

LEGISLATIVE COUNCIL.

Tuesday, 22nd August, 1933.

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

PRESENT.

The Hon. the Colonial Secretary, Mr. T. Millard, C.M.G. (Acting).

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

The Hon. T. T. Smellie, O.B.E. (Nominated Unofficial Member).

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

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

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

The Hon. E. F. Fredericks, LL.B. (Essequibo River).

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

The Hon. J. A. Henderson, M.B., Ch.B., B.Sc. (P.H.), (Edin.), D.T.M. & H. (Edin.), Surgeon-General.

The Hon. F. Birkitt, Postmaster-General.

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

The Hon. P. W. King, Official Receiver.

The Hon. H. P. Christiani, Commissioner of Lands and Mines (Acting).

The Hon. N. Cannon (Georgetown North).

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

The Hon. J. Gonsalves (Georgetown South).

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

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

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

The Hon. Peer Bacchus (Western Berbice).

The Hon. W. S. Jones (Nominated Unofficial Member).

The Hon. H. G. Seaford (Nominated Unofficial Member).

The Hon. E. M. Walcott (Nominated Unofficial Member).

MINUTES.

The minutes of the meeting of the Council held on the 17th August, as printed and circulated, were confirmed.

PAPERS LAID.

The following documents were laid on the table:—

Report of a Preliminary Agricultural Survey of areas suitable for land settlement and colonisation by West Indians by the Hon. J. Mullin, M.I.M.M., F.S.I., Commissioner of Lands and Mines, and Captain F. Burnett, M.C., M.A., Deputy Director of Agriculture. (*The Colonial Secretary*).

Report of the Postmaster-General for the year 1932. (*Mr. Birkitt*).

ORDER OF THE DAY.

EXPORTATION OF RICE.

THE ATTORNEY-GENERAL (Mr. Hector Josephs): Sir, the motion standing in my name is:

THAT the Council do resolve itself into Committee of the whole Council to discuss the Report of the Select Committee of the Legislative Council appointed to report and advise on the position of the Rice Industry in regard to the exportation of rice.

The circumstances under which that Committee was appointed are fresh in the memory of hon. Members. The object of it was to endeavour to find some means whereby the export trade in rice in this country should be maintained and the price thereof in the interest of the industry. I may mention, sir, that the Committee did a great deal of hard work in connection

with this matter. There were 19 meetings altogether, and the Committee took a great deal of evidence from various classes of persons and weighed and considered that evidence. After very careful consideration the Committee prepared its report, which has been duly presented to this Council and is in the hands of Members. The Committee does not pretend that its report may not be open to criticism or that it is entirely faultless. The Committee has done its best; it has used such brains as the members were endowed with to endeavour to work out something for the substantial benefit of the industry concerned. It took a great deal of time, thought and discussion. Like in all human affairs, sir, there was not altogether unanimity on the part of all the members of the Committee with reference to the report, and I gather that some members of the Committee who took a different view have been eager to dissociate themselves from the opinions of the Committee. Such dissociation, however laudable it may be, does not necessarily impair the value of the work done or the value of the proposals put forward by the Committee to this Council. What the value of the work is will be a matter for the consideration of the Council, and I invite the careful consideration of Members of the Council to the effect, meaning and result of those proposals. If the motion is accepted the Council will commit itself to the principle of the report, not necessarily to the detail of every proposition but to the general principle set forth in the report. If, however, the Council does not approve of the motion, then, of course, the effect will be that the Council will not accept the report or the principle of the report. And if the industry requires some other means of improving the export trade of rice, then those other means will have to be promulgated and adopted.

We all know the circumstances under which the Rice Marketing Board was established. It was felt that the interests of the export side of the industry required that there should be some degree of limitation in freedom of trade, and this Council, after discussion and debate, accepted such a principle in so far as it was considered necessary in the interest of the industry. That was embodied in the Rice Export Ordinance, 1932, which came into force in December last. The reason for the further

consideration of the matter is that in spite of the very excellent work which has been done by the Rice Marketing Board there have been opportunities for persons to break the provisions of the statute in selling rice at a price lower than that fixed by the Marketing Board. In considering the matter as a whole, sir, the Committee was of opinion that the ideal system for regulating the export trade of rice would be a general pool; but it was realised, I think it will be admitted, that the conditions in this country either are not yet ripe enough, or do not lend themselves to the adoption of such a wholesale method of dealing with it. The consequence was that the Committee had to consider what could best be done.

The complaints arose, as I have indicated, in this way. The Rice Marketing Board has power by statute to fix the price of rice for export from time to time, and to grant licences to persons to export rice subject to the provisions of the Ordinance and to the regulations made under that Ordinance. One of the provisions is that persons are not to sell rice on consignment and also that they must not sell rice at prices lower than those fixed by the Marketing Board. The Marketing Board fixes a price which is the minimum and there is nothing to preclude an exporter from selling his rice at a price higher than that so fixed. The object of that was to make certain a remunerative price to all concerned in the industry, and, of course, where there is a remunerative price in connection with the export of rice the benefits would necessarily be felt throughout the industry, and it would be only a matter of time when everyone interested should benefit. The difficulty that has arisen in practice is that some few exporters of rice have, in breach of the statute, sold rice at prices below those fixed by the Marketing Board. They have, either by giving rebates or discounts or in some other way, brought it about that the purchaser of rice has been able to obtain it at a lower price. That, of course, is grossly unfair to those exporters who adhere to the law, and I venture to say it is and has been prejudicial to the industry. Apart from that I desire to pay a tribute to the excellent work which has been done by the Marketing Board. There is no question that this Colony has benefited by the work done by that Board. But for the exist-

ence of those secret rebates the system would be a perfect one.

There is great difficulty in dealing with the question of rebates. There is provision in the statute making it an offence for persons so to break the law, one of which involves the deprivation of an exporter of his licence. Power has also been very properly given to the Board to revoke the licence of an exporter who does these things whether or not he has been brought before the Law Courts. But I must point out that the Board in dealing with such a matter has to act as a judicial body. It has to conform to those principles which have from time to time been enunciated by the Courts of law as regulating such subordinate judicial bodies which have to determine the rights of persons, and the result of it is that a definite charge must be laid against somebody, who must have an opportunity of defending himself and of hearing and testing the evidence against him. Like in all other cases where penal provisions are involved, it is not for the person charged to prove his innocence, but it is that the charge should be proved against him in order to give jurisdiction to deprive him of his licence. It is quite clear that difficulties arise in connection with that. A mere letter from somebody abroad that "X.Y." has been giving rebates and has been breaking the statute is not in itself sufficient, because anybody may write a letter making charges or allegations against individuals. A person charged must hear the evidence against him, and he must have an opportunity of testing that evidence, because when the proper tests are applied by means of cross-examination it is often found that the charge is false. There is no person who, if he himself were concerned, would care to see the principles of justice infringed by reason of action being taken against him without his having a proper opportunity of defending himself. It follows that where these misdemeanors are committed abroad, or where the evidence is abroad, it is in many cases not available for the Board to be able to act on it either by adjudicating itself or by bringing proceedings before the Court.

