

LEGISLATIVE COUNCIL.

Wednesday, 30th 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).

The Hon. F. Dias, 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. A. Luckhoo (Eastern Berbice).

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

The Hon. N. Cannon (Georgetown North).

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

The Hon. J. Eleazar (Berbice River).

The Hon. J. Gonsalves (Georgetown South).

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 24th August, as printed and circulated, were confirmed.

PAPERS LAID.

The following documents were laid on the table:—

Report of the Commissioners of Currency for the year 1932.

Report of the Banks Committee of the Local Government Board, and on the Co-operative Credit Banks established in the Colony, for the year 1932.

GOVERNMENT NOTICES.

RICE (EXPORT TRADE) BILL.

THE ATTORNEY-GENERAL (Mr. Hector Josephs) gave notice that at a later stage he would ask leave to introduce "A Bill to extend the operation of and to amend the Rice (Export Trade) Ordinance, 1932," and also move the suspension of the Standing Rules and Orders to enable the Bill to be taken through all its stages.

CO-OPERATIVE CREDIT BANKS BILL.

Professor DASH (Director of Agriculture) gave notice of a number of amendments, printed and circulated, which he

proposed to move when the Committee stage of the Co-operative Credit Banks Bill was reached.

PETITIONS.

Mr. DE AGUIR laid on the table a petition from Thomas A. Bacchus praying that he be permitted to continue his calling as a chemist and druggist.

Mr. GONSALVES laid on the table a petition from James Lambert, ex-Police Constable, praying for a gratuity.

ORDER OF THE DAY.

RICE (EXPORT TRADE) BILL.

THE ATTORNEY-GENERAL: I move the suspension of the Standing Rules and Orders to enable "A Bill to extend the operation of and to amend the Rice (Export Trade) Ordinance, 1932" to be taken through all its stages.

Mr. DIAS seconded.

Question put, and agreed to.

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

Mr. DIAS seconded.

Question put, and agreed to.

Bill read the first time.

THE ATTORNEY-GENERAL: I move that the Rice (Export Trade) Bill be read the second time. The circumstances connected with this Bill are well known. The question has arisen as to what steps should be taken further to protect the export trade of rice from this Colony. The Council recently rejected the Report of the Select Committee and the general opinion was that in so far as is possible the Rice (Export Trade) Ordinance should be extended. The object of this Bill is to carry out those intentions. In the first place, the Ordinance has to be continued to the 30th of September, 1934. The next matter of importance will be the variation of the Board by which a Council under the Ordinance is formed. At the present time the Marketing Board consists of nine members; the proposal is that it is now

to consist of seven persons, who are to be the Manager of each Bank, two officers of the Public Service and three other persons appointed by the Governor. Then there are consequential amendments in section 3 of the Ordinance to follow these changes. The next matter of importance is the creation of an Advisory Committee to advise the Board in connection with matters dealing with rice and the price of rice. That is provided in clause 4 of the Bill which inserts a new section in the Ordinance as 5 (A). The Committee shall consist of five persons chosen by the Governor-in-Council from a panel submitted by the Rice Association, three members shall constitute a quorum, and the members shall hold office at the pleasure of the Governor-in-Council. The other provision of importance is that the Board should be given power to suspend as well as to revoke a licence. In section 6 (3) of the Principal Ordinance the power is limited to revocation only and it is felt that the lesser power might well be sufficient, consequently clause 5 provides for that and certain other consequential amendments. The object of clause 6 is to make an addition to section 14 to provide that where the agent of an exporter gives any part of his commission to the purchaser a sale made under those circumstances shall be deemed to be a sale at a lower price than that fixed by the Board. In Committee a motion will be moved substituting a different and better verbiage than is contained in the clause. It is also proposed to move in Committee an amendment repealing section 15 of the Principal Ordinance, which provides that the Board shall in the month of May, 1933, transmit a report to the Colonial Secretary, and inserting a new clause in the present Bill that the Board shall in the months of January and July, 1934, transmit to the Colonial Secretary a report of its transactions to the 31st December and the 30th June, together with a full statement of its accounts and expenditure. The reports will be laid before the Legislative Council and published in the *Gazette*.

