for retaining the Marketing Board at all. I see that the object is that it “should continue as an Advisory Body to Government in matters affecting the trade, and as a marketing Trade Intelligence and Publicity Centre.” I think the Board as it is composed at present would not adequately serve that purpose. I am very sorry that two members of the Board are not here this morning. I refer to the hon. member for Eastern Demerara (Mr. Humphrys) and the hon. member for Demerara River (Mr. King). Those two hon. members belong to the legal fraternity and as such I respect any opinion given by them on that particular subject, but I maintain that they are as much at home on a Board such as that as I would be sitting in a court of law. That again is purely a matter of personal opinion.

I next come to the question of grading. At present the grading fees are 1½ cents per bag and 1 cent per 100 lbs. to cover expenses of the Board. I am led to believe that as a result of those fees a sum approximating \$12,000 is still in hand, and I would like to ask Government what is intended to be done with that sum. My own feeling is that it should be utilised solely for the benefit of the rice industry by providing pure-line seed padi. I take it that Government will not put that

amount into the general melting pot of revenue. The motion concludes:—

“... The Council further recommends that no change be made in the present provisions for rice grading.”

I have talked the matter over with others more versed in the details of rice grading, and I agree with the view which has been expressed that we should revert once more to the old Regulations. Under the old Regulations, if a shipper had an order for 1,000 bags of No. 2 rice and the Grading Officer graded his rice as No. 3 he could still export that rice, but the certificate would be for No. 3 quality. At present if a shipper gets an order for 1,000 bags of No. 2 rice he is not allowed to ship any rice unless it is accompanied by a certificate as No. 2 rice. He cannot ship No. 3 rice even if the shipment is graded as such. When the Rice Marketing Board was brought into being I was opposed to it from the very outset, and nothing I have seen since has caused me to change my mind. I am not going to burden the Council with my reasons, but briefly they are these: If Mr. A, B, or C invests \$50,000 in rice or any other industry I consider that he should have full control of that capital. I do not see why Mr. X, Y and Z should come along and say “We are very grateful for what you have done, but there your interest begins and ends; we will have control of that capital in future.” That is one of the reasons why I was very keen that there should be no Rice Marketing Board, and that a shipper should be free to ship his rice as he likes. There were difficulties, such as speculation, but I do not think that with the imposition of an export licence of \$500 they would exist any longer.

Mr. LEE: Sir, in speaking on this motion I would like first of all to point out that you have been advised by your advisers as to what is best in the interest of the public. I am going to point out the wrongs that have been done since the creation of the Marketing Board, and I can assure you that many people who are interested in the rice industry welcome the motion for the abolition of the Board. But the motion also proposes that we should retain the Board “as an Advisory Body to Government in matters affecting the trade, and as a marketing Trade

Intelligence and Publicity Centre.” I can only say that if the Committee came to the conclusion that the Board has failed in the purpose for which it was created, how can it be an Advisory Body to Government? I cannot see the logic and reason in that proposal, therefore I am thoroughly against the Board being retained as an Advisory Body. If Your Excellency desires advice I am positive that there are many competent merchants who are interested financially and otherwise in the rice industry and can give you advice as to the formation of a Board.

When we read the reports of the Department of Agriculture as to the decrease in the production of rice it causes us grave concern to think that since the creation of the Marketing Board that decrease has taken place. What other conclusion can we arrive at but that the Board has been a stumbling block in the way of an increased production of rice? If the Board is to be retained as an Advisory Body that is only being done for the purpose of keeping certain people in jobs, because we have a Department of Agriculture which has Agricultural Instructors throughout the country from whom it gets reports. Isn't that all the statistics required by Government? Where is the necessity to retain the Board as an Advisory Body?

I will point out the things which have been reported to me, and which I would like Your Excellency to consider. Some time in 1936 an exporter came to me and told me that he went to the Grading Office to have some rice graded for export as No. 2 rice, but the Grading Officer refused to pass it as No. 2 rice. I have a friend who is a friend of the Grading Officer and I got a certificate for the same rice as No. 2, and it was exported.

Mr. SEYMOUR: Name.

Mr. LEE: I cannot call names in this Council; I am surprised at the hon. member. The incident was mentioned at the public meeting held in the Assembly Rooms by Sir Geoffry Northcote. I can prove the facts. There is another instance which has led to the failure of the Board. There was a certain gentleman who was exporting rice. He had a permit, but when he went for a grading certificate it was refused him. He threatened a certain gentleman in the

Grading Office and within 12 hours the certificate was handed to him. Those gentlemen are alive. There is yet another case of a gentleman who held an exporter's licence which was not suspended, but he was refused permission to export rice. He consulted a solicitor who issued a writ of summons against the Marketing Board, and when the members of the Board saw that they were wrong they granted permission to the exporter and paid his costs. From questions which I have asked in this Council it will be observed that practically every year the Board is involved in law costs. The Board is empowered to issue licences, to control the export of rice and to collect certain dues, but what do we find? Several exporters are indebted to the Board. If I wish to export rice I have to pay my dues as soon as I get my certificate. The Board is a Government institution. How can it allow exporters to owe it money? Something is obviously wrong.

A deputation was sent from this Colony to Trinidad and I am told that they interviewed the merchants there and sent a cable to the Marketing Board confirming certain things in respect of a statement supplied them by the Board. When the deputation investigated the matter in Trinidad they found that it was not as represented to them. At a meeting of the Rice Association held in Water Street a member of the deputation publicly stated on his return from Trinidad that they had been misled, or they would not have sent that cable. The Board has failed entirely in all that it has done.

The rice industry has been built up by East Indians as a peasant industry. They have, with the assistance of the Department of Agriculture in respect of seed, tried their best to improve the industry, but since the advent of the Marketing Board they have decreased their production. Prices have gone down. If there is a plenty of rice in this Colony the buyers in the Trinidad, Barbados and other West Indies markets know as soon as the crop is about to be reaped what would be the surplus in British Guiana. They know that that surplus must go to their market. Would the merchants in those Islands make contracts for Indian rice when they know that the surplus rice in British Guiana must find its way to their market? Trinidad merchants look

their orders on the assumption that part of our surplus rice would go to them. I think this Colony would get better prices for its rice if there was no control whatever of the export.

With regard to grading it is the general opinion that the 1933 Regulations worked very well because exporters made contracts on samples sent abroad, and whether the grading certificate showed that the rice was No. 2 or No. 3 it made no difference. Exporters are asking that Government should revert to the 1933 Grading Regulations.

Mr. PEER BACCHUS: I propose to move the following amendment to the motion before the Council:—

“That with reference to the Report of the Committee appointed to inquire into matters affecting the Rice Industry, the Council is of the opinion that the Rice Marketing Board should cease to function and the Ordinance repealed.

“The Council further recommends that a Bill be introduced in Council to make provision for the grading of rice for export.”

The Director of Agriculture has fully explained how the Rice Marketing Board came into being, and I need not go fully into that question. It was control that was asked for by the growers themselves. That control was given, and it is now admitted by Government that that system of control is ineffective. If that form of control has not served the purpose intended I do not see any justification for retaining the Board as an Advisory Body. I do not know whether Government has had private advice that the Marketing Board should be retained as an Advisory Body because, so far as I can see from the report of the Rice Committee, no such recommendation was made, and if no such recommendation was made I do not see why Government should on its own initiative bring forward such a proposal. It has been said by the Director of Agriculture that Government has no intention whatever of interfering or doing anything against the wishes of those interested in the industry, but I do not think the suggestion of retaining the Board as an Advisory Body has even come from a fraction of those interested in the industry. I do not think Government can honestly say that the retention of the Board as an Advisory Body will serve any useful purpose. I must confess

that I am in favour of proper control, but in the absence of proper control I do not intend to lend my assistance to any other form of control which will not be of benefit to the growers.

I am also opposed to permits being given to exporters, because such a system will not benefit the growers at all. If there were a limited number of exporters they would be able to offer ridiculous prices to the growers. A grower might not consider the price offered for his rice reasonable, and why should he be debarred from shipping his produce? If there is to be no price-fixing there should be no control of export. A few years ago we clamoured for control and we got control, but because that control has proved to be ineffective Government proposes to remove it instead of trying to make it more effective. I think Government has had sufficient evidence to be able to formulate a better scheme of control. The motion before the Council differs from the recommendations of the Committee. I view the situation with great alarm, but I do not see much use in flogging a dead horse. That what the rice industry has come to to-day. I warn Government and appeal to You Excellency to give the matter more careful consideration and not rush the matter through. After this debate Government may be better able to decide as to what is best.

THE PRESIDENT: Will the hon. member give the Clerk of the Council a copy of his amendment.

Mr. JACOB: I find myself in a happier mood to-day because I realise that if you keep on asking for something you must get it. I was one of those who advocated in 1932 that there should be some control of the rice industry whereby assistance could be given the industry. It is quite a long story which might take me three or four hours to explain, but I do not propose to burden the Council with any lengthy speech. The export of rice was then 30,000 tons. Two years later I began to realise that instead of the industry being helped up it was being helped down. The export figures began to decrease, and they came down gradually until at the end of 1936 they were roughly 10,000 tons less than what they were four years before. I happened to be appointed by Government

as a member of the Advisory Committee of the Rice Marketing Board, the constitution of which was re-organised as follows:—

7. The Board shall have power—

- (a) to fix during such periods as it may think fit the price (including cost, insurance and freight) at which rice shall be sold for export;
- (b) to grant or renew licences to exporters of rice: provided that the Board may for good cause to be furnished in writing to the applicant refuse to grant or renew a licence;
- (c) to suspend or revoke the licence of any exporter who contravenes any of the provisions of this Ordinance or the regulations;
- (d) to approve of the agents of exporters and to refuse permits for exportation to exporters whose agents are not approved;
- (e) to undertake propaganda for the advancement of the rice industry, and generally to take such action as will tend to improve or facilitate the sale and export of rice.