Those are the circumstances that have to a certain extent impaired the value and the thoroughness of the work of the Rice Marketing Board. It was in consequence

of those circumstances that the Committee was constituted by this Council to use its best endeavours to find the means of dealing with these matters. It is plain that they could not be met by merely conferring on the Board arbitrary powers to deprive an individual of his licence, or to prevent a man from exercising his calling as an exporter. I have heard it suggested, sir, that the matter may be met by increasing the penalties in the Ordinance, also by adding a provision that a person should make a declaration that he has not sold rice at a lower price than that fixed by the Marketing Board. On the surface these suggestions may appear attractive but they have to be put into practical effect and the same difficulty arises: that you have to catch the offender, and catch him properly, before you can apply penal provisions. It does not necessarily follow that increased punishment is going to have due effect on the conscience of the evil-doer who has made up his mind to profit, if he can, by breaking the statute. So far as the declaration is concerned it is a side issue. I do not attribute much value to it. What one wants to punish people for is a breach of the law itself. We are not so much concerned about somebody making a false declaration as we are concerned with a person breaking the law with reference to the sale of rice for export. A man is punished for an offence which he commits, but he is not punished for making a declaration that he will not or has not committed an offence. That sort of system is not known to jurisprudence. There are in some instances provisions that a person shall make a declaration that he has not done or has done something, but that is the penal provision for making a false declaration. In that case that is what he is punished for; in this case we do not want to add one to the other. But so far as the declaration is concerned the same principles apply.

Having made these preliminary remarks with reference to the real difficulty which presented itself to this Council as a result of which the Committee was appointed—a difficulty of which the Committee was well aware—I ought to mention that the Committee endeavoured to find some means of strengthening the law in respect of the Marketing Board so as to provide against these breaches, without, of course, infringing against the general principles

which I have already stated. Well, sir, the Committee was not lacking in industry; it might have been lacking in ability. It may be that there are some other persons who will be able to advise some method which will not be open to the objections I have stated. If so, I can state that every member of the Committee will welcome any such proposal; but it must be something concrete and practical, not merely a vague suggestion of "Let us do this." To use an expression that is well known in Scots law, "such proposals must condescend to particulars." Hon. Members have no doubt read and studied the report of the Committee. There is one point which I desire to make clear before discussing some of the general principles of the report: it is with regard to the question of financing the rice industry. I have heard it said, and I have read, that the effect of the report—the adoption of the proposal of the Committee—will be that the present system of financing the industry will cease and that as a consequence the industry will be seriously embarrassed. Now, sir, it is known that at the present time the merchants who are dealers in rice are the persons who directly and indirectly finance the industry. They make advances to the millers who use these advances where they themselves are producers of rice, and they also out of these moneys make advances to people who supply them with rice. The result is that the advances are used for the purpose of growing rice, of reaping the crops, and of milling padi and preparing it for market. That is the fact, and that was abundantly proved by the evidence that was given before the Committee. If the proposals of the Committee are adopted those proposals will not in the slightest way influence the present system of financing.

There are not many persons who are exporters of rice, but there is a large number of persons who are producers and millers of rice. A number of producers came before the Committee—many of them producers in a large way—and their evidence was that they were perfectly satisfied to continue to sell their rice to the merchants in Georgetown under a scheme such as that proposed by the Committee, which is as they had been in the habit of doing in the past. In other words they were not desirous—and many of them expressed it categorically—of embarking

on the export of rice. They had not done it in the past—men who produced 10,000 or 15,000 bags of rice—and were perfectly satisfied to continue in the future as they had done in the past. There is no reason why they should not under the proposal of the Committee; it will be open to them to carry on their business in exactly the same way. Exporters will probably remain as they are with sometimes an additional exporter now and then, but these exporters are the men who finance the industry and who buy the rice from the producers and the millers, and those persons who are engaged in the export trade will still continue in the export trade, obtaining their rice in the future as they have done in the past. I want to make that perfectly clear because it seems that there has been some misunderstanding in people's minds about that, but there is no ground or no foundation for that misunderstanding at all. The relations which now exist between the merchant and his clients will still continue to exist. The proposals of the Committee are to give an opportunity to every person who wishes to do so to export rice. The Committee endeavoured to preserve the right of what I might call free trade but thought that a minimum limit should be placed on the exportable amount and recommended that no person should export less than 100 bags of rice. That number may be too low, but that is a matter that will have to be decided if the report of the Committee is accepted by the Council.

We come now to consideration of the report. The Committee has recommended that there should be constituted an Authority which should be the exporting body for persons who desire to sell rice for export. Instead of an individual dealing with persons abroad all orders will come to this Authority, and these orders will be filled by the Authority in such a manner as to give each person who desires to export rice an equal opportunity, or as near as possible an equal opportunity, to share in the export. An essential provision in connection with that is that a person who desires to export rice should register with the Authority. The Authority should know who are the persons who desire to export rice and what quantity those persons propose to place at the disposal of the Authority for export. The object of that is to enable the Authority to carry on the export trade of the Colony in the

fullest manner possible for the general benefit of the exporters and the people from whom the exporters obtain their rice. The result is that the Authority should be the only exporter of rice. If such a principle were adopted it is clear that there will disappear entirely the question of secret rebates. People buying rice from the Authority will have to pay the price fixed by the Authority from time to time. Those will be matters of public knowledge in the same way as they are now. The fairest way, it seemed to the Committee, was to deal with orders received on a quota basis. That is set out in the report of the Committee. It must be borne in mind that all contracts will be filled by the Authority on behalf of the exporters of rice. The Authority would be to a certain extent the agent of the exporters with certain discretionary powers to be exercised for the benefit of the exporters and for the benefit of the trade in general. In order that there should be certainty about the transactions of the Authority provision is made to penalise—and, I submit, very properly—any registered supplier who lets down the Authority. A person who registers that he has so much rice when he is called upon to fill his quota must be in a position to do so. Provision, however, is made that he may transfer his quota to someone else with the consent of the Authority, or with due notice he may withdraw and his quota be cancelled so long as the transactions of the Authority are not affected thereby. But there are various provisions in the scheme to give as much freedom as possible to the man who has registered himself as an exporter of rice. The Committee tried to consider some of the contingencies that might arise in the carrying on of his business. Where the amounts registered are small instead of dealing with them on a quota basis the Authority should have power, in its discretion, to fill orders from the total amount registered. Discretion given to the Authority, constituted as it is proposed, would be exercised in the nature of a trust for the benefit generally of the persons concerned, and there will be no arbitrary preference or dealings to the benefit of particular individuals, and provisions for this purpose will be found in paragraphs 10 (xi), (xii), (xiii) and (xiv) of the report, which I have been to a certain extent paraphrasing in my remarks.