Mr. DIAS seconded.

Mr. ELEAZAR: The Bill bringing into existence the Marketing Board was introduced because it was contemplated that it would be the means of preventing people here from underselling one another in foreign markets, particularly Trinidad,

and thereby assist the sale of rice from this country in those markets. The Board has confessed that it has failed in preventing people from giving secret rebates and consequently in preventing unfair competition. If the Board has failed in preventing underselling what is the justification for asking us to give it greater powers? Is there any indication that greater powers will enable the Board to succeed in that respect? The Board is asking in this Bill for power to make an offence any allowance to a purchaser by the agent of an exporter of any part of his commission. That has always been an offence and the Board could not prevent it. What then if an exporter is his own agent and is buying from himself? What is contemplated in this Bill to prevent that? Why cannot Government say "We have failed." It has been proved that the Board has not fulfilled its functions. That is evidence for its abolition, not for its continuation and extension. I cannot see that Government's interference is calculated to do anything but to put money into the pockets of some people at the expense of others. I am fully aware that in spite of what I say Government is going to carry the Bill through. If you must have this Bill something is wanting in the amendments. That something is that you should fix the price for the produce of the grower as is done in fixing the price of farmers' canes in relation to the price of sugar. I do not think Government has given this matter sufficient consideration. It is a pity that it has been left until the last moment before the Ordinance expires to bring forward this Bill. I have not had an opportunity of consulting people who have been exporting rice and have had to cease to export on account of the Ordinance. But if in the light of the experience we have had Government still think that the Marketing Board is necessary, it should also protect the producer from being the victim of people who are preying on his life-blood. The only way to protect him is in the same way as it is possible to find out the price of sugar and say that the price of farmers' canes should be so much.

Mr. DE AGUIAR: This Council having rejected the Report of the Select Committee which considered the question of the rice export trade, it is my plain duty to support this Bill, not in the form it

was presented to the House, because it has been recognised that the control of the export of rice is absolutely necessary. I appreciate the necessity for rushing the Bill through all its stages to day. The Rice (Export Trade) Ordinance expires to-morrow and it is therefore necessary to settle the policy regarding the export trade of rice. I also appreciate the remarks made by the hon. Member for Berbice River regarding the price that should be paid to the producer, but that is a question that needs a great deal of examination. The people whom he means to benefit are those who grow the padi in the field. Traders of rice would tell you that in order primarily to benefit those people it would be necessary to devise means whereby a padi pool should be created. The growers for the most part rent the land they cultivate and at reaping time they have to send all the crop to the miller, who invariably is the owner of the land. At that date the price of padi is fixed. Subsequent variations in the price of rice never at any time benefit the grower, unless he happens to be a man of independent means at the time when he reaps his crop and is able to meet his obligations, and is prepared to wait and take his chance of benefiting by variations in the price of rice. It is therefore impossible to fix the price to be paid to the growers in accordance with the variations in the price of rice fixed from time to time by the Marketing Board.

Dealing now with the amendments proposed, I am not satisfied that the evil of secret rebates will be properly controlled. In addition to the Marketing Board an Advisory Board is to be appointed, whose duty shall be to advise the Board on the price of rice. My own view is that immediately on receiving a recommendation of the Advisory Committee the Board should sit and fix the price of rice. It might be argued that that will be the course taken, but experience will teach us when it is too late that when the Advisory Committee has sat and agreed to change the price the Board will sit the next week to decide the question. It is not necessary for me to relate what will happen during that lapse of time, especially if the recommendation is to increase the price of rice. Your Excellency will be very careful in your selection of the Advisory Committee but a man cannot be relied

upon to act against his own interest. That Committee will be composed of men who have experience of the export trade of rice, and it is therefore all the more necessary that the recommendations of the Committee should be immediately acted upon and there be no delay even for twenty-four hours. I understood from the mover of the motion that the clause with respect to secret rebates will be further amended in the Committee stage. I am sorry he did not give us an idea of what the amendment proposes to do.