The Board has power to make Regulations governing the trade in rice. I cannot understand, and I hope I will be able to understand it one day, why the Board has not carried out its functions as constituted in the Ordinance, and why it took upon itself to do other things which have brought so much controversy, discontent and disorganisation of the rice industry. When I hear from time to time that Government is anxious to help the rice industry and those who are interested in it, and to take their advice I do not know what to say. We have heard it over and over again that Government is anxious to listen to the advice of those who are really interested in the industry. The majority of the advice Government gets is not the best advice, and the advice the Board has received from time to time was not the best advice. The Board has the right to refer matters to the Governor in Council, and matters have gone to the Governor in Council which did not exercise its authority but referred them back to the Board. That is how the industry has been ruined. It was stated by Sir Geoffry Northcote that immediately after a conference with those interested in the industry, and on hearing their views Government would do something in respect of the industry. Everybody welcomed that. The conference was held and Sir Geoffry Northcote and his advisers were present. The majority opinion was that the Rice Marketing Board should be abolished and

some other form of control put into operation. What I desire to emphasise is this: that the Governor of the Colony said then that he would act on whatever advice he was given at the conference. Government decided to appoint a Committee which took a year to investigate and report. I am sorry to say that that Committee was too unwieldy, and was not in the best interest of the industry. I happened to be a member of that Committee whose report is here. These are sordid things, but the plain facts must be recorded from time to time so that we will know in the future what has happened in the past. The industry has been kept in this state with one promise after another, and now we have this motion.

I have travelled all over the country and seen the ruin and desolation—factories closed down, doors dropping off, grass growing over the concrete drying areas, and the country almost flooded. I had occasion to visit the Corentyne a few weeks ago and I was astonished to see the conditions there. It will take about 10 years to rehabilitate the rice industry. It took five years to bring it down, and if we rehabilitate it in double the time we must consider that we have done well. If Government had no knowledge that things were going wrong then there is something seriously wrong. It affects the whole economic conditions of the country. We are told that sugar production is to be further limited, and that rice production is going to be still less next year. In 1932 the value of sugar exported from this Colony was \$6,442,515, and rice \$1,187,871. The value of the rice exports was 19 per cent. of the value of the sugar exports. In 1936 the exports of sugar valued \$6,853,058 and the rice exports \$810,318, 10 per cent. of the value of the sugar exports. I have not got the figures for 1937, but I doubt very much whether the value of the rice exports was more than 10 per cent. of the sugar exports, and for this year I think it will be less than 9 per cent. The value of the rice exports will be less than half of what it was before control came into force, and when I say that the value of an industry to a country is in its exports the officers of Government ask what is the use of encouraging something for export which will not pay? If the exports of rice have decreased to

such an extent during the period of control, what is going to happen in the future? It might suit certain interests if there were no rice exports at all and no exports of coffee—nothing except sugar and its by-products, and certain minerals. While that might suit certain people who have no abiding interest in the Colony, it does not suit the majority of the population to have nothing but sugar and its by-products exported.

The rice industry used to be the second largest in the Colony; to-day it takes fifth place, and it will probably take sixth place next year. Why? The industry was built up by Indians under very distressing circumstances, and I have it from the Director of Agriculture that nothing can be successfully grown in this Colony but sugar and rice. (Mr. Eleazar: Question). It has been stated by the Director that nothing can be profitably grown except sugar and rice. I want to emphasise the fact that it has been proved that only sugar and rice can be profitably grown in this Colony to-day. (Mr. Eleazar: Question). My friend says "Question." Perhaps he will explain further when he is speaking. I am submitting that every facility should be given to the rice industry to increase its exports. It was once a million and now it is half a million.

This motion aims at making conditions better, but it is not going to help us unless something further is done. I suggest that the sum in the possession of the Board be used as a revolving fund for the purchase and propagation of pure-line seed padi to be stored in various centres of the Colony and distributed, not in 10 lb. lots but in 10-bag lots. The distribution of 10 lb. lots should have taken place 100 years ago. No portion of the fund should be used for publicity and trade intelligence. When I see such words as "Trade Intelligence and Publicity Centre" associated with a Board constituted as it is I do not know what they mean. I sometimes lose my temper.

The Board is constituted at the present time, fortunately or unfortunately, by a majority of persons who have just been appointed. In the first instance the board consisted of Mr. H. G. Seaford, (Chairman), the Director of Agriculture,

the Comptroller of Customs and one or two other members of the Legislature, and gentlemen from Water Street. Mr. C. Shankland was at one time Chairman of the Board. I am not going to say very much about this matter because there is another motion asking for a Judicial Committee to enquire into the activities of the Board, and I hope Government will accept that motion and let us have a full, free and impartial enquiry into the activities of that Board which has ruined the rice industry. There were two responsible officers of Government who are advisers of the Executive Council. Matters have been considered by the Board, and I cannot say whether they were decided by a majority or there were unanimous decisions, but I am going to be as generous as possible to the Government officers. It is for them to explain, and I hope Government will get a satisfactory explanation from them. What do we find? Matters have gone before the Board, enquiries have been made and false statements have not only been made but written. Is it conceivable that such responsible officers of Government, who are Government's advisers, could sit on that Board and allow certain of its members to make statements that are not true? How can one have confidence in a Board so constituted? I respectfully submit that these matters be enquired into before the Board is given any longer lease of life. In fact I submit that the Board should be abolished. It has abused its authority and has taken powers which it should not have taken. It has caused discontent among large numbers of the population and has ruined the second largest agricultural industry in the Colony.

In the course of his speech the mover of the motion said that block sales were made by the Board with the object of helping the industry. I submit with all confidence that His Majesty's Attorney-General will advise Government that the Board had absolutely no authority to sell rice for export. The Board took it upon itself to sell rice on a quota basis among the exporters. In the case of the International Sugar Agreement every inhabitant knew what quotas were allocated to the several sugar estates in this Colony. We pleaded with the Board to let the members of the Advisory Committee know how the quotas were distributed, but it would do

nothing of the kind, and what happened? The quotas were not properly distributed; certain exporters were given large quotas while others got little or nothing, with the result that money was put into the pockets of certain friends of the Board. On certain sales large profits were made, and for that much the Board must be commended. I am prepared to prove all these things, and for that reason we are asking for a judicial enquiry. When one exporter complained about his quota he was given another 500 bags, but in the case of another exporter who objected he was penalised. The block sales were a curse rather than a help to the industry, and have shaken the confidence of a large number of people in the Board constituted as it was.

The Director of Agriculture says that the Board has no inherent fault, but constituted as it is it cannot function properly in the interest of the industry. The members of the Advisory Committee are all competitors in business. How can they give advice to the Board when their own interests would be prejudiced? The whole thing is inherently wrong. It cannot be expected that members will go there and give advice that will affect them in respect of contracts made or about to be made. I suppose that there are Regulations which allow meetings of the Board to be held in secret. Recently a matter came up for discussion and it came out that certain things were done because one or two persons would have been affected. I drew the Chairman's attention to the matter at the time. On one occasion when the minutes were wrongly written a member admitted that they were not correct, but a correction was not made. I was so annoyed that I left the meeting. I only sat on that Board because I was there for the purpose of exposing those things and to see that the Board was abolished. Conscientiously I could not sit there, but I remained because the Board had great authority and had nearly ruined the rice industry. I make these statements here because I feel very strongly about them, and the sooner Government abolished the Board the better for all concerned.

Reference was made to cut-throat competition. I think the word "cut-throat" has lost all of its effect; it has been repeated over and over again. Competition

is the life of business, and while I agree to some extent that there should be some regulation of the export trade in rice I am open to conviction and to agree with the majority. The Hon. Mr. Mackey suggested that there should be an exporter's licence of \$500, while on the other hand the hon. member for Western Berbice (Mr. Peer Bacchus) said there should be no licence at all. I think there should be a nominal licence, not a licence which would give a monopoly to any particular group or interests. I think every person who intends to enter into business should be licensed. The amount of the licence should be arranged by those interested, but I do not think it should be anything like \$500. I agree with practically all that Mr. Mackey has said, except the amount of the licence. He did not, however, make it quite clear whether he was in favour of a total abolition of the Rice Marketing Board, but I hope when the question is put he will agree to its abolition. I hope we will all agree that the Board should be abolished. When the Board goes I have every hope, as was mentioned by Mr. Mackey, that the merchants will invest money in the industry. I agree with him that when a man invests \$50,000 in an industry he should decide how it should be controlled, and not a Board composed of disinterested parties with no knowledge of the trade.

I am confident that when this Board is abolished—which I hope will be immediately—the growers, millers, middlemen, merchants and all parties will see that there is something to work for, the industry will be rehabilitated and we will have at least 60,000 tons of rice for export. That quantity is what the markets around British Guiana consume annually. When we have been able to supply 60,000 tons to those markets then some form of control may be introduced whereby competition with India might be eliminated, or some mutual arrangement might be made with the East. There should be no control until then. Healthy business competition will give us the best prices possible, and I say this from actual working experience and close study of the problem. Before the Board came into existence I was engaged in all phases of the rice industry. I am so engaged at the present time although I am so disgusted that I am endeavouring to give it up

entirely; the problems become more and more perplexing day by day. When the industry is on a better footing and we have three times the quantity of rice we have now for export, the question of control should be taken up, but that will be at least 10 years hence. I estimate that it will take us 10 years to produce 30,000 tons for export. If in fortuitous circumstances we are able to produce it in a shorter period—and I do hope we will—and Government pursued a vigorous policy I have no doubt we will be able to produce 60,000 tons within 10 years, but several factors have to be considered.