The question arose as to the payment to the exporters of rice when their quotas were taken, to fill a contract. It may be that the money might not be immediately available, but having regard to the wide scope of the class of persons who would be embraced in the class of exporters, some of them may require to get their money at the earliest possible opportunity, consequently provision is made to enable the Authority to be in a position to advance 80 per cent. of the value of the rice on production of the ship's receipt. Paragraph (xv) brings Government in to a certain extent in connection with that in that it recommends that Government guarantee to the Bankers of the Authority such advances to the Authority as may be approved by Government from time to time to meet advances by the Authority under paragraph (xvi). That is not so far-reaching as it appears at first sight, for the reason that the amount would really be a revolving credit. When the Authority makes an advance to a supplier of 80 per cent. of the value of his rice the Authority would get that money themselves and be able to pay it in to the Bankers to recoup any advance made, and that would go on in respect of those cases where advances are necessary. In many cases no advance will be necessary, just as at the present time merchants do not invariably get their money as soon as rice is shipped. Merchants would probably very seldom avail themselves of this provision, therefore it would only apply in the case of small exporters. I have already indicated that people who do not now ship rice do not evince any desire to do so, and in fact say they do not intend to do so, so that the proposals in paragraphs (xv) and (xvi) have not the formidable financial effect which at first sight appears. The rest of the provisions are general ones in order to facilitate the carrying out of their business by the Authority. Charges will occur and the Authority is to have power to levy and collect a toll on all rice exported toward the expenses of the Authority, the amount of such toll to be determined by the Authority from time to time with the approval of the Governor-in-Council. There will be no question of fees for licences which now exist under the Rice (Export Trade) Ordinance. Those and the other fees will disappear and in their place the toll will be levied.

It is also proposed that the Authority should issue certificates of grading. That may or may not be approved. Grading, I understand, has been efficiently done by the Department of Agriculture. Whether it is desirable that the Authority should undertake it is a matter which deserves consideration if the general principles are accepted, and, of course, it is necessary that the Authority should have power to blend rice for the purpose of filling contracts. It is known that rice of the same grade grown in different places differs in appearance and in other respects, and if a contract is being filled it is essential that there should be uniformity in connection with the grade supplied under the contract. This properly enables the Authority to do that which every merchant who exports rice now has to do himself. The question of the appointment of agents abroad and premises for a warehouse are matters which it will be difficult to decide definitely at the present time. If the proposals are accepted it will be necessary to see how they work and to what extent the carrying out of paragraphs (xx) and (xxi) becomes necessary. This will depend on the development of trade abroad and the necessity for providing agents and warehouse premises. Those cannot be predicated now but will be matters in the discretion of the Authority, who will conduct the business on behalf of the exporters in the same way as any merchant will do in his own interest. The final suggestion is that the scheme, if it is put into practice, should remain in operation until the 31st December, 1934, before the expiration of which period the situation shall be reconsidered in the light of the experience gained.

I make no apology for the time I have occupied because the subject is of considerable importance. Rice is one of the major industries of the Colony and as such it is to the interest of everyone of us that that industry should prosper. It is true we are dealing only with one branch of it to-day, namely, the control and regulation of the export side of it, but there is no doubt that the success and prosperity of the export trade in rice means additional prosperity not only to the people in the industry but to all other persons in the Colony, and it is well so far as it has been possible for me to do so that I should endeavour to make as clear as I can the

object which was aimed at by the Committee in presenting the report and in formulating the principles which are contained in it. I invite the Council to give very careful consideration to the work on which the Committee has expended a considerable amount of time and labour, which is more than appears from the bald statement that there were 19 meetings of the Committee. It was hoped that the decision of the Council will tend to the expansion of this very important industry. It has very properly occupied the attention of the rice growers, the Rice Association and other bodies, and what I have endeavoured to do is to invite clear thinking and a clear understanding of the meaning and of the effect of these proposals. It should clear the way of any misapprehensions which may exist as to some possible results which are not likely to occur, and I do emphasise the point that in putting these proposals forward the Committee realise that the export trade in rice will probably remain among the present exporters with a few, if any, additions, but it was necessarily a point in the scheme to make provision for the inclusion of any man who wishes to export rice, provided he has sufficient to warrant his quantity being taken into account by the Authority in dealing with it. I therefore move that the Council do go into Committee to consider the report.

Mr. DE AGUIAR: I have very much pleasure in seconding the motion that has been so ably moved by the hon. and learned Attorney-General. It will be remembered that I sat as a member of the Committee which examined this question, and I therefore all the more welcome the opportunity that is now offered to other Members of the Council to join in a full and frank discussion, in the hope that some satisfactory solution will be found whereby the export trade in rice will be placed on a more satisfactory basis. In dealing with this question it will be just as well to take our minds back to the reasons for the creation of the Rice Marketing Board, which, as we all know, is due to expire on the 31st August. Previous to the formation of the Board there was brought to the notice of exporters the various malpractices that were being adopted by certain exporters in the way of rice being shipped on consignment; secondly, of rice being shipped

on the same vessel at different prices; and, thirdly, of rice being shipped of samples other than those that were sold. Those were the three main reasons which led up to the creation of the Marketing Board, and it was felt that if the Board were able to remedy these three evils the export trade of rice would be placed on a very satisfactory basis. Dealing with the last point first, I must frankly admit that in so far as samples were concerned the Board has certainly remedied that evil to some extent. Nevertheless, complaints continue to be received from some quarters that these evil practices are still being indulged in by certain exporters; but I am not here to discredit the actions of the Board in that respect because I happen to know that every effort is being made at least to control that situation. As regards the second point—the control of export of rice—I regret to say that the Board have failed in every detail, and they are unable at any time whatever to cope with the situation. I venture to submit that no scheme can be devised under the present system whereby the price of rice can be properly controlled. There are too many ways by which exporters can overcome that difficulty; it is not even an obstacle. Those of us who have examined the question admit quite readily that under the present system it will be absolutely impossible to control the granting of secret rebates. As regards the first point, it may be argued that at the present time all shipments of rice are made on direct orders. That may be the position as it appears on the surface, but it cannot be said that even that restriction is watertight, or that no rice leaves this Colony unless on a direct sale. If that were so, why should the complaints exporters receive in respect of shipments to Trinidad continue? Complaints of underselling come in week after week, and only one of two reasons can be responsible for them: either the rice was sold on a bogus sale or a secret rebate was given.