THE ATTORNEY-GENERAL: Perhaps it would help the hon. Member if I say now that it is not a question of amendment but a question of recasting the phraseology of the clause to express more correctly what is intended. The clause will read in this way:—

Where any allowance is made to a purchaser by the agent of an exporter of any part of the commission or other remuneration paid to the agent by the exporter the sale in respect of which such allowance is made shall be deemed to be a sale at a lower price than that fixed by the Board within the meaning of this section.

Mr. DE AGUIAR: This amendment covers the point I wished to make. I know how difficult it is to get the required evidence to satisfy the Board, also how difficult it is after receipt of information to acquire evidence. We shall never be able to get one whit further with regard to secret rebates, nor can we hope to stop them. To say too much on the question would open the eyes of unscrupulous traders who can only obtain business by dishonest practices.

Mr. PEER BACCHUS: I agree that there should be some control over the price and exportation of rice but I do not think we have gone sufficiently far. The Bill simply protects the exporter and I should like to see the price fixed for wholesale delivery in Georgetown or any other point for shipment. The same conditions that existed eight months ago between the grower and the merchant, and the conditions that existed abroad and in the local market, still exist to day and can be more forcibly used for fixing the local price of rice. We have heard much about rebates but we have not heard the reasons for those rebates. One of the main reasons for the giving of rebates is that exporters are free to buy rice at their own price. One

exporter buys cheaper than his competitor and he is in a position to give rebates so as to get larger orders from importers. I think if that condition alone is rectified it would go a great way to minimise, if not stop altogether, the evil of rebates because all exporters would be buying at the same price. The fixing of the price with a margin of profit would serve the purpose. The grower does not come into the Bill at all. If the industry is to be helped the price should be fixed from the point of delivery for shipment abroad, and I do not think there can be any reasonable objection to the fixing of the price for rice delivered in Georgetown.

Mr. SEAFORD: I should like to say I support this Bill. It is not perhaps as strong as some of us would like to see it, but we are convinced it is as strong as Government can make it. From the experience gained on the Marketing Board I consider that it will do a great deal towards stopping rebates. With reference to the last speaker's point about fixing the price of rice on a f.o.b. basis, the Marketing Board made out a statement, which was sent to the Commissaries in the different districts, showing what the various freight rates worked out at and what rice is worth in Georgetown. It is quite easy therefore for any seller of rice to obtain those figures either from the Commissaries or the Marketing Board. The hon. Member for Berbice River told me some time ago he did not like the Marketing Board and I suggested to him to come and learn how it worked. Obviously he had no knowledge of it. The hon. Member has not yet put in his appearance but I have no doubt that if he comes there he would be one of the staunchest supporters of this Bill.

Mr. BRASSINGTON: Your Excellency is aware that I am not in favour of the Marketing Board in regard to the fixing of the price of rice. I am in favour of every possible control with regard to the grading of rice. I give every credit to the efforts of the gentlemen who compose the Marketing Board. They have had a lot of hard work, but we are starting at the wrong end of the stick. If the industry is to be beneficial we must consider the producers before we consider the exporters. Another point I wish to make—and I do so with a great deal of

diffidence—is with regard to the composition of the Board. I consider that no exporter of rice should be one of the three other persons to be appointed by the Governor. I think Government can find several men who could worthily and faithfully carry out the duties. The whole success of the Bill depends upon the selection of the members of the Board. This is legislation that is going to help the big man when it is the producer whose interests should be served.

Mr. FREDERICKS: My view is that this Bill is necessary in so far as the Marketing Board is concerned. I do not think that the new phases of the Bill are necessary; in fact, they are a hurried production and as such the country has had no time to consider them. One of the objects of appointing the Rice Committee was to bring about relief to the rice-growers. The Committee have not been able to bring forward anything to help the grower. Why, then, should we do something that would still leave the grower unrelieved? In my opinion the only thing that is necessary is a Bill to perpetuate the Marketing Board. For other than that I do not think there is any conceivable reason. I agree that the members of the Board should have nothing to do with the exporting of rice in order that there should be absolute freedom in the decisions of the Board.