What has been the position up to the present? Government does not help the industry in a real practical way. A motion was passed in this Council for the establishment of a Bank to aid agriculturists, but for some reason or another a Bank has not yet been established. When enquiries were made at the Colonial Office we were told that no recent request had been made by the British Guiana Government for the establishment of a Bank. I should have thought that this Council having passed a resolution for the establishment of a Bank it would have been considered and acted upon. These are the mysteries of Government, which have been responsible in a great measure for the present state of the rice industry. I am inclined to believe, and I am 99 per cent. certain that the capitalistic interests here are not quite in favour of Government establishing a Bank. I may be wrong, but that opinion is based on statements I have heard from time to time, and statements I have been able to obtain after cross-examination in some instances. In the Rice Committee's report vague recommendations are made about a Bank. We could not get a majority on the Committee, constituted as it was, to do something precise.

My friend on my left, the hon. member for Western Essequibo (Mr. Seymour) will certainly tell this Council something about Essequibo. I happen to represent some portion of Essequibo, but he probably thinks I should say nothing about Essequibo. My constituency is in the County of Essequibo, but perhaps it is fortunate for me that no rice is planted there. The County of Essequibo requires a great deal of help of the right kind, and I am very hopeful that something will be done, that

some result will accrue from the investigations of the Committee that has been appointed, and that the report of the Committee will be faithful to the terms of reference. I hope that something will be done because I have been very familiar with conditions in Essequibo for over 20 years. It was a sorrowful day when the Imperial Government refused to give half a million dollars to aid that County. Now Government will have to spend at least a million dollars to rehabilitate it in some respects. I think \$300,000 was asked for and it was turned down by a stroke of the pen by our bosses in Downing Street. I hope that the rice industry in Essequibo will be the means of giving Government precise information as to how the industry should be run and helped in the future. To say at the outset that we must mill something that is produced and transported under bad circumstances is to start from the wrong end. There have been persistent requests that milling should be improved. It should be improved, but not unless the planting conditions and reaping conditions are improved. I know that it has been sought repeatedly to throw us off the right track by suggesting that we should start with milling and export. The export end has shown disastrous results. To start from the milling end would also prove disastrous. We have to begin with the land and see that the rice is properly threshed, transported and put into the mill, and then we must improve our mills. When I look around and see the whole country flooded as the result of abnormal rainfall I am inclined to think there is something seriously wrong somewhere. To help the industry Government must start with the land and see that it is suitable and properly drained and irrigated. We have to begin from the beginning before we can see some hope of progress.

I am submitting that there should be no Board. I am inclined to support the amendment moved by the hon. member for Western Berbice (Mr. Peer Bacchus), that the Board should cease to function and the present Ordinance repealed. As regards rice grading I think there is more than a difference of opinion. I think, if I understand my friend on my left (Mr. Peer Bacchus) correctly, he is opposed to rice grading also. I am not wholly opposed

to rice grading. I am opposed to the present Grading Regulations because they have been made to conform to the Rice Marketing Board Regulations and the Board itself, and will not work satisfactorily. The industry has been ruined, and the production of rice for export has been reduced by at least half. There should be a little less rigidity in the grading of rice, and I think Government should revert to the 1933 Grading Regulations which would work satisfactorily. The Rice Association recommended that. Unfortunately that Association is dormant because none of its requests has been given consideration. It was active when a certain gentleman was at the head of it, but immediately after he left it the Association became dormant. Only certain people in this Colony can do certain things, and what hurts the majority of people here is that those are the trusted officers of this Government. While it may appear on the surface that the finances of the country have improved somewhat that is only so because ordinary maintenance works have not been carried out. For instance roads, buildings and necessary social work have not been looked after. I hope Government will exploit the possibilities of the rice industry to the fullest extent, and it must do other things as well. I am concerned with the progress and development of the country. We have to begin at the beginning and rehabilitate an industry which has been put in a bad way. I hope when the motion as amended is put it will be carried, and that something will be done promptly to repeal the Rice Marketing Board Ordinance.

Mr. MACKAY: The hon. member who has just spoken said that my idea of fixing the exporter's licence at \$500 would tend to create a monopoly. I would like to assure members of the Council that that was not my intention at all. My whole idea was to put a stop to speculators whose activities, we all know, are not conducive to fair and legitimate trade.

Mr. PEER BACCHUS: I have been advised by the Law Officers of the Crown that it would be difficult to give expression to the amendment I suggested, as it would be a direct negative to the motion and might be ruled out of order. I have therefore come to the conclusion that I should withdraw my amendment.

Mr. SEYMOUR: Unlike my hon. friends, I cannot say I am happy, but I am certainly not downhearted. Here we have the report of a Committee which spent a considerable length of time in going carefully into the whole history of the rice industry. I am quite sure that Government will give it the consideration it deserves, but I fear that the industry will go from bad to worse. It is difficult for me to stand here, knowing the industry as I have known it since 1924, in all its ramifications, and consent to our putting the clock back 5½ years. In your Speech, sir, you referred to unanimity. You will never get it. But there is unanimity on the Committee—12 to 1. If that is not unanimity I do not know what is. There was only one dissentient, a member who made a minority report and who admitted this morning that the man who shouts loudest and longest must win. I do not shout; I go along quietly, but probably I am wrong. In 1924 we were getting \$7 and \$8 per bag for rice, but as time went on there was a gradual decline. The hon. member for North Western District (Mr. Jacob) has referred to a short period in order to show the machinations of the Rice Marketing Board. I will go back to 1925 when the export of rice was 6,000 tons valued \$75.74 per ton. In 1926 we exported 2,900 tons valued \$74.86 per ton; 1927, 11,000 tons valued \$63 per ton; 1928, 18,000 tons valued \$61 per ton; 1929, 14,000 tons valued \$62 per ton; 1930, 28,000 tons valued \$48.51 per ton. In 1932, the year in which the Rice Ordinance was brought into operation, we exported 28,000 tons of rice at \$41.50 per ton. In 1933 we exported 29,000 tons, but the price fell to \$35.79 per ton. The hon. member does not wish to count that year. In 1934 we exported 14,000 tons valued at \$39 per ton. That was the year when we had no rice to export owing to the disastrous flood. In 1935 we exported 10,500 tons valued at \$45 per ton; 1936, 20,000 tons valued at \$39 per ton; 1937, 18,000 tons valued at \$41.70 per ton.

When Lord Olivier came out here in 1929 we were exporting 114,000 tons of sugar, and as the result sugar was granted a preference in 1932, and an extra preference in 1934. Sugar exports reached the peak in 1937 when we exported 180,000 tons. Had the rice industry received similar treatment, or anything like the

same consideration, we should not have been debating the subject this morning. I have always been a strong supporter of the sugar industry because it is the main spring. The only other economic industry of the Colony is rice, and they should be co-partners. It is odious to compare the conditions of sugar and rice without taking these factors into consideration.

Things became so bad as the result of the healthy competition we hear about that I suggested a licence of £100 for rice exporters, but the Government of the day in its wisdom (in my opinion non wisdom) turned it down. I went to Trinidad in 1930 or 1931 and sold rice at \$4 per bag. I had to sell it on a sliding scale on account of this healthy competition, but another man from the Essequibo Coast went over and sold at \$3.80 per bag. Another big fellow got the wind up and sold at \$3.60, and so did I. That is one of the primary reasons why we should stabilise the price. We produced a Marketing Board. I was not enamoured with the young fledgling, but I decided to give it a fair trial. I contend that I was roughly treated by Government at the time because my suggestions were not considered. Then came the rebaters. I was knocked off the Marketing Board for giving rebates, just because I told the truth. Others told lies and got away with it. Wherever there is any form of control there is always somebody to dodge it. It is only human. Since the time I returned from Trinidad and gave the show away there has been no secret rebating whatever. There is a reason for that secret rebating which I do not think anyone has thought of. Secret rebates arose from many factors, and one of the most contentious is this: I have 20,000 bags of rice, the Marketing Board says I cannot sell below a certain price, but I cannot get that price and I want money. What must I do? In the Rice Committee's report provision has been made to rectify that. The real producer knows nothing at all about the Committee's report. As a matter of fact 80 per cent. of the producers have not the foggiest idea that there is a Committee's report, yet we are told by certain members that they represent the small producers. They represent the speculators.

It is idle to suggest the abolition of

control. The Empire was built up on free trade, but many years ago the slender free trade had to go. We have barriers, quotas and boards to-day, and there is always a tendency nowadays to foster industry by some form of control. My friend is enthusiastic as regards the coffee industry, but there must be some form of control to help that industry. His argument about control is nullified, because in one case he says the coffee industry wants assistance by some form of control, while on the other hand he says that the rice industry has been ruined by control.

The Council adjourned until 2 p.m. for the luncheon recess.

2 p.m.—

Mr. SEYMOUR (resuming): When I broke off this morning I was dealing with the fact that the Board was not in a position to finance exporters who had large stocks of rice on hand and could not sell. My friend on my right (Mr. Jacob) is more or less confirmed in the opinion that free trade will remedy the parlous situation of the rice industry. For my part I am equally convinced that free trade will not cure it. I want to go further and analyse the accusation that the Rice Marketing Board has been responsible for the whole failure of the rice industry of this Colony. It is a very serious statement, and if I thought I could agree with it I would be the first party to say so to-day. Let us analyse the operation of the Board in 1933. We had the hon. member for Essequibo River (Mr. Lee) stating that the progress of the rice industry is due entirely to luck. I wonder whether he is acquainted with the figures pertaining to rice for the islands of Leguan and Wakenaam? I do not think he is. These are very interesting figures. To go back to 1933, we find that the Spring crop of Leguan and Wakenaam showed 3,816 acres under cultivation producing 35,964 bags of padi, and the Autumn crops 5,000 odd acres producing 92,000 bags of padi. I want to emphasise that 1934 when we had a flood there were 3,445 acres under rice cultivation in those Islands and the yield was nearly 38,000 bags of padi for the small crop and for the big crop they planted 4,655 acres and got a return of 97,000 bags of padi. In 1935 they planted a little less—2,884 acres for the small crop and 4,944 acres for the big crop—and

their returns were 30,162 and 108,077 bags of padi respectively. In 1936 they planted 3,382 acres for the small crop and 4,699 acres for the big crop, and got a good return of 98,000 and 112,000 odd bags of padi respectively. Last year (1937) they planted a little more—3,926 acres for the small crop and 5,784 acres for the big crop, the largest ever planted in those Islands—and they got a very fine yield, 43,222 bags of padi for the small crop and 134,000 bags for the big crop. It will be noticed that the big crop of 1933 yielded 92,000 bags and that of 1937 the record figure of 134,000 bags. There was no decline in the cultivation in those Islands but a gradual increase during those years.