I speak to-day as an exporter of rice, as a representative of one of the large millers. From the establishment of the Marketing Board up to yesterday complaints have reached me of secret rebates granted by exporters. I do not wish to be misunderstood. Like the mover of the motion, I desire to pay tribute to the work that has been done and is

still being done by the Marketing Board. They have certainly done a lot of good for the export trade in rice, but it seems to me that it is absolutely impossible for any system to be devised whereby those two points can be controlled. For that reason I am prepared to support the recommendations made by the Select Committee and I shall attempt to give my reasons for giving my support to the report. If the Marketing Board can tell the people in Trinidad "Unless you buy Demerara rice to the exclusion of Indian rice we will not sell you any Demerara rice," in the same way as the British-American Tobacco Company operating in this country tell people here they must buy a certain quantity of Four Aces cigarettes before they will give them one case of Capstan tobacco, the export of rice will go up by leaps and bounds. But the Marketing Board is unable to do that. Even if the Board attempted to do such a thing you will find the Government of Trinidad coming in and saying "We cannot allow you to do that." We have no means of dictating terms to buyers abroad and therefore have to work shoulder to shoulder and get our prices in line in order to obtain orders in competition with Indian rice. One of the most important features of the report is the remedy suggested against price-cutting by exporters, and that will be achieved because the pool will be the only exporting authority of rice. The pool further provides for every supplier of 100 bags of rice, whether he be a grower, a miller or an exporter, to participate in the prices obtained as the result of the working of the pool. Those are the two main principles on which the scheme has been based, and they are reasons why the pool should be supported because they are responsible for the export trade being in the position it is to-day. I know that figures are going to be quoted to show that the exports of rice in 1933 have exceeded those of 1932, but that is not an indication that the Board is working satisfactorily in every respect, nor is it an indication that the people who grow the rice have obtained more satisfactory prices than they could ordinarily have obtained. It seems to me that it will be a distinct advantage to the people who are interested in rice to give their support to the pool because they will enjoy any benefits that may result from its operations. It is anticipated that the Authority will be put

to trouble and expense in filling quotas, by persons registered to supply a certain quantity of rice being in default when the time arrives for delivery. I am not going to say that is not likely to occur, but provision has been made in the scheme for dealing with defaulters, and I cannot anticipate that any defaulter would place the central body in such a difficulty as they would be unable to surmount. I mention that point in order that those who will deal with it may give some argument in rebuttal.

Paragraph 6 of the report of the Committee states: "The views of the witnesses generally were in agreement that unless some more satisfactory method of financing the industry could be substituted for that now existing (and it did not appear that there was any other practicable mode) it was material that nothing should be done to jeopardise or affect the present system whereby advances are obtained directly or indirectly through the merchants." I submit that this scheme can in no way affect the financial arrangements as they exist at the present time. Provision is made for exporters of rice to receive an advance of 80 per cent. of the value of rice supplied to the Board, and there is further provision to make such advances by a guarantee from Government. The Committee have gone a step further and suggested that the funds of the Marketing Board should be transferred to the new Central Authority, and it is the opinion of several members of the Committee that the amount will form a good nucleus to give the scheme a fair trial. It will further be pointed out that the Central Authority will be in a position, after a man has registered his rice, to sell that rice at a price unknown to the supplier and possibly some loss to him. That position is no different from what exists to-day since the Marketing Board may fix the price of No. 1 rice at \$3.45 per bag, the present price for Trinidad, and tomorrow reduce it to \$3.25 or \$3. Some people claim that they have been able to obtain higher prices than those fixed by the Marketing Board, but there is only one word for that achievement and that is "miracle" with all the secret rebates going on. It is either a case that the buyers were dummies or that they did not know their business. It might be that as time goes on and as experience is gained in the

country the pool would make certain amendments to the present proposals. I do not think any member of the Committee would claim that the scheme is watertight, but the recommendations of the Committee should be carefully considered and adopted, especially as it is proposed that the scheme should be in operation for a specified period. The scheme is recommended by the Select Committee as one which should be accepted by this Council. It is the only means whereby the granting of secret rebates can be controlled, and exporters will tell us that is one of the greatest evils in the export trade. Again, it must not be lost sight of that it provides for every person, whether he be grower, miller, speculator or rebater, to become an exporter so long as he has 100 bags of rice and registers. I speak feelingly in this matter. I have suffered considerably as the result of the activities of these secret rebaters. I do not wish to break the law myself, but, if something is not done whereby secret rebates are not allowed to continue, I regret that even if I do not do it myself I shall have to be responsible for its being done (Laughter).

Mr. WALCOTT: I regret very much it would appear on this occasion that I am not on the same side as my friend the hon. and learned Attorney-General. I must say that I appreciate very considerably the way in which he has during the sitting of the Select Committee grasped to some great extent the conditions that exist in the rice industry and the necessity for controlling it. I am sorry to say, however, I do not think his education in that direction is quite complete. If it had been I doubt very much whether he would have pleaded so ably for the adoption of the report as he has done. In his opening remarks he mentioned that he wanted to show the effect, the meaning and the result of these recommendations. If these recommendations were adopted I think the effect will be chaos, the meaning will be nothing, and the result will be ruination of the rice industry (Hear, hear). I hope and believe that neither my hon. friend nor any other Member wish that result. We all know why it was found necessary to legislate in connection with the rice industry. The idea was to try and save the industry from the destructive methods adopted by some people who could only be considered

unfriendly to it, perhaps not intentionally but at least through ignorance. A year ago it was brought home very forcibly to those connected with the industry that the export of unsold rice was doing very great harm to the industry and that it was necessary to stop it and find some means of stabilising the price for export. The result of that was the present Marketing Board. The Marketing Board, I honestly believe, has served a very excellent purpose. It has helped, at any rate, to check the rut that had set in, and I am surprised to hear my hon. friend, the Member for Central Demerara, express an opinion to the contrary. I always thought he appreciated the efforts of the Board.

Mr. DE AGUIAR: To a point of explanation. I never expressed an opinion to the contrary.

Mr. WALCOTT: I am sorry if I misunderstand the hon. Member, and I am glad to know that he would not have done such a thing. Now, these recommendations were opposed in Committee not only by me but by others. I cannot believe that anyone would knowingly wish to hurt the rice industry, and I believe that those members of the Committee who were responsible for the framing of these recommendations really thought that they would do good and help the small farmer. I told the members of the Committee at the time that if I wanted to frame recommendations that would help the big people I could not have done any better than frame them on these lines. I also told the Committee that I shall have to protest vigorously against these recommendations being sent in to this House, if for no other reason than to save myself from the accusation of wishing to help the big man against the small. Anyone who knows the working of the rice business will realise that the rice which reaches Georgetown is seldom the property of the original grower. The industry as it is carried on to-day is as follows: The small man may or may not own his little plot or he may be a tenant. In each case, with very few exceptions, he is not in a position to cultivate either his own or his hired land without assistance from somebody. Either the land-owner or the mill-owner usually comes to his assistance. The land and mill-owners are in most instances financed by the merchants in Georgetown, either in the

shape of money, bags or materials of some kind, and they are thereby in a position to help the small man to grow his crop.