Mr. WALCOTT: I had no intention of saying anything but in view of the remarks which have fallen from the lips of some Members I feel it incumbent on me to try and explain how the Marketing Board does help the grower. If we throw our minds back it will be remembered that the Rice (Export Trade) Ordinance was not entirely the creature of Government. The Ordinance was sponsored by Government but the Board was brought into being at the request of the Rice Committee of the Chamber of Commerce, associated with some officials directly connected with the rice industry and a large percentage of the mercantile community. The idea was to stop the insane competition that was existing between local traders to the detriment of the producer. Commonsense tells us that every cent less that is received for rice in this Colony is reflected on to the producer, therefore the Board was brought into being, and very sensibly so,

by the Government for the express purpose and with the primary idea of helping the grower. I claim that it has done so. Had this Board not come into being when it did, there is no doubt in my mind, the result in dollars and cents to this country from the rice exported would have been somewhere in the vicinity of \$200,000 less than what it has been for the past eight months. It seems unfortunate that any individuals who have the country's good at heart should, either without a proper study of the question or perhaps from a misunderstanding of the conditions existing in the Marketing Board, allow themselves to make remarks which may go forth to the public as being detrimental to the members of that Board. I happen to be a member of the Marketing Board and I happen to know the conditions under which it is run. It would be better perhaps for the Chairman of the Board to explain those conditions. I know that he has done so in several places and I have no doubt that if he had not spoken already he would do so here. The three members of the Marketing Board, as it exists today, who happen to be exporters and are therefore considered competitors with other exporters, have nothing whatsoever to do with the contracts or with any conditions of contracts, or with quantities or otherwise of their competitors. It is unfortunate that any Member of this Council should try to convey to the public the idea that any of those members of the Marketing Board interested in the export of rice would be—

Mr. FREDERICKS: I rise to a point of order. The hon. Member is bringing the debate to personalities. No personal attack has been made on the members of the Marketing Board; the reference to the Board was made from the broad point of its constitution.

THE PRESIDENT: I did not understand the hon. Member to refer to personalities and I ask him to explain what he means.

Mr. WALCOTT: I thought I had a right to speak on the constitution of the Board, sir, which was referred to by hon. Members in asking you not to have persons who are interested in the export of rice on that Board. Anyhow, it seems to be unfortunate that the previous speakers should have endeavoured to convey—and

I can only think that they did so knowingly—to the general public that there is any member of the Marketing Board who would be incapable of appreciating the trust which Your Excellency has placed in him. It seems a bad suggestion to make to the public.

Mr. FREDERICKS: I must rise again. The hon Member is out of order.

THE PRESIDENT: Only the Chair can decide whether a Member is out of order.

Mr. FREDERICKS: I agree with that. Nobody has attempted to deride anybody else in public.

Mr. WALCOTT: If I have said something which has resulted in giving the hon. Member an opportunity to correct what might have been a wrong impression then I am honoured if I did that, but the impression left on my mind was that Your Excellency was asked not to appoint anyone connected with the expiring Rice Marketing Board. I suppose, sir, that if you were appointing a Legal Committee you would ask the rice merchants to be on it because they would have no axe to grind; but it would be wrong to allow the impression to go forth that there was no exporter of rice in this Colony who was incapable of appreciating your trust if you put him on the Board. Personally, I shall be very glad to be off the Board, but it would be a sorry day for this Colony if we ourselves have got to advertise the fact that there is no honest man in the Colony. In other words, because you are interested in something you cannot give a straightforward opinion on it. There is the old French saying *Honi soit qui mal y pense* and it seems to fit in. I think the amendments are necessary and hope the Council will pass them. There are one or two little changes that will help the new Board and I do not think they will cause any inconvenience to exporters or hurt in any way the growers. The Marketing Board undoubtedly serves a good purpose in stopping price-cutting, which will eventually hurt the growers. But this is only the beginning and I hope it will be possible, as time goes on, for Government working in conjunction with others interested in the Colony and the industry to provide further measures for the protection of the grower. I think as time goes on Members here, and

perhaps people elsewhere, will appreciate the work that has been done, and I hope will continue to be done, by the Marketing Board. I would specially like to say how much I have appreciated the work of the Chairman of the Board, whose task has been extremely difficult, and I consider he has carried it out in a manner worthy of the traditions of his family. I should also like to make mention of the good work done by the Department of Agriculture in connection with the Marketing Board. In another place mention has been made of it. Quite recently we had news from Canada that this Colony has taken 25 per cent. of the prizes at the World's Grain Exhibition. In so far as our Demerara padi is concerned we have come first of all the exhibitors within the Empire. That speaks very highly for the Department of Agriculture, and as we kick them when we think it is right I think it is only fair that we should praise them when they have done good work.