Unfortunately on the Essequibo Coast conditions have taken a different turn. Our acreage has dropped, not, however, through the Marketing Board. Every bag of rice we could get was sold. There was no rice we have had during that period since 1933 that the Marketing Board has had to do with, that we were not able to get rid of. In fact we could not get enough rice to supply our needs. The reason for that is the low price to which the commodity has fallen. Able-bodied men are not going to plough the land twice a year and get nothing from it. That is the cause for the ruinous condition of the industry on that Coast. Following are the returns of the Essequibo area for the period under review: For the Autumn crop of 1933, the yield was 9½ bags per acre and for the big crop 17½ bags per acre. In 1934, the yield was 7 bags per acre for the small crop and 16½ bags per acre for the big crop. In 1935, the yield was 14 bags per acre for the small crop and 15 bags per acre for the big crop. In 1936, the figures were 11½ bags per acre for the small crop and 15½ bags per acre for the big crop. Last year (1937) the yield was 9 bags per acre for the small crop and 15 bags per acre for the big crop. Those figures prove conclusively that in a large amount of the rice cultivation area the grower is trying to get something that we cannot get, and that is two crops a year. Two crops a year have resulted in our downfall. When we first started we got 16 to 20 bags per acre for the small crop and 30 to 35 bags per acre for the big crop. The majority of the people are trying to make a living out of

rice-growing alone, but the rice-growers of Leguan and Wakenaam are in a different position. Their returns for the last big crop showed 25 bags per acre. Leguan and Wakenaam are in a better position than the Essequibo Coast in many ways. They have better facilities for transport to Georgetown, and also a trade in fowls, vegetables and milk which is denied the Essequibo Coast. It is therefore possible for the people of those Islands to make a living otherwise and to cultivate more rice.

There is another historic fact attached to the Rice Marketing Board. I am not here to defend the Board, but it has met with trials and tribulations and difficulties and has been able to surmount them. The Rice Marketing Board has had what I may call "a run of handicaps." It started all right but that did not go very far. I have my doubts of the people who run it as being the right people, though I do not doubt their honesty of purpose and I give them credit for having done their best. In my opinion, which I have expressed before, they were not the people who should have comprised the Board, as they were people who knew nothing about the industry and should not be entrusted with the handling and selling of rice. The Chairman has said in reply to me that he knows nothing about rice, and I was convinced that he knew nothing about it indeed. A certain amount of criticism can rightly be levelled against the human element of the Board as regards its constitution and its advisers. The Board did not get the advice it should have got because of the personal pull; personal gain clashed with their side of the question. I know that the Board had to face considerable difficulty in respect to securing markets abroad. The Board started rebates but had no power to handle them. The Abyssinian War broke out and we began to sell our rice largely to Trinidad and Barbados, but we were handicapped in the Islands of Martinique and Guadeloupe. Trinidad as the result of that war imported unusually large shipments of rice from India and Burma in the wrong belief that the war would have lasted for a long time and money would have been made on the stocks in hand. They bought rice wherever they could. Consequently the whole trade was in a chaotic condition.

I could not sell one bag of rice in Trinidad. They had to form a pool themselves to prevent us dumping rice on them. They could not take any more rice into their own market, and to save themselves they were glad to form a pool to co-operate with the Rice Marketing Board. But the Board in its wisdom did things which they ought not to have done. We often judge ourselves and judge every other person accordingly, and I am going to do so. The other person's point of view does not matter to us. We should try to put ourselves in the other persons' shoes and to view a question from their viewpoint. I do say that the Board did what was thought best for the conditions then existing. Tariff walls had been put up against British Guiana rice in Guadeloupe. Had not these and other difficulties arisen, the Board would have had no necessity to dabble in salesmanship.

We in Essequibo, faced as we were with our rice locked up, were forced to send a deputation from our Rice Association to the Islands to investigate conditions. This was done with the Board's sanction, and at our expense we kept the Board in touch with our activities. The ultimate result was, we were able to place 8,500 bags of rice on the Trinidad market. By our initiative we were able to get into that market with a better grade rice. Accusation has been made that we were favoured, but we were no more favoured than anyone else. The Board sent out a circular asking for stocks of rice on hand, so that they could know what could be supplied for export and what quota should be given. When I heard about it I endeavoured to find out how it was being done, as knowing some of the people as I do their stock would go up 200 per cent. I got in touch with the Board and informed them that the method adopted would not do and they must make the people swear to an affidavit on oath as to the quantity of rice they had on hand. The Board did so, and of those in Essequibo I was the only one who had not as a result to change my figures. These are facts. Some backed out altogether as they were afraid of the affidavit, and rightly so. If we can only get honesty of purpose in our dealings with the rice industry, then we need not continue to let off hot air because of the situation which is but a nightmare.

You, sir, have heard it expressed here and elsewhere about the situation in Essequibo, but your efforts in the matter are doomed to failure if you are going to lose control of prices for the industry. You must have some form of control. It would be impossible for any concern such as a Central Factory, either sponsored by Government or run by others, to combat the situation without some form of control. It is going to be handicapped. Certain men have stated even in their evidence before the Committee that in the past they had taken 100 bags of rice to Trinidad or Barbados on a schooner, and on finding no market when they arrived they proceeded to sell their rice by the gallon about the street. It does not matter how organised you may make the industry, if you are going to have these people who speculate by buying rice in a cheap market and selling it abroad, the industry is doomed to failure. It costs these people nothing and they only make a living which suits them. This is a free country, and I suppose they have all right to do that. If, however, we are talking about organising the industry it must be with the idea of producing the greatest good for the greatest number. I do not understand that a couple of men should be allowed to "take off their shirts" and upset the industry.

If Government can erect twelve central factories in this Colony the whole problem will be solved. There will be no need for legislation, as they will form one unit of thought, one unit of salesmanship, one unit of bargaining, and one unit of control. It is idle trying to develop the industry in any other form, if it is going to be of a slow process. The market is open, and I warn Government that the position of the rice industry instead of getting better must get worse. I wish I can from my experience see it otherwise—see that before control came in things were booming, we were at the peak of prosperity and were selling our rice at a good price. In that case if I can see to-morrow a Free Trade movement I will willingly join it because I will be justified in shouting that slogan, but I say I beg to differ. I am not going to thrust my views down anyone's throat, but what I do say is, that if we knock away control and allow free trade Essequibo is doomed. I am afraid she is on her last leg and will be for a few years

longer trying to make the rice industry of this country pay.

On this report of the Committee we took many days. We had to develop no less than four different forms of reports to arrive at this one which has been submitted. My hon. friend (Mr. Jacob) said he would get up a report, but he failed to do so. He could not do it. One of the most difficult problems to be set a committee was that set this Committee. The Director of Agriculture has stated that the position is full of difficulties. If, however, we are going to allow that word "difficulties" to knock out in one sweep our control of the industry, then we have no statesmanship, no brains, no intelligence. There is nothing in difficulties. I like difficulties because I like to try and solve them, but to tell me that sitting here as we do, we cannot accept the report of the Committee as it stands and we cannot do otherwise than abolish the Marketing Board, does not show statesmanship. We agree that the Board should be abolished. I myself fail to see that it serves any useful purpose.

The next point is that of finance. Government has rather let us down. Government says "You have to go on with what you have. Do not expect one penny from Government." We do rely on ourselves in building up the industry under these conditions. The idea is that there should be a Central Clearing-house, which is undoubtedly an ideal thing for the rice industry of this Colony. If, however, you have a Central Clearing-house, who is going to finance it if Government says it is not going to? It is not enough that they have the stock; anyone financing it will want control of that stock. My hon. friend did not support the Committee though his firm's representative had signed its report. I will not sign a document and go back on it; I will back it up tooth and nail. No recommendations had been given other than the doing away with the Marketing Board, and I appeal to Government not to rush this thing but to give it more grace and further consideration. I have a last suggestion to make in regard to the industry, and I desire to emphasise it. The majority of people engaged in the industry feel that it is necessary to have some form of control,

I shall now pass on from the Marketing Board, as I am in agreement that it should not be retained, whereas in the Committee we endeavoured to get the market controlled within the purview of this concern. There is much ground for reasonable criticism. The Board was quite big enough and representative to try and be elastic, but the difficulty was that it was not elastic. We found that we came up against competitive prices and were not elastic enough to close deals. Government should further consider what action it is going to take with this industry before attempting with one foul sweep to dynamite the Board and control of the industry. It is now suggested that the Board should become an advisory body. We do not want an advisory board, we are not children. Do you know that I can tell you the position of the Trinidad market by cable? Do you know I can tell you the position of the whole West Indian trade within a day? I am not in touch with the prices ruling in India, but I have to be in touch with the prices ruling in Water Street. The establishment of an Advisory Board is the most absurd suggestion I have ever heard. We sell our rice for what we can get. What do we care about prices if it is free trade? It is ridiculous that people can suggest things of this nature. It only shows that they do not know the position that obtains in the rice industry. If I have no intelligence to sell my rice in the open market, I do not know that anybody else can. Do not attempt this stupid idea, it is without any reason at all! We do not want to get advice when anyone is allowed to sell rice anywhere and anyhow. An adviser is essential to the Rice Marketing Board and possibly necessary. In our concern we do not want any advisory board; we are strong enough and big enough to advise ourselves. It is all a multiplication of efforts instead of a centralisation of efforts that caused a split between the Advisory Board and the Marketing Board in the past. I will be no party to an Advisory Board taking the place of the Marketing Board, if the recommendations set out here are adopted by Government. I have heard someone say that we should stop all consignments, but no reasonable school boy or school girl will tell you to do so when you have an open market. It is ridiculous. I have never heard in all my life that anyone engaged in the industry wants to stop

consignments. On the one hand you open the market, and on the other hand you are stopping consignments. That is certainly some idea of running a business. If I want to dump my rice on the market at \$1 per bag, no one can stop me.