If we wish to bring in a pool scheme we must start from the beginning of operations. It is ridiculous, to my mind, to think that these recommendations will in any way help to replace the present method of financing the industry. What incentive would the miller or land-owner have to pledge his property to obtain money to help the small farmer to grow his crop if he were not to get some benefit from it? Under this scheme it is proposed—and I believe the members of the Committee thought it would operate in that way—that the small grower should be placed in the position of being able to export. On paper it may look allright, but he has first to produce. For the coming crop it may work allright because the machinery has already been set in action for financing the crop, but it would not go on afterwards. With the small farmer allowed to export the miller might say to him "I won't help you unless you guarantee to mill your padi here." The money that is due to the miller or to the land-owner is on the rice in his factory. When a grower comes to Georgetown and registers 100 bags of rice with the Commissioner for export he is supposed to deliver that quantity of rice, but he owes the miller for advances and milling fees and the miller says "It may be your rice legally, but you cannot have it until you have paid me all my advances and milling fees." The grower is not in a position under this scheme to get any financial assistance on that rice until he has put it on board the exporting ship in Georgetown. Must the rice be held up until the grower brings a suit against the miller or the miller brings a suit against the grower for the recovery of his advances and milling fees?

I tried to point out to the Committee the impracticability of these recommendations. The result as I see it will be that none of these growers will be in a position to bring their rice to Georgetown. They will have to carry on more or less on the lines they do to-day—sell their rice either to the miller or to the speculator—and their second condition will be much worse than their first. There is nothing in these recommendations as regards the character or the responsibility of anyone registering

rice for export. Are we going to enter into this kind of confusion with our eyes wide open? I cannot help thinking it would be well for Government and everyone interested in this industry to pause and think very deeply before adopting these recommendations. I am a small grower, miller and exporter myself, and I realise as a small grower that if I were not a merchant they would hurt me, while the same thing would happen if I were only a grower and miller. If there was a co-operative body in existence to help the farmer to get and cultivate land and to place his product on the market, there would be no need for the middleman, merchant or anybody else, and until we are in a position to adopt such a scheme a half-baked measure of this kind is of no use at all. I would much sooner see us cut out legislation altogether than adopt such means as these. I do not think it is realised what it would cost to run a Board such as is proposed. I would be sorry to be a member of the Board at a fee of £50 a year. The Board could not be run as the Marketing Board is run at present, as it will require a very highly paid permanent Chairman and two or three Chartered Accountants to find out the quotas from day to day and to deal with the other intricate questions involved in the scheme. In this Council we hear a lot of talk from time to time about the liberty of the subject being gravely endangered. I do not think the people concerned in the rice industry have found their liberty very gravely endangered. They are restrained only to the extent of not charging less than a certain amount for each grade of rice; they may sell it for as much more as they might possibly obtain. The hon. Member for Central Demerara doubted whether anybody had succeeded in selling above the minimum price of the Marketing Board. I am sorry he was not one of the fortunate ones, and perhaps if he comes round he will get some advice. The restriction of the Marketing Board is the minimum. Under these recommendations the liberty of the subject would have been very seriously endangered. I can vision the Department of Agriculture going round to check up stocks, the Police Force also to check up stocks and find those who have given in their names as registered owners of rice, the appointment of several extra Magistrates in the districts and a very fine crop of cases for the

lawyers. There is no doubt that it will result in an extra amount of legal work if we look at it from that angle. Perhaps Government can say whether they intend to accept these recommendations or not. A telegram has just been received from the Member for Berbice River asking that the debate be adjourned until Thursday. I do not know whether Your Excellency would be prepared to grant that request, but I think it is only right that you should know of it.

THE PRESIDENT: The hon. Member apparently desires to know whether Government is going to accept the motion or not. The object of the debate is to give the fullest ventilation and discussion of the subject, and I hope no Member will be debarred from expressing his views with any idea of what would be the ultimate result of this motion. What the Council desire is to have the motion fully discussed.

Mr. WALCOTT: I suppose Your Excellency will allow free voting on it.

THE PRESIDENT: I express no view with regard to that point at this stage.

The Council adjourned for the luncheon interval.

Mr. WALCOTT: Continuing my argument against the acceptance of these recommendations, sir, I might point out that considerable stress has been laid on the damage that has been done by the secret rebates. I think we all admit that these secret rebates have been, and still are, a menace to the value of the Marketing Board. Recent events, however, have proved that in the end the rebaters will lose. During the last ten weeks the rebaters have had a very bad time. Owing to the peculiar weather conditions, as there usually is at this time of the year, there has been a shortage of deliveries from the country. The mills have been unable to operate at full strength and very much less rice has been coming to town. The rebaters are always gentlemen who sell rice that they have not got in the hope that the market will go down and they will be able to buy cheaper and make a profit. Ordinarily, with keen competition of buying and selling, it is not possible for anyone to give rebates and make a margin of

profit. I think I can fairly say that the margin of profit on the export of rice is not in excess of 10 cents per bag and very often considerably less. Some of these rebaters have been giving rebates to the extent of over 10 cents per bag, and anyone who is in the business, with the knowledge of the prices that are ranging, knows that it would not be for them to buy their rice at the prices ruling at the time and sell it at a lesser price than that fixed by the Marketing Board without making an actual loss. Unless they can force the price down locally they will not be able to do that. Recently the market has gone the other way and most of these gentlemen who have been guilty of giving rebates are getting in the unenviable position of renegeing on their contracts. I know several who made contracts and are unable to fill them, and a mighty good thing it is too. It proves that, after all, honesty is the best policy. People in Trinidad and elsewhere who have accepted rebates thought they were very clever and had got ahead of the Marketing Board, but to-day they do not think quite the same way as many of them have had to turn round and purchase from legitimate traders their requirements previously bought from these rebaters at a very much advanced price, and in some cases as much as 20 or 30 cents above the minimum price fixed by the Marketing Board. I feel that it would be better even to face the damage that would be done by rebates than adopt these recommendations. The rebaters, fortunately, are very much in the minority. I hope my hon. friend the Member for Central Demerara will not join them (Laughter). Although very much in the minority and comparatively small people, they have done considerable damage which at one time was felt very much by many of us, but I think the lesson that has been taught buyers from them will probably do good in future. It is possible to strengthen the hands of the Marketing Board by giving them some extra power, and I feel sure that my hon. and learned friend the Attorney General will be able to help us to evolve means of doing so. I feel that his heart is not altogether in these recommendations although he has most nobly done his duty in putting them forward.

I come now to the question of the Marketing Board handling all the rice.