THE ATTORNEY-GENERAL: There are one or two points I should like to call attention to. I do not propose to discuss the question as to whether or not any local price should be fixed for rice in any of the manners which have been indicated. What I do wish to point out is that if it is desirable that a price should be fixed it cannot be included in a Bill which is amending an Ordinance solely concerned with the export price of rice. It is not permissible to mix up in that way two wholly distinct subject matters, or to enact a Bill in the manner indicated, and I am surprised it is indicated by some members of the legal profession. If, however, the matter is one of importance and it is considered necessary to deal with it, then it will have to be dealt with after examination, consideration and in a measure dealing with that subject. It has been suggested that the rice-growers have not benefited by the existence of the Marketing Board and that the rice-growers have not been consulted in connection with the Board. Like many other things which are said in apparent earnestness, there is no foundation for such statements. Before the Marketing Board was constituted meetings were held in various districts in connection with the matter, and all the rice-growers approved of a Board fixing the export price of rice. Finally, there was a special meeting to which rice-grow-

ers were summoned, and they approved of the formation of the Marketing Board to carry out the objects which it has so well carried out. There is no doubt that as a consequence of the work of the Marketing Board the price of rice has been increasing, and naturally the benefit will have reached those connected with the industry as rice-growers. It is a fact too that many rice-growers have expressed before the Select Committee their high appreciation of the work performed by the Marketing Board and the fact that they have benefited from it. I thought it would be well, in order to clear away misapprehensions which might be brought about in the minds of persons by reason of misstatements, innocent no doubt but uninformed, that the true state of affairs should be known and be mentioned in this Council.

Question put, and agreed to.

Bill read the second time.

The Council resolved itself into Committee to consider the Bill clause by clause.

Clause 2—Ordinance 47 of 1932 continued to September, 1934.

Mr. ELEAZAR: I move that this Bill remain in force until the 31st December, 1933. There is no reason why it should have a longer lease of life. The Bill is entitled to a decent burial, but I do not see why its resurrection should give it eternal life. An extension to the end of the year would give an opportunity to control the present year's crop and no more.

Mr. LUCKHOO: I will support the amendment if the hon. Member would extend the period to the 31st March, 1934. The original Bill was for a term of six months, which was extended for two months. I am aware of the good work accomplished by the Marketing Board and should like them to undertake a publicity campaign in the islands. I should also like to see all the provisions of the Ordinance carried out and suggest that they communicate to the country districts the export price of rice.

THE CHAIRMAN: I suggest that the hon. Member bring up that suggestion in connection with the Board. We are now

dealing only with the question of the extension of the date.

Mr. ELEAZAR: I accept the amendment.

Mr. DE AGUIAR: While I am in favour that the Bill should be only for a limited period until the end of March, we shall not then have disposed of the entire crop to be reaped late this year. I think the 30th June would be a more reasonable date for a review of the question.

THE ATTORNEY-GENERAL: Perhaps it would interest the House to know that the 30th September was suggested and approved of by persons who have considerable practical knowledge, experience and interest in rice.

The Committee divided on the amendment and voted:—

Ayes—Messrs. Peer Bacchus, Dr. Singh, Eleazar, Cannon, Fredericks, Luckhoo and Brassington—7.

Noes—Messrs. Walcott, Seaford, Jones, De Aguiar, Gonsalves, Wight, Woolford, Christiani, King, McDavid, Birkitt, Dr. Henderson, Major Craig, Professor Dash, Major Bain Gray, Dias, Smellie, the Attorney-General and the Colonial Secretary—19

Clause 3—Amendment of section 3 of Ordinance No. 47 of 1932.