I now come to grading, which is one of the Director's pet hobbies. We are the only country in the world to attempt grading of rice. India does not bother to grade its rice. America does grade but only on request; they will not attempt to grade Nos. 1, 2 and 3 rice, save as cattle food. We forget that we are providing rice for a cheap market. Something had to be done as we had a Marketing Board, and as a result we have "Grading." Difficulty sometimes does arise in a difference of .556 in the grading of cheap rice. Now tell me, sir, why we want grading when we have an open market? The Grading certificate is waste-paper, and I have to pay for that waste-paper. Long ago I put a brand on my rice and that brand is known in Trinidad and Barbados. That brand is sold in Barbados on itself and not on its being super or non-super rice. I have sent rice over to Trinidad as "super" and it was graded "No. 1" but they paid me for "super." I have no complaint like my hon. friend has about grading. I have found the grading officers always willing to co-operate. They work on Sundays, and I have known them to work at nights. If you go in and say to them, "Get this and that done," you may not get it done, but if you go in quietly to them you will get what you want done. I therefore regret that my hon. friend, Mr. Lee, came up against difficulties and had excuses made to him. I have no grouse against the Grading officers save that it costs me another nine cents per bag through grading. If we are going in for free trade let those who want grading do so at will. I know a certain section want grading. There is always reason why, and I want to analyse that reason. In the open market you have speculators who trade with a couple of bags of rice. They buy No. 1 rice, which is usually much better than that grade, and get a certificate for Extra No. 1 grade. Their profits go up while the price to the producer remains down. It is only to benefit those who sell rice that the grading certificate is issued, not the poor

producer. Am I to be a party to that? They tell you on the one hand to open the market to free trade and on the other hand they want a certificate from Government, to take cover under Government. I am sure that is not the intention of Government.

I speak on behalf of the Rice Association of Essequibo, and I have been asked to state that if you are going to have no Marketing Board let everything go. If certain people want grading let them have it and pay for it, but do not let me pay just to have a scrap of paper. Government has to be just as fair to one as to the other. If grading is going to be forced on us it would be most unjust and unnecessary. If you want to have grading, let it be like in America for those who desire it. Let those who want it pay for it by all means. As we stand to-day, we can sell our rice in the open market on our own registered brand, but we have got to fall into line with grading because the other people will not do like us. If we are going to scrap one thing, we must scrap everything. I think it is the hon. member for North West District (Mr. Jacob) who mentioned that after a while we should get together and go to India and ask them to give us a quota. Well, he is talking very much in the air. Rice trade in Burma or India is not controlled by the Government but by the people. Who are we to dictate to Burma or India as to what they must do? We have to build up our industry and must do so along competitive lines whereby we can compete with India and Burma. I am strongly opposed to grading if the Marketing Board goes. It may be possible to postpone everything for a year and have free trade in our highest grade rice, so as to see what the reaction will be. We may control the prices and allow large quantities of rice to go out in the open market. That may be a solution of the problem, as it will protect those parts of the country which produce good rice and endeavour to make a standard grade of rice. In Essequibo we make good rice and endeavour to maintain a standard grade of rice. There is one other alternative to what the Committee has suggested, and that may solve the whole thing. Postpone everything for a year, not necessarily scrapping the Marketing Board and its machinery but hanging them on the peg.

Give them a holiday for twelve months and go to free trade, and see what will happen. No statutory Board can effectively control prices. It is only stability that we want in this country in order to succeed. We all know that no control can affect the world market prices. I throw that out as a suggestion. We may hang the Marketing Board on the peg and resuscitate it on a date to be determined after experience in the world market.

There is another point at which I am very much surprised. The Committee had made recommendations with respect to the mechanisation of the industry, on which there was no difference of opinion. Every member of that Committee felt that the time had come when the industry should make progress and not remain in a rut as it is to-day, but no mention is made of that. We are left in the dark. Perhaps Government may before the close of the session enlighten us on that point.

I come now to pure line seed. We have talked about pure line seed until I have dreamt about it. Pure line seed is only one of the minor stunts of the rice industry to-day. It has played its part and will continue to do so, provided other things go along with it. It is only a very small factor in the development of the rice industry in this Colony. In India pure line seed is not an important factor. I have bought padi from Government at Anna Regina, the padi may have been all right but it did not make good rice. The rice was very poor stuff. I do not, however, blame the padi altogether. Though the padi had something to do with it, what had a lot to do with it were weather conditions and mode of threshing. In India it is totally different. There is the dry season when the people dry the padi in the fields; it is then conveyed in open boats to the mills. There are only twenty mills in Burma, while we have over two hundred in this country. The padi is then carried in baskets or buckets to the elevator which takes it to the bin. They have no trouble in reaping. We have all the trouble in the world. I claim to have some of the finest pure line seed padi, and the rice milled from my own fields is almost black. How can we go on trying to fight the elements, to fight nature in the old primitive way? It cannot be done. So much is said about pure line seed padi that it is refreshing to

read the recent Burma statistics, that out of 75 million acres of rice only a half million acres have been planted with selected seeds. I bought a ton of it from Calcutta. Therefore while I support pure line seed padi I desire to say, I rather see the money utilised in Essequibo in other ways. We have grown pure line seed padi in Essequibo for years. When Professor Dash came here, I think I was the one to supply him with bags of pure line seed padi from my estate, and that padi went all over the Colony. I admit that pure line seed padi plays a minor part in the industry, but what we have to face and must face is better threshing—threshing by threshers—proper fields and proper drying. Those are the things we should develop. It is the raw material which counts. We have got the padi but cannot make good rice. Those are factors which must obtain in the preliminary development of this industry. In regard to the field, mechanisation of the industry must be done. It is being done in every part of the world, but I have been told that it cannot work in this Colony. Those people who say so can give no tangible reason, however, why it cannot work here. I ask Government to let us have it in Essequibo, as some of the thousands of acres not in cultivation there to-day can be utilised profitably. If the rice produced fetched only \$1 per bag and you had under cultivation around 4,000 acres it would result in about \$100,000 being put into circulation.

If the rice industry of this Colony is to develop, it must be run on the same lines as sugar. It is no good talking about growing rice on mechanical lines of the best when we cannot get proper irrigation and drainage. There is no drainage in Essequibo. I was only up there last week seeing what can be done in that respect. There is no place where you can be safe. During the early part of last year the people lost all their crop. What is the use of talking about expanding the industry when you have thousands of acres available but useless just for want of drainage? There are so many points in the development of this industry which are being overlooked. I will not say purposely, but what I will say is that they do not care, they do not worry. The distribution of pure line seed padi will not save the industry though it gives good results. When you come down to the real

fact of development we are still traversing in the mediaeval age. No one will listen to me. I have preached this, year in and year out. I have sent in recommendations but all to no avail. I know the opinion of the hon. Professor is that mechanisation will only help a person like me. What an angle to look at it? It is the width and length of Barbados. (laughter).

Professor DASH: I rise to a point of correction. I cannot recall having said anything of the kind.

Mr. SEYMOUR: The hon. Director told me it will affect the small man with a vengeance. This is called a wonderful country, but our wish to progress is stultified; we are kept back by those who are here to-day and gone to-morrow. The people who sweat on the brow to develop the industry should surely be the men whose advice should be sought. Until that is done there can be no progress. At the last session I advocated here that we should have a Board of Progress, a proper Board, so that we can get some form of continuity of purpose in the development of this country. As leaders of the people we are a hopeless body. We never consult on what to do. I stand here alone to-day; nobody has asked me or said a word to me. We all act individually. I knew nothing about Mr. Eleazar's motion on the railway. I came here like a lamb going to the slaughter-house. We are a lot to be blamed. Why we conduct ourselves in this insular fashion passes my comprehension. We can never hope to progress like that. If only we can get some form of association as there is in Jamaica—the Imperial Association of Jamaica, a live-wire body which Government has to and does listen to—we will get a move on. I am sorry that no mention has been made about mechanisation.

I am not going to dwell very much on the last item, the proposal about central factories, but I do say as the hon member for North Western District (Mr. Jacob) has said, there are other parts we must bear in mind. Essequibo has benefited by the Marketing Board, and I speak from knowledge and without fear of contradiction. If we can go carefully, not necessarily slowly, into the ways and means of possible development of the industry by

mechanisation and improvement of factory and all conditions of that nature, then we may make progress. As long as we come here year in and year out and just mark time in the same old way, there will be nothing done. We were doing better in 1924 than to-day. We must get together and endeavour to co-ordinate in solving this question. I am glad to hear Mr. Austin say that the sugar industry will do all in its power to help the rice industry. I do ask you, sir, to give consideration to these points I have advocated, and I will like to hear at an early date whether Government is prepared to go further and adopt other methods in trying to bring about the desired goal. Give us central factories, better irrigation and drainage and you need not go any further. (Applause).