That would certainly get rid of the question of rebates. But the question, in my mind, is whether the value of the elimination of the rebates would be sufficient to offset that lack of personal incentive which would be lost if these recommendations are accepted. Under the present marketing conditions everybody has the right to export, and he can buy and sell as long as he does not sell below the market price. Under this scheme there is no incentive to people who have been keenly interested in securing markets abroad for our rice continuing to do so. All one has to do is to sit down and wait until the grower is too hard up to hold his rice any longer, buy it at a cheap price and register it with the Board, and when he thinks that the Board will sell at a price that suits him dispose of the rice and get the benefit of the actual work of the producer. If we were to accept this recommendation we shall introduce an army of speculators. Everybody who has a few dollars to spare might feel inclined to invest it in rice and hold the rice until he thinks the time is ripe for him to sell it. Those people will do no good to the industry; on the other hand, we don't wish to encourage more speculation in the rice business than at present exists. The merchant when he buys his stock under present conditions has a very good idea of what he is going to sell it for. Under the proposed scheme he would have a very much better idea of what his rice would be worth than the small man in the country, therefore the advantage would be entirely in favour of the financier. My own idea is that we should do all we can to stabilise the industry and not make it speculative. Paragraph 10 (xi) (b) of the Committee's Report says "in case of default by a registered supplier the Authority may purchase rice for a contract and recover any loss from the supplier." No provision is made, however, for the responsibility of the registered supplier. Any Tom, Dick or Harry might register with the Authority 200 bags of rice for export, and the Authority might have quantities registered up to 200,000 or 300,000 bags. The Authority in turn would make contracts based on such registration but when they call on these registered suppliers to deliver the rice they might find it is not there. The Authority would have to make themselves liable to carry out those contracts. What would be their position if

they had not the supplies to enable them to carry out the contracts? In case of default by a registered supplier the Authority may purchase rice for a contract and recover any loss from the supplier, but being someone of no solidity you cannot recover from him. Alternatively, you may take him to Court and put him in jail, but that does not dispose of the liability of the Authority. The Authority would be faced with claims for damages for breach of contract. Is Government going to put up the money to pay penalties? The Authority is a child of Government and Government might very seriously be involved in losses. That aspect of the question was discussed by the Committee but I do not think sufficient thought was given to it at the time. I contemplate a lot of difficulty and trouble over registration by people to whom no responsibility can be attached. We have had experience of the rice business under the permit system in 1921-22. We then had people whose mills were capable of milling 150 or 200 bags of rice per week sending in returns that they had milled 2,000 or 3,000 bags. That was a physical impossibility, but Government granted them permits on those milling returns, and dishonest men were at a decided premium for some time. Many nice cottages were erected out of the money made from that permit system and were facetiously known as "Collet Villas." Permits used to be sold in those days at \$15 each, and we will have a repetition if we adopt these recommendations.

It is also recommended that the Authority shall have the right of appointing agents. At present all exporters have agents in the various places. It has taken them years to get these agents together to obtain the best results, and from them the Colony gets the very best advertising services that is possible for the rice industry. These agents are very keen, especially in these days, to earn their commission, and they have done exceedingly well for us. If the proposed Authority is formulated that personal incentive will be killed. You will want only one body in each place to sell our rice, and in getting its quota that body would feel that it need not put any energy into its work. Our Indian competitors will then take advantage of that position and they will certainly undo the good that has been done already by

individual enterprise of exporting merchants of this Colony. The rice industry was started by the small man. Up to recently Government has never done anything to help the industry. But the small man would not have achieved the success that he has achieved were it not for the bigger people, the financing merchants, helping him to get to the point he has reached. When one hears all the talk about the merchants taking advantage of the producers it has therefore to be borne in mind that for many years they have worked hand in hand, and my experience is that the criticism we have had recently does not emanate from the legitimate producer, the man whom we all wish to benefit, but from the speculator who tries to get between the producer and the man who has helped him to produce. Those people are of no service to the industry; you may call them parasites of the worse type, and they do more harm than anybody else.

I do not want to occupy the House longer and I close by saying, as I said before, that this scheme does not provide for financing the industry. It only provides for paying registered suppliers 80 per cent. of the value of their rice after it has been shipped. To-day if a man exports his rice and he has the ship's receipt, he goes to the office of the steamer's agents and gets his bill of lading, and if his bankers think him responsible they give him 100 per cent. of the export value of his rice. Under this scheme an exporter would get only 80 per cent., perhaps after waiting months to get his quota, and then he has to wait until the end of the quarter to get the other 20 per cent. If this scheme is adopted it will need a staff which will cost no less than £6,000 or £7,000 to run this business if it is to be run on the right lines and give satisfaction to our customers in the future as it has done in the past. Only men who have been in the business for years and have had to fight Indian and other competition in the various markets are in a position to express a correct opinion as to how these recommendations will injure the industry rather than help it. I hope Your Excellency intends to give Officials a free hand to vote as they like, and I appeal to the Officials as well as to the Elected and Nominated Members not to accept these recommendations but to carry on the Marketing Board with stronger

powers. Were we to do that I believe that in the next twelve months we would be all satisfied with the result and would see the industry on a better footing than it has ever been.

Mr. CANNON: As I said on the last occasion, it may be a presumption on my part to attempt to offer any criticisms with regard to rice. It is many years now since I was associated with this article but in my younger days I had quite a lot to do with it. I wish to support what has fallen from the last speaker: that the merchants have done quite a lot to keep this industry going as long as it has. Personally, I do not like the word "Authority." As soon as Government introduce too much authority we are going to fall down. I feel that the pool system is not the best system. To a certain extent it is workable, but it is not workable on the lines indicated to-day. I will a little later on give my humble opinion as to how I think it can be worked. I do not agree with those Members who have said that rebates are undesirable things. Importers here get rebates from the Mother Country and other parts of the world, and I do not see where they work any hardship. I like the Marketing Board if the word "Rice" is dropped, because a Marketing Board might be of very great advantage not only to rice but to other commodities. If Government contemplate coming to the rescue of the rice industry—and I am not going to plead only for rice but for other industries—the difficulty to my mind is solved. If Government could find a body who enjoy the confidence of Government, the producer, the miller and the merchant to find suitable markets for rice as well as other commodities, and would authorise such expenditure as would enable them to pursue such a policy, it would dispense with the necessity of a pool as contemplated. A producer could then go to the Marketing Board and say he has 100 bags of rice and dispose of it. With that money in his pocket he could go and pay his liabilities. I suggest for the consideration of Government and the Council that it is far better to forget the question of pooling in the form suggested and continue with the Marketing Board, eliminating the word "Rice" and introducing all other commodities. I am sorry I am unable to support the motion. I do not approve of the

Marketing Board as it exists to-day, but with modification it may be made a very useful Board.

Dr. SINGH: The appointment of a Committee to advise on the rice industry goes to show that Government is interested in the welfare of the industry. That interest will be very much more appreciated if assistance is given in the first stage of the industry rather than in the second and third stages. The rice growers should be assisted financially by Government through loan banks instituted all over the Colony, which will enable rice-growers to borrow money at low rates of interest, thereby reducing the cost of production which is so much needed. When Government gets control of the first stage of the industry it could then proceed with the second and third stages of grading the rice and controlling exportation. At that stage the Select Committee's Report may be considered from the point of view of pooling. It is suggested that the scheme be put into and remain in operation until the 31st December, 1934. If at the end of 1934 it is found not to be working well some other scheme will have to be devised. Why not, then, continue the Marketing Board under improved conditions? The essential point, however, is to assist the rice-growers by financing them, which I believe will solve the whole trouble. I held meetings on the West Coast which were attended by interested persons well versed in the needs of the industry, and they are depending on Government rather than on anybody else to assist them. Interest on loans to them represents 20 or 30 per cent., whereas by the establishment of Government loan banks they would be able to secure loans at a rate of 5 or 6 per cent. These people urged that if Government cannot see its way to assist them in that way then the Rice Grading Department should be retained and the industry left to its own fate.