Mr. BRASSINGTON: I do not wish to go over what I said before but should like to make an explanation in regard to my objection to having exporters on the Marketing Board. No fair-minded Member of this Council would have thought for one moment that I meant to imply, either directly or indirectly, that because a man or his firm was an exporter he could not honestly do his duty. I never meant to infer that, nor do I think my words conveyed that. I paid a tribute to the work that the Marketing Board had done, not only this morning but on other occasions, and I emphasised that the value of the Board was in regard to the grading of rice. I do not think it is right or proper or to the advantage of the industry that the Board should have powers in regard to the fixing of the price of rice. I have been taught French but my French has

been neglected. I prefer to reply to the hon. Member in good old English: "He who excuses himself accuses himself."

Mr. WALCOTT: That is French too.

Mr. BRASSINGTON: I know it. I think the sooner the activities and powers of the Board come to an end the better for the rice industry. I repeat, as I said last week, that the first step to assist the industry is the establishment of an Agricultural Bank.

Mr. ELEAZAR: I am suggesting that in sub-clause (c) the words "not directly or indirectly interested in the exportation of rice" be inserted between the words "persons" and "appointed." In spite of the boquets that have been handed out I still think that every man has his price, and to shun the very appearance of evil it is not expedient that people who are actually engaged in the exportation of rice should be permitted to fix the price.

Mr. FREDERICKS: I regard the Rice Marketing Board as a semi-public body, and as such a body I think opinions on it are in order. No esteem or personality of any Board would affect my judgment when it comes to the consideration of that body, so long as I make my remarks with due regard to the persons and the proper esteem I hold for them, and more so in accordance with procedure and decency of expression.

THE CHAIRMAN: I suggest to the hon. Member for Berbice River, with regard to the insertion of the words he suggests, that as it is the Governor who has to make the appointments, due weight will necessarily be given to the expressions of opinion in this House in the selection. I think what is intended is to select three persons whom the Governor, in endeavouring to meet the views of the Colony as a whole, considers are the people who would be most useful on the Board. It must be remembered that the Board will be further strengthened by an Advisory Committee on the price of rice. That is one of the main points which the Board dealt with in the past and now you will further have an Advisory Committee to advise. I think

any attempt to fetter the selection of the Board conveys a suggestion that the people appointed must be people who are not ostensibly interested. Who is to determine whether the members of the Board are directly or indirectly interested in doing their duty? It is the Governor who makes the appointment, and the Governor obviously would not make an appointment which he feels would give an idea that this Board is playing into the hands of any particular exporter. That is a suggestion that would obviously be met. That is a reflection which I wish to make quite clear can have no bearing in this debate. I feel sure there can be no personal reflection either intended or made and it is simply a matter of dealing with the question as a whole.

Mr. ELEAZAR: After that expression I do not press the point.

Clause 4—Establishment of Advisory Committee.

Mr. DE AGUIAR: I move the insertion at the end of sub-section 5A (1) of the words "and the Board shall immediately thereafter meet and fix the export price of rice." I do not wish to add anything to what I have already said.

THE ATTORNEY-GENERAL: What the hon. Member proposes to do is that the Board, which is a substantive body, should in a certain sense be governed by the Advisory Committee. I think he has not quite appreciated the effect of section 6 of the Ordinance. Section 6 prescribes that the Board shall meet once a week for the purpose of fixing the price of rice. The new clause provides that the Advisory Committee's principal function is to advise the Board on the price of rice. The usual way is that the Advisory Board should meet before the other Board and express its advice on the price of rice, but the hon. Member wants that the Advisory Committee should meet and thereafter the Marketing Board should compulsorily meet. The idea is that the two bodies should work together with one common object. The amendment looks again like want of faith.

Mr. DE AGUIAR: I can only give a solemn note of warning to the Council that it might be found later on that the Board after receiving recommendations

from the Advisory Committee does not meet within a reasonable time in order to fix the export price of rice. I also warn the Council of the great danger that is likely to arise as a result of the decisions which might be arrived at by the Advisory Committee not being immediately put into effect if the recommendation is to increase the price of rice. A dealer in possession of information that the price of rice is likely to be advanced by 10 cents per bag will undoubtedly be in a better position than his neighbour. It is absolutely essential that the Board should meet immediately after the recommendation of the Advisory Committee has been sent in.