Mr. SEAFORD: I must admit that I am more perplexed than when I came in this morning. I have never had anything to do with rice except to eat it. I have heard rice talked of in this Council year in and out, and it seems to perplex the whole Colony. I have tried to get opinions from "big people" in the business and from "small people" in the business so that I can be guided by what they say, but I can see no daylight at all because I can never get the same opinion from any two men. I have just heard speeches made by experts in the rice business, but I have heard no two alike. If, therefore, I have to vote in this matter I do not know how to vote. I am hopelessly at sea. I speak as one who knows very little but does his best to do the right thing. I must admit that I am perplexed. But there are certain things which must strike anyone, and the first that strikes me is this question of grading. I think one hon. member said grading is not done anywhere else in the world. I cannot help feeling that if you are going to maintain a standard—and it is in the interest of any industry to maintain a standard—you are bound to have grading. You do not want your product to get a bad name in the markets of the Islands or anywhere in the world. I feel that if anyone is allowed to ship anything he likes, this Colony will get such a bad name that even when we do have a large surplus of rice for export we are going to have very great difficulty in getting rid of

that rice, because we are going to be told as in the past that they cannot rely on our rice being up to any standard at all. For that reason, as a layman, I feel that there should be some method of grading, and naturally one which is going to cause as little inconvenience as possible. I feel that grading must be carried on.

Then there is the question of the Rice Marketing Board. I do not think anyone will be against the Board if the name is changed. The name seems to have tentacles around it and everyone is afraid of them. I suggest that the appointment of a Rice Assistance Committee might be better as it has not got a bad name like the Board. Although the big people in this business know the prices and get them, I feel that the "small man" does not always know what he can get for his padi or rice. I suggest that such a Committee may be of use to the "small man" in helping him to know what he ought to get. It will be a real pity to let all the statistics the Board has collected in the past die altogether. One does not know if those statistics would be of great value. I cannot see how anyone can object to a Board or Committee, if it has no power to control the selling of rice or no power to control the producer or prices, and is there only to give advice (if asked for) and to deal with statistics. If it is kept like that I do not see any cause for objection.

The other point is the question of the licence for exporters. I express no opinion as to whether it should be \$500 or \$5, or whether it should be imposed or not. I, however, say this: Many years ago when the producers came and asked Government to help them, the cause of all the trouble then was that men got a schooner and took a few bags of rice to Trinidad and sold their rice at any price—at absolutely "cut throat" prices that compelled other people to sell their rice at prices which were non-remunerative. This "cut throat" policy went on to such an extent that the producer had to ask Government to step in. I believe that was the origin of this Board. If the rice producer does not want fixed prices, by all means let it go. Let them have just what they want. My own opinion is, that one does not know what they want. I cannot

help feeling that this under-selling policy is bound to be reintroduced if Government allow people to sell where they like and for what they like. I am sure that it will not be very long when the producer will come back to Government and ask to be helped. We are so often apt to consider the "big man" and not the "small man" who wants protection. The "big man" knows his price, knows what he wants and usually gets it. He is, however, not the man who is turning out the rice in the Colony. It is the "small man"; and he is the man I think Government has to protect. I think that if Government forms a Board or Committee there should be people on that Board or Committee who will represent the "small" man and not leave it entirely in the hands of the "bigger" man. As I said at the beginning, I am no wiser than when I started, but I feel certain that there are gentlemen in this Colony and gentlemen in this Council who, if they will, instead of getting up and finding fault can put forward suggestions to Government to help the industry, and I know if that is done—and I know it has been done—those suggestions will be considered in every possible light. I do not know why it is felt here that Government does not want to help people, because when all is said and done there is no getting away from the fact that the rice industry should be very much greater than it is and could be greater.

The one way to help the rice industry, I think it has been mentioned before by the hon. member who has just taken his seat, is by irrigation and drainage. We perfectly realise that the rice crop is going to suffer this year. That is to be expected. I do not think it is fair to blame anybody for the decrease in exports. As we know there was a set-back in 1934 when we had the flood, and we are going to have a serious set-back now. As I have said we are all anxious to help rice, and on behalf of the sugar industry I desire to say that we are anxious to help rice; we do help by giving people acres of land at a nominal rent and in some cases free. All I do ask is to let the rice producers, small and big, help themselves; let them try and get together and let us know what they want instead of fighting with one another and getting nowhere.

Mr. ELEAZAR: I do not intend to speak long. I have only risen to say that when the motion was originally before the Council to formulate this Board, another member, who was here at the time, and I could not see the principle upon which the Board was being formed and we so told Government. Government's reply was that the people were asking for it and what reason we had for interfering. Now that they have got what they wanted they do not want it at all. Taking the evidence all around there is need for control; the control that Government has given is too little. I agree with the hon. member for Western Essequibo (Mr. Seymour) in everything he has said except when he felt that the whole Board is corrupt. I do not think he meant that, but that is what his words meant to me. I also agree with the hon. member for Georgetown North (Mr. Seaford) in all that he has said. They do not want lawyers in the business, but lawyers can teach them how to carry on their business. If you call it an advisory board or any other name, it is intended to advise Government as to how it would be able to assist in the carrying on of this industry. As far as I can gather if you cannot get your rice sold through a broker, who takes everybody's rice and sells it to his advantage as he gets a commission, the next best thing is to make the price of the licence much higher than it is, so that every "Tom, Dick and Harry" cannot be an exporter. Only the exporters who are making a lot of money are complaining and want Government to be a sort of fairy godfather for them. We do not hear about the difficulties of the producer. The producers do not know what is happening, if not, all of them would have been here. If Government is going to be a fairy godfather, Government must have some means of control to protect the producer. If it cannot be done by having a pool and the rice sold to the best advantage through a broker or two, then the next best thing is what the hon. member has said. I cannot see how a Board, call it an advisory Board or Rice Marketing Board or anything else, to give Government advice in the matter can be of any harm at all. That is what the motion before the Council seeks, and so I can see no harm in the motion itself. If I see it is going to be passed I will not

vote, but if I see it is going to be lost I will throw away my vote one side or the other. The rice people have disagreed among themselves; some want control and some do not. Government therefore has to decide which it will follow. It seems to me that more control is what is required. I think I have as much right to say that, as they have to say there must be control or no control.

Professor DASH: I wish to be very brief in bringing this debate to a close. I think we have all listened with a great deal of interest to all that has been said by the various members who have spoken, and what I intended to say in that direction has been already voiced by my hon. friend on my left (Mr. Seaford). It is the point Government has been making all these years. There is really no unanimity on anything connected with rice. Practically every speaker this morning and this afternoon has expressed himself differently, and so with that complexity of counsel the problem is made exceedingly difficult for Government to deal with. As usual we have had excessive warmth in certain quarters but not very much light. I regret the absence of the hon. member for Central Demerara (Mr. De Aguiar) and the hon. Mr. Walcott, who had a great deal to do with the organising of the Board and who would have been able to supplement what has been said in respect to the doings of the Board for and on behalf of the rice industry. The hon. member for Western Essequibo (Mr. Seymour) has also put in a good word for the Board, and I think, generally speaking, the feeling is that the Board has accomplished a considerable amount of good work on behalf of the exporters and the industry generally.

Some remarks have got into the debate in respect to the falling production in the rice industry, and the work of the Board has come in for a large share of the blame. There is no doubt about it, and here I agree with the hon. member for Western Essequibo when he said that low prices had a great deal to do with it. As I pointed out in my opening remarks this morning, the rice industry went ahead by leaps and bounds up to the time of the floods. The floods gave the industry a set-back from which it never recovered,

and following upon that there has been a rapid fall in prices through no fault of anyone at all, and it has been very difficult since then to pull ourselves back together. Rice is a short range industry and reacts promptly to falling prices, but it is different with a long range industry like sugar which does not react in the same way to a fall in prices. Anyone looking at the figures would see that the average price per ton had dropped from \$62 to \$41—a serious blow. That is sufficient in itself to cause the producer to pause.

Mr. JACOB: Please pursue that a little further?

Professor DASH: And so the fall continues. Occasionally there is a slight improvement but nothing permanent. There must be misunderstanding in the operation of a Board of this nature. The Board comes into contact with every exporter and to a large extent with purchasers abroad, and it stands to reason there must be in the long course of events a certain amount of misunderstanding here and there. I cannot agree that the Board has been guilty of any misconduct. If there were any mistakes they were genuine errors made in the ordinary run of human misunderstanding, and I do not think the Council for one moment would give credence to the personal partiality which has been insinuated against members of the Board by one or two speakers this morning. The hon. member for Essequibo River (Mr. Lee) made charges against the Grading Officers, but they have been repudiated by the hon. member for Western Essequibo. I must however warn him not to make such charges in this Council. I do not want to sound a discordant note in this respect. I think we are all very anxious to do everything we can, but I must deprecate the making of any charges which cannot be substantiated but are only circulated as the result of hearsay.

With regard to the use of an advisory body, I think it is sufficiently obvious that an industry of this kind affecting such a large number of people, a large percentage of whom are inarticulate as it were, needs such a body. The hon. member for Berbice River (Mr. Eleazar) has said that a good many of these people do not know what is going on—the discussions and the

various difficulties with which we are confronted. The more informed purchasers and exporters are able to fish for themselves and to look after their side of the picture. I do agree with him. Unless you have a Board there is no one specially charged with the duty of seeing that the grower or producer is kept fully informed of the general trend of the market, and of letting him know what he should expect for his rice. Those are functions which can be carried out and that very efficiently by some organisation like a Board. If you do not like the name "Rice Marketing Board" call it by some other name. Government will accept an amendment on that point.

If the motion as printed is accepted for the abolition of control in fixing the export price, then I think it naturally will involve some change in the composition of the Board. I do not think the Council wishes to go into all these details to-day. I think Government is only too willing and ready to consult with the interests concerned in order to arrive at some definite idea as to how any change of organisation can function in relation to any powers which may be given to it in the future.