Mr. SEAFORD: Sir, paragraph 6 of the Select Committee's Report says: "The views of the witnesses generally were in agreement that unless some more satisfactory method of financing the industry could be substituted for that now existing (and it did not appear that there was any other practicable mode) it was material that nothing should be done to jeopardise or affect the present system whereby

advances are obtained directly or indirectly through the merchants." I should like to read a resolution which was moved at a meeting of the Rice Association held last Friday when this report was considered. That meeting was attended by representatives of growers, millers and exporters—in fact by every class of person interested in the rice industry—and I think I was the only person present who was not financially interested. The resolution reads as follows:—

That Government be urged to take immediate steps to establish a Loan Bank to assist the rice industry, to be operated in conjunction with a Rice Pool and "Single Seller," such Pool or "Single Seller" to be formed by the Rice Association under the auspices of Government legislation.

I do not propose to deal at any length with the report of the Committee. It will undoubtedly increase the difficulties of financing the industry and also kill the incentive of millers to improve the quality of their rice, because there will be no necessity to improve the quality as all the rice will be swallowed up in the pool. I have been told that it is very difficult to give the Marketing Board wider powers, because they will interfere with the liberty of the subject, but, on the other hand, I have also been told that this Legislature can do anything except make a man a woman or a woman a man. A scheme has been put forward to Government by the Rice Association, but I will not go into the details of it now because we are simply discussing the question whether the Committee's Report should be accepted or not, and on behalf of the Association will content myself with asking Government to oppose this Report. I was a member of the Committee and I agreed with many of the recommendations and opposed others. Taking them all in all I do not think the recommendations will do anything to benefit the rice industry; in fact, I think they will do it a great deal of harm. I agree that the secret rebates nullify a great deal of the good work which the Marketing Board can do, but if wider powers are given to the Board the licences of those who give rebates can be cancelled or suspended and the prices fixed by the Board will be governed entirely by the Eastern prices and not by local competition. The exports of rice have been going up considerably and will continue to go up because the outside

markets hold that with the Board in control they can have some confidence in it. Exports to date have actually exceeded those of last year in spite of the fact that large stocks were held in anticipation of the Board functioning. I feel that if all legislation is removed the industry will go back into the state it was before. It is absolutely essential that there should be control of some sort, but the recommendations of the Committee do not give the control we require. If Government can put up a sum of \$50,000 to finance the industry it will do some good, but without that sum the recommendations of the Committee will be of no use to the industry.

Mr. SEERAM: As a member of the Committee, sir, I have pleasure in supporting the recommendations. There can be no doubt that the rice industry is passing through a crisis unparalleled in its history, and it behoves Government to do all that lies within its power to assist the unfortunate people who are engaged in this industry. In order to do something for the benefit of the industry Government created the Rice Marketing Board. That Board has been functioning for some time and it is admitted almost on all sides that its operations have been greatly beneficial to the industry. But for the secret rebates by some exporters nothing better could have been desired, and the Committee was appointed to see whether any means could be devised to control the granting of these rebates. Can we do anything to curb that malpractice? One of my hon. friends says "No." I say emphatically "Yes, by the creation of a pool." We can have a pool to control the exportation of rice and prevent secret rebates being granted, and that can only be done by a single Authority. The hon. Member for Georgetown North does not like the word "Authority" and we can call it by any other name. Unless these secret rebates can be controlled the industry must suffer. The rice industry is second in importance in the Colony and promises greatly to improve economic conditions. For that reason it deserves every encouragement. The recommendations of the Committee, if adopted, will help to cure one of the greatest evils which affect the industry. One of the points made is that if these recommendations are accepted the financial assistance that is afforded at the

present time by merchants and others will be jeopardised. I submit that the recommendations are going to facilitate financing and that the industry will in no way be affected. Competition between registered exporters will lead to a good deal of money being invested in the industry and with greater guarantee than has hitherto been possible.

The hon. Mr. Walcott says these recommendations are not intended to benefit the rice-growers. If that view can be proved I will be one of the first to oppose them. If it can also be proved that the giving of greater powers to the Marketing Board will improve the position I will agree to their adoption. The Marketing Board got information that almost every individual engaged in the export of rice has been granting rebates and granting them in a way that was impossible of detection. How would we by legislation be able to control the purchase of rice in Trinidad, Barbados or elsewhere without the granting of rebates? I say we cannot. The hon. Mr. Walcott says that if these recommendations are accepted there will not be sufficient rice to be shipped. The majority of growers on the Corentyne Coast are in a better financial position than those in the Counties of Demerara and Essequibo, and they cultivate rice at their own expense with perhaps a few exceptions. These growers as a general rule produce 500, 600 or 700 bags of padi on their own financial strength and the only charge they incur is one from 24 to 32 cents per bag for milling. I think there can be no better guarantee to the grower than a pool under the ægis of Government. There are two recommendations which I do not agree with. One is the proposal to advance to suppliers 80 per cent. of the value of the rice on production of the ship's receipt. I contended that these advances should be made when the rice is actually delivered. The other recommendation with which I was not in agreement is in respect of the constitution of the Authority. The majority of the Committee supported the view that the Authority should consist of five persons. I urged that there should be nine members consisting of representatives of the growers, millers and proprietors, the managers of the two Banks, a member of the Chamber of Commerce, the Director of Agriculture and two Elected Members

of this Council. But those are matters of detail; the principal question is the creation of a Central Authority to handle the rice. Seven of the nine members of the Committee agreed to these recommendations, and I should like to record my personal appreciation of the services of the Chairman of the Committee, who, from his storehouse of knowledge of co-operative marketing in Jamaica, St. Vincent, St. Lucia and other Islands, was of invaluable assistance to the Committee.

Mr. FREDERICKS: I cannot shirk my plain duty as a member of the Select Committee. When the hon. Mr. Walcott this morning made an appeal to every constituent part of this Assembly to reject the motion, I took up my pen and wrote "To expect me to reject this report is to imagine me saying that the combined experience and intelligence of the Committee is of little or no value legislatively." That I will never do. To begin with, I attended most of the meetings of the Committee and if ever there was a Committee that struggled on the evidence presented to arrive at something calculated to benefit this country so far as the rice industry is concerned I say without hesitation this Committee has. Little details, even of phraseology when it came to the expression of certain opinions and conclusions arrived at, took considerable time, and at no time did the Chairman allow anything to go down which he did not think fittingly expressed the decision arrived at. Sitting in such an atmosphere one was impressed with what was going on, and my calculated opinion is that the report is not the panacea for the many rice ills that we have, but it is unqualifiedly the circumstantial wisdom of a body of men who regard the progress of the rice industry as something indispensable to this country. The Committee was appointed because the Marketing Board, which apparently is doing good work, was experiencing difficulties by reason of secret rebates by certain exporters. Those who are able to speak by reason of their experience tell us that rebates are injurious to the rice industry. If you cannot combat something which you cannot remove by one means you have to find some other means. It is no use telling me as an individual that the report must be rejected unless other means are suggested to wipe these secret rebates out of existence. Mr. Walcott told us of the

Police Force going to look for men and of all sorts of things happening. He did not tell us "that a registered supplier who makes wilful default in supplying his quota is liable to a penalty not exceeding \$250 or three months' imprisonment." I want to feel that these speculators would rather lay in jail than be outside walking and trying to improve their pockets somehow or other.

When it comes to distrust, there can be no doubt that there is distrust in the Marketing Board, and the Select Committee was trying to remove that distrust. If the Committee has taken great care to make provision which honestly ought to prevent people being so distrustful, then in reason the only thing that is left to be done is for a trial to be given to the work of the Committee. Let us try it for a while and see what there is in it. I have heard it said that one great idea is to do something to benefit the grower. I feel that if there is anything needed it is the need to assist the grower so that the price of rice will be stabilised. The idea is to bring about a standard rice market in the Colony. I submit there is a lot in the report that will bring about that end. The rice grower is the smallest man in the whole business. It is always rather difficult to help the fellow lowest down; he must rely on somebody to supply the cash, and sometimes he cannot get the cash in proper time to grow his rice. With the provision of an advance of 80 per cent. there should be no difficulty such as he now encounters. One hon. Member referred to the question of interest. Even that should be lessened in its severity by the recommendations of the Committee. There are those who suggest that we should retain the Marketing Board and give it wider powers. That is a suggestion that may be considered with others that may yet be made. My plain duty is to endeavour seriously and faithfully to produce something calculated to benefit and ensure progress of the industry, and I respectfully suggest that it will not be in the interest of the industry to throw over the report of the Committee as something not worth while. The existing state of affairs calls for some sort of relief from the complaints that are general, and I can see nothing at the present time which is more calculated to give relief in some form or other than the report of the Commit-

tee. The common duty of the House is to adopt the recommendations and give them a fair trial.

Mr. PEER BACCHUS: I was also a member of the Select Committee and I am supporting the motion. In giving the motion my support I suggest that paragraph 8 outlines an ideal scheme and ask Your Excellency to consider whether Government will be able to finance the industry on those lines. The other recommendations were made because it was thought by the Committee that under existing conditions Government could not finance a pool as recommended in that paragraph. It is for this House and Your Excellency to decide whether in the parlous state of the industry we have a good case to approach the Imperial Government for aid to carry on the pool. I do not think we have had a better case for Imperial aid, and if we are agreed that the rice industry needs assistance I respectfully submit that it is Your Excellency's duty to make such a recommendation. I do not think the hon. Mr. Walcott has given sufficiently strong reasons why the report should not be adopted and that instead the Marketing Board should be continued and given wider powers. The creation of the Marketing Board was to stamp out the cut-throat competition which was considered then and is considered now to be inimical to the industry. The Board has not been able to stop that evil and it has not performed the duty for which it was created. If the Board has failed in performing that duty it is now the duty of this House to accept the recommendation of the Select Committee and give it a trial. It has been suggested that there are other means of checking secret rebates than by a single seller. If there are any other reasonable recommendations I am sure every member of the Committee would welcome them. I do not agree with the view that the adoption of the report will deprive growers of the assistance they now receive from millers and merchants, nor that the scheme will not benefit the grower. The avenues now open to millers and merchants will not be closed, while the grower will be given the opportunity to export on his own account. If a grower has a quota of 50 bags of rice for exportation and only a limited quantity can be taken there is nothing to prevent him from selling the

difference locally; and in the case of a single seller for export there would be no opportunity for any individual to offer a secret rebate for the sale of his rice. I do not anticipate, as is feared by the hon. Nominated Member, that any difficulty will arise with respect to the quantities of rice registered for export not being available when required. Every person authorised to attest the signature of a supplier will make certain that the applicant has the rice in stock. One cannot register rice except it is manufactured and in stock. Rice so registered may be sold but it would not place the Authority in any difficulty as the quota may be transferred to another person. I was very pleased to hear that Mr. Walcott thinks the merchants are fully secured. The merchants claim to be the financiers of the industry and it was the wish of the Committee that they should not suffer at all. In the interest of the industry I ask the House to adopt the report of the Select Committee.

Mr. SEAFORD: The hon. Member for Eastern Demerara stated that the vote of the Committee was seven to two in favour of the recommendations. I think that is incorrect.

THE ATTORNEY-GENERAL: I do not think this House is concerned with the vote of the Committee; the only thing that is before this House is the report of the Committee.

Mr. CANNON: Are other members of the Committee ashamed of their signatures that only that of the Chairman appears to the report? I believe that is what the law says should be done but we are accustomed to getting all the names of a Committee appended to the report.

THE ATTORNEY-GENERAL: I do not know to what law the hon. Member refers. There are two kinds of Committees. There is a general Committee that may be appointed by His Excellency the Governor consisting of different classes of persons. In that case those persons attach their signature to the report or

may even present a minority report. In the case of a Select Committee of the Legislative Council, just as the proceedings of the Council, the decision of the Committee comes before the Council and that decision is vouched for, according to Parliamentary practice which has existed for many years, by the signature of the Chairman only in the same way as the proceedings of this Council are vouched for by the signature of the President only. If there existed any other practice previously it has been wrong.

THE PRESIDENT: The Attorney-General is correct in his interpretation of the law, but it was a surprise to me when I found it was the practice followed here. I have not found it the practice anywhere else where I have been, and I think myself it is not a practice to be commended. I think it is very much better to have a Minority Report, and a Minority Reports gives everyone an opportunity to express their own views. I am not in favour of appointing members of a Committee because they are all likely to agree but in order that they may hear different points of view and perhaps reach some agreement in the end. I do not necessarily attach more importance to the agreement because there happens to be a majority of seven members of the Committee. It may happen that the wise man on a Committee is in a minority of one. A famous case occurred in the last two years in connection with one of the most important Commissions appointed in England. Legislation introduced on the report of that Commission was framed on the report of one member, who was in the minority, and that legislation went through the House of Commons and was supported by both sides after it had been fully explained. I hope in future these reports will be presented in the form in which they are signed by a Committee and not necessarily of a Select Committee of this Council, and that members will express their views fully and frankly.

The Council adjourned until the following day at 11 o'clock.