There are a number of points which I can continue to detain the Council with generally, but I will not. There are, however, a few others which I must mention. I did not say much on this question of Rice Grading this morning because I thought we were all in favour of retaining it as a necessary measure in dealing with the trade. I do not think the hon. member for Western Essequibo is against grading. Being in favour of the adoption of a Brokers' Board and not having seen that accepted generally, he was rather inclined to make a clean sweep of everything. I do suggest to him that is not the right method of approach to the subject. We all know what excellent rice he makes and what he has done for the rice industry but that does not preclude grading from being an absolute necessity. We must continue to grade, and we must see our grades standardised and have definite relation to prices. If that is done, I consider, sir, that the rice industry still has a chance, provided we all co-operate fully and faithfully. Grading is an assurance that we sell to our customers just what they order and are paying for. There

are questions of detail in respect of possible changes in the Grading Regulations. These are simply matters for arrangement. I may say that the Grading Regulations as they stand have been amended periodically as requests come either from exporters themselves or from customers abroad, so that the system we have to-day is largely influenced by such representations. We go on, as experience is gained, in making changes to satisfy as I say the rice interests generally. There is much in the contention that very low grade rice is difficult to grade. I myself think that is so, and that the Grading Regulations at present in force may have to be reviewed in the light of past experience. So far as the Department is concerned we do not want to inflict anything that is difficult to maintain in practice. It is our view and desire that the industry should be helped as much as possible because, as I have often said in the Council, I see no industry next to Sugar which can assume the importance that Rice does in our life.

The hon. member for Western Essequibo referred to other features of the report of the Rice Committee. I did not go into any of those features this morning because it would have taken too long, and furthermore Government has not had sufficient opportunity to consider all the implications of those recommendations and how far it would be possible to go, but naturally as time goes on these various recommendations will receive full consideration and the Council will have another opportunity of dealing with them as soon as some decision has been taken or they have been crystallised in some form as to be acceptable to the Council. I will, however, just touch on two of the points the hon. member dealt with. That is in connection with Pure Line Seed Padi. I am sure he does not want to suggest that it is of trifling importance. I think we all know—certainly it is an elementary principle in agriculture—that if you want good yields and crops you must plant the best seeds. That is an elementary principle with which we are all familiar. In the East one of the troubles is that they do not have enough pure line seed padi and the yield is perhaps the lowest in the world, but on the other hand the milling is in the hands of large export organisations who have very large mills which mill rice of quality from padi bought anywhere. They have a wide range

of selection because the padi in Burma is produced on millions of acres and not merely on 50 to 60 thousand acres as we have here. I think I am right in saying that Rice for export is milled at certain central points. There are a large number of mills in India, but all do not mill rice for export. Here we have everything mixed up—old mills of rather poor efficiency with varying grades of rice for the padi we grow. This mixture is so totally unlike what obtains under modern conditions. It is much more simple where the milling is concentrated and on a large scale to have grading done on the spot. You do not have to bother with Government control of grading as we have to undertake on behalf of 214 rice mills. From the point of view of the grower, what he appreciates is that he gets a better yield from pure line seed, anything from two to seven bags per acre, which is worth him something. It is important to the producer and not so important to the miller or landowner who buys his padi.

So far as mechanisation is concerned, I think the hon. member has missed my point of view. What I said is that the capitalist is more likely to derive advantages from mechanisation than the man with his oxen and his plough. If you saddle what is obviously a small man's industry with overhead mechanised units you are going to kill that industry. If a man with capital is willing to put money in mechanised units there is no objection to it. Experience shows, and I do know that where you have mechanised units you also have in those same countries high protection tariffs. Take California and Australia; rice cannot be bought in those countries as we do here for one shilling per gallon. Rice is sold there for something like twelve cents per pound. It is only with such protection a man can afford to invest capital into the industry knowing that he is going to get a good return. In a country where the people depend on cheap food, if you have a highly capitalised industry the price of rice is likely to go up. That is the point around which I expressed my view. The capitalist is the man primarily to try out and go in for mechanised units. Nevertheless, so far as Government is concerned and as the result of the Committee's recommendations, such trials with mechanised units

may be developed. I do not think there is anything left for me to say. I have intimated that in regard to this motion, if the Council and those interested do not like the name of "Rice Marketing Board" perhaps the motion may be amended to read as follows: "That a Board should be maintained as an Advisory Body to Government in matters affecting the trade, etc." I think that with that slight amendment members will be willing to accept the amended motion as it stands.

Mr. JACOB: I crave your indulgence sir, to correct one or two things.

THE PRESIDENT: If it is a matter of actual correction of statements the hon. member is in order, but if it is to express any other views and comments he will not be in order.

Mr. JACOB: I have in my hand the report of the Director of Agriculture. My hon. friend quoted figures from page 5. He quoted just a few figures from Table 4. I would recommend a careful perusal of those figures. I have studied them and the list shows that the prices of rice during the control period were not lower than a similar period before the Board came into operation.

THE PRESIDENT: What statement are you correcting?

Mr. JACOB: My hon. friend, the member for Western Essequibo, said the price of rice had declined during the particular period. It was actually the same as before that particular period. My contention is that the price of rice had no bearing on the decrease of exports. There were other factors and the chief is the Rice Marketing Board.

Mr. SEYMOUR: What I said is that the export trouble of the Rice Industry has spread over a long number of years. The decline of the commodity had reached as low as \$39 last year. That is a very reasonable explanation for the decline in prices.

THE PRESIDENT: I think hon. members of Council find themselves in some difficulty in voting on this motion because a great many members appear to be in

accord with some parts of the motion and not in accord with other parts. It may therefore be convenient if I put the motion in three parts. As was explained at the beginning of this debate, this is not a motion which is intended to be rigidly binding. It is a motion largely moved in order to invoke discussion and to give Government an opportunity of ascertaining what is the general view on the position of the rice industry and what are the proposals for improvement. Some hon. members have complained that the Government is unwilling to listen to those who are experienced in the industry but relies on other advice. Well we have been listening to those experienced in the industry, and our difficulty is that hardly any two of them told us the same thing. I think that was apparent. I do not wish, however, to imply that the debate is not interesting and useful. The resolution is not intended to be rigidly binding but merely to act as a guide to enable us to formulate a more precise proposal which may be put before the Council to be passed into effective legislation. There is just one point mentioned that I would like to refer to, and that is that some funds had been accumulated by the present Rice Marketing Board. It was assumed that in the disposal of those funds Government would naturally have regard to the interest of the rice industry. I think hon. members may feel perfectly assured of that. It is not yet decided in what way those funds may be disposed of, but when they are whatever residue there is will be naturally and properly reserved for the improvement in some form or other of the rice industry. If the Council has no objection to the arrangement I propose to put this resolution in three parts viz,—the first part is:—

That with reference to the report of the Committee appointed to enquire into matters affecting the Rice Industry, this Council is of the opinion that the Rice Marketing Board should cease to exercise the power of fixing the export price of rice, but that exportation of rice should continue to be subject to licence or permit.

Question put, and agreed to.

THE PRESIDENT: The second part with the consent of the Council I will put in the form as adopting the amendment proposed by the mover. It reads:—

This Council also considers that a Board should be maintained as an Advisory Body to

Government in matters affecting the trade, and as a marketing Trade Intelligence and Publicity Centre.

Question put, and the Council divided, the voting being as follows:—

For—Messrs. Mackey, Jackson, Eleazar, Wight, Richards, Wood, Dr. Wase-Bailey, Messrs Case, Laing, Austin, F. J. Seaford, McDavid, Woolford, Professor Dash, Mr. Dias, the Attorney-General, the Colonial Secretary—17.

Against—Messrs. Lee, Seymour, Jacob, Peer Bacchus—4

Motion carried.

THE PRESIDENT: The third or other part of the Resolution is:—

The Council further recommends that no change be made in the present provision for rice grading.

I may explain that it is not intended to preclude any detailed change in method which may be found advisable, but it is simply intended to be a statement of principle that the principle of grading should be continued.

Mr. SEAFORD: Would it not make impossible any change in the present Regulations?

THE PRESIDENT: I do not quite follow.

Mr. SEAFORD: If the third motion fails does it prevent any alterations in the Regulations in regard to grading?

THE PRESIDENT: as I read it. It is simply a statement of principle. The present method of grading is under the supervision of the Department and that should continue. It does not confine us.

Mr. LEE: Do I understand that if you are exporting rice of No. 1 grade you are compelled to get a certificate from the Grading Officer? Is that the position?

THE PRESIDENT: The resolution is not intended to deal with any detail of practice or method, but merely with the general principle that grading by the Grading Authority of the Department of Agriculture should be continued. It does not preclude any change in method. I do

not think the Council has had an opportunity of considering that point fully.

Mr. LEE: Is it compulsory that grading be carried on?

THE PRESIDENT: That is a matter of the Regulations.

Mr. LEE: The present Regulations?

THE PRESIDENT: I think the present Regulations. The only question that the Council is being asked is whether it would approve of the principle that the principle of grading for export by an independent authority, that is by the Department of Agriculture, should continue.

Question put, and agreed to.

Motion carried.

JUDICIAL INQUIRY INTO RICE MARKETING BOARD.

Mr. LEE: I beg to move the following motion on the Order Paper standing in my name:—

Whereas the working of the British Guiana Rice Marketing Board as constituted by Ordinance No. 17 of 1935 (which repealed Ordinance No. 2 of 1933) has caused general discontent and has raised unfavourable comments from those engaged in the Rice Industry;

And whereas the quantity of Rice exported during the last four years has been considerably decreased owing partly to the activities of the Board, the figures of exports being as follows:—

1933	29,092 tons
1934	14,382 tons
1935	10,527 tons
1936	20,521 tons
1937	15,000 tons (estimated)

with a possibility of the figures being further reduced in 1938 due to general dissatisfaction and disorganisation caused by the said Board;

And whereas the personnel of the Committee of Enquiry into the Rice Industry is not favourable to those interested in the cultivation and milling of Rice;

And whereas the public has lost confidence in the said Committee:

Be it Resolved,—That Government cause to be appointed a Judicial Commission with full powers to enquire, *in camera* or otherwise, into the activities, working, and expenditure of the said British Guiana Rice Marketing Board and that all communications, correspondence and minutes, etc., held as confidential, be the subject of the enquiry.

This motion was sent to the Government since last year before Government had considered its own motion on the

Marketing Board. It is a challenge to the hon. Director of Agriculture as to what I have said in this Council. If a judicial inquiry is made into the activities of the Rice Marketing Board you will find that all I have said is correct. The first accusation I made against the Board in this Council was challenged, but I repeated it at the meeting held in the Assembly Rooms between the members of this Council and the Rice people. I am submitting that it will be in the interest of all concerned if an independent enquiry is made into the activities of the Board in order to ascertain what are their mistakes, what are their faults and what steps should be taken to remedy them, so that this Council can be guided in the right way for future legislation. Those are the facts which moved me to table this motion, and from what I have heard to-day I am of the opinion that it is absolutely necessary that this Council should be given a report from an independent committee for its guidance.

Mr. PEER BACCHUS: I beg to second this motion just for the sake of discussion and to take the opportunity of refuting the statement that the reduced tonnage of rice exported during 1934 and 1935 was not due solely to the Board. I would like to remind the hon. mover that one of the chief causes of the reduction of rice exportation in 1934 was the flood that we had. That, I think, everyone will admit was responsible for the reduction. That was also the case in respect of 1935—adverse weather conditions; there was a seeming drought during the early part of the year and the rice growers did not put the usual area under cultivation, and when the rains did come they could not do the usual acreage as the rains came on suddenly. I have just seconded the motion so as to disprove the figures appearing in the motion as having been due to the Rice Marketing Board.

Mr. JACKSON: It is hardly probable that the mover of this motion can expect it to be accepted by Government. If I understand him rightly the only reason for his tabling it is to secure an opportunity to prove that certain statements that he made against the Marketing Board were correct. I think, it is rather a round-about way for him to attempt to prove his statements by a motion for an

enquiry. I am satisfied that if he is in earnest and would like to have his statements verified, if they have been challenged, he can write a letter to Government setting out all his facts with the names of those responsible for the wicked action to which he has referred, and Government may then hold a departmental enquiry into the matter. I do not think this Council is expected to pass a motion of this kind simply for the purpose of giving a member an opportunity to prove certain vague statements which he previously made.

Mr. MACKEY: I would like to support what Mr. Jackson has just said, and I intend at the very outset to make it perfectly clear that I shall register my vote against this motion. I do not see what good can possibly be derived in endeavouring to rake up and discuss what may have been errors of judgment, mistakes or misdeeds of the past. From what I can see from the discussion on the previous motion it is very likely that the Rice Marketing Board will become a dead letter, and for the reason stated I repeat I do not see what good can possibly be derived from raking up an old story. It is a case of "let the dead bury their dead."

Mr. JACOB: I am not surprised at the remarks of the two last speakers. In fact I never expected anything more from the two hon. Nominated members. They are Government nominees in this Council. This is an indictment against Government, and Government will be acting very unwisely if it does not accept this motion and get a proper enquiry made and not hold a departmental investigation. As a member of the Rice Committee I gave of my very best and have been able to discover something there that I would never have been able to discover anywhere else. One member giving evidence there stated that as a merchant the marketing organisation would suit him amply but as a representative of the people he could not vote for it. That is the kind of thing you hear on that Committee. If there are any members of that Committee here who want to deny it let them say that it is not true. I think, sir, that although the Board is going to be abolished if the other part of the resolution just passed in respect of the Board had not been accepted by

Government for continuing its existence as an Advisory Body I would have agreed not to debate this motion. Since Government and the Director of Agriculture insist that there must be some other organisation in which public funds are to be used—

THE PRESIDENT: To a point of correction. There is no suggestion that Government insisted on any Body in which public funds should be used.

Mr. JACOB: I am sorry if I misunderstand the motion that has been passed just now. The motion is that "This Council also considers that the Rice Marketing Board should be maintained as an Advisory Body to Government in matters affecting the trade, and as a marketing Trade Intelligence and Publicity Centre."

THE PRESIDENT: The hon. member is not quite correct in his quotation. I am not surprised as he has not before him the form of the amendment which was put and accepted. The form in which the motion was put is that "This Council also considers that a Board should be maintained. . ."

Mr. JACOB: I accept that. Is it the intention of Government to run that Board without the expenditure of money? I am sure it is going to be run on the expenditure of money. If Government gives the assurance that no public funds whatever will be expended in carrying on something which has brought distress to the industry, I will agree that it is not necessary to rake up the dead. We had members of the Government on the Board. They were there so as to advise Government in Council, they were there to work in the best interest of the Rice Producer, but I am submitting that they did not. They did not advise Government in the right and proper manner. Highly undesirable things, gross irregularities were carried on there, resulting in the partial ruin of the industry. Can this Government say in such circumstances, "Oh no, I cannot accept a motion for a judicial inquiry?" I would be sorry to think that this Council is not going to carry this motion. If Government refuses to accept this motion then it will not be carried. I feel strongly in this matter because I happen to represent the British Guiana East Indian Association of which I am Presi-

dent—those persons who have built this industry and who constitute a large number of the community. If Government takes a plebiscite it will see that this Board is responsible for the ruin of the industry. It will be a very bad thing if Government does not accept the motion.

What do we find? The Board had no right to trade in rice. I see the legal adviser to the Board looking at me. This morning I issued a challenge to the hon. Attorney-General to give a ruling as to whether the Board had power to buy and sell rice. The Board was asked by the British Guiana Rice Association, "Have you done so and so, and why?" In a letter the Board replied "We have not bought and sold rice." As a member of the Committee I also asked and was assured that nothing like that was done. In reply to the hon. mover of the motion in this Council it came out that a certain quantity of rice was purchased and sold to a merchant in the Street who was a member of the Board, and he never mentioned that he did not buy. Let us admit that the Board made a mistake. Why hide it? That is what amazes me. Further the Board utilised the funds of the rice growers in making loans to members or friends of the Committee. Those are statements which cannot be disproved. Those are statements which are on record in this Council as the result of questions asked, and we have had to do a great deal of spadework to get those questions through. Why? Because we were out to convince Government that it was a monstrosity and that the Board was ruining the industry. A Committee consisting of twelve members, I think, recommended unanimously that the Rice Marketing Board must go, and is this Government going to say it will not accept a motion for an inquiry into the dealings of the Board? I am afraid Government cannot do such a thing. I say further that members of this Council, who are members of the Executive Council, sat there as representatives of the public and of Government in Council. They were placed there for the protection of the weak and not to please their friends. That is what the members of the Board did; they pleased their friends and their acquaintances at the expense of the general public. My hon. friend on my left (Mr. Seymour) mentioned that he and a few others travelled to Trinidad under the auspices of the Rice

Marketing Board and secured a contract for 8,500 bags of rice. But what did they do on their return? They advised the Board to distribute the rice sold on a quota basis on the stocks of padi on hand. It is such a long and painful story to relate as well as burdensome to you, sir, but I have to do it so that you may be apprised of the true facts. The Board was constituted to look after the interest of rice in a body, and padi was being exported from this Colony without any interference, but in order to please those three or four persons who went to Trinidad and sold rice the Board put up restrictions. The sale was restricted to those who had padi on hand and rice exporters were asked to give sworn affidavits as to padi on hand. My hon. friend said that he did not change his figures, but he did something worse.

THE PRESIDENT: It is not within the privilege of Parliament to impute to any member of the Council improper motives.

Mr. JACOB: I am afraid I did not, but if I did I am sorry. Some men refused to give an affidavit as to stock of padi on hand, and no right-minded exporter would have given it. I myself as an exporter of rice refused. The Board had no power to impose at will all kinds of obligations on registered traders. I am submitting that was done by the Board for the benefit of certain individuals and not for the benefit of the whole industry. These things have been done and as a result lots of people have got so disgusted that they are not worrying to advance money to the industry, and as a result the production has gone down. Here are two definite statements of fact, and I can give a dozen more. It is for those reasons I am respectfully submitting that there should be a judicial inquiry. If it is going to cost Government, there are the funds accumulated by the Board to be utilised. I am confident that those who contributed that money will not object to its being utilised so that it will be known what is the true position. I think those members of the Board should welcome the inquiry as it would prove whether they are guilty of wrong-doing or not. If the inquiry is not held and nothing is said, there will remain a sort of blot against their character. I say it is against the character of members of the Board, and I do so without hesitation because I know

it is so. I know persons have benefited. I hope Government will accept the motion.

Mr. F. J. SEAFORD: When I read this motion, the first thing that struck me about it was that it reminded me of a quotation from the Bible: "The voice is the voice of Jacob but the hand is that of Esau." I am sorry to tread on the prerogative of the hon. member for Berbice River (Mr. Eleazar). That was borne out when the mover started to state his case. He did not know the difference between the Grading Officer and the Board. It is a pity that members of the Council, who are supposed to be representing the people, should come here and make statements which they have very much doubt they can prove. In a great number of cases they come here pretending to represent people but in fact represent not the people but themselves. It is a great pity that such should go on in this Council.

Mr. LEE: I would like to reply to the hon. member for Georgetown Central (Mr. Seaford). My motion was before the one tabled by Government. It had been submitted since the middle of last year. It was tabled in the interest of the industry as I saw it at the time. The facts that I stated this morning were brought to my knowledge, and I wanted Your Excellency to know them as you have just come to this Colony. I can prove them by evidence. It has been stated in this Council that they are at a loss to know what is required, but they know that the marketing Board has failed. If it has failed then there are certain false or wrong steps that it has made. New evidence can be brought. That is the reason why I ask that this motion be adopted by Government.

Motion put, and lost.

The Council adjourned until the following day at 10.30 o'clock.