The Committee divided on the amendment and voted:—

Ayes—Messrs. Seaford, Peer Bacchus, Dr. Singh, De Aguiar, Gonsalves, Eleazar, Wight, Cannon, Woolford, Luckhoo and Brassington—11.

Noes—Messrs. Jones, Christiani, King, McDavid, Birkitt, Dr. Henderson, Major Craig, Professor Dash, Major Bain Gray, Dias, Smellie, the Attorney-General and the Colonial Secretary—13.

Did not vote—Messrs. Walcott and Fredericks—2.

Clause 5—Suspension of Exporters' licences.

THE ATTORNEY-GENERAL: I move the addition of a new paragraph to read “(d) by repealing section fifteen.”

Question put, and agreed to.

Clause 6—Amendment of section 14 of Ordinance No. 47 of 1932.

Mr. KING (Official Receiver): I move that clause 6 be amended to read:—

6. Where any allowance is made to a purchaser by the agent of an exporter of any part of the commission or other remuneration paid to the agent by the exporter the sale in respect of which such allowance is made shall be deemed to be a sale at a lower price than that fixed by the Board within the meaning of this section.

THE ATTORNEY-GENERAL: I accept the amendment; it is much more explicit than the original draft.

Mr. DE AGUIAR: I move a further

amendment to insert the words “by an exporter direct or” after the word “purchaser.”

THE ATTORNEY-GENERAL: Anything which lowers the price to the purchaser is covered by section 14 and, personally, I do not know what effect this amendment is going to have.

THE CHAIRMAN: Does the hon. Member accept the point that section 14 covers it?

Mr. DE AGUIAR: I accept the point. Section 14 deals with secret allowances which we have heard so much about.

The Committee adjourned for the luncheon recess.

THE CHAIRMAN: The hon. Member for Central Demerara is not present. Is anyone in charge of his amendment?

Mr. ELEAZAR: When the House adjourned the hon. Member was trying to reconcile the amendment with section 14. I pointed out to him that the section covers the point he was trying to make and he saw it before he left and thought he would not press the amendment.

THE CHAIRMAN: I understand, then, that the amendment is not before the Council. I will put the clause as amended.

Clause as amended agreed to.

THE ATTORNEY-GENERAL: I move that a new clause 7 be inserted to read:—

7. The Board shall in the months of January and July, nineteen hundred and thirty-four, transmit to the Colonial Secretary a report of its transactions to the thirty-first day of December, nineteen hundred and thirty-three, and the thirtieth day of June, nineteen hundred and thirty-four together with a full statement of its accounts and expenditure. The reports shall be laid before the Legislative Council and published in the *Gazette*.

Question put, and agreed to.

Clause 7 was renumbered 8.

The Council resumed.

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

Mr. DIAS seconded.

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

Bill read the third time.

RICE FACTORIES BILL.

Professor DASH: I move that "A Bill to make provision for the regulation and control of rice factories and the manufacture of rice" be read the third time.

Mr. DIAS seconded.

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

Bill read the third time.

CO-OPERATIVE CREDIT BANKS BILL.

Professor DASH: When the Bill to make better provision for the constitution and management of Co-operative Credit Banks was last before the Council I had moved the second reading, the subject had been debated, and I had replied to the important criticisms that had been made. The criticism which I thought was the most important referred to the question of control by the Registrar. It was indicated by several hon. Members that the powers proposed were too many, and it was suggested that a Board or Committee should be worked into the Bill for the purpose of the control which Government had in mind. That has been done, sir, and I move now the second reading.

THE PRESIDENT: I think the hon. Member should now fully explain what the changes are.

Professor DASH: I gave notice that when the Bill was in the Committee stage I would move certain amendments which are indicated on the paper which has been circulated. The most important amendment, as I have already suggested, relates to the question of control by a Board instead of by a Registrar, but provision has been made for the retention of the Registrar who shall also be Secretary of the proposed Board. Clause 3 of the Bill it is proposed to delete and to substitute two new clauses, which deal with the constitution of the proposed Board and also

with the appointment of a Registrar. Most of the other amendments are consequential and refer to the duties of the Registrar and the Board. Clause 7 becomes 8 and in it there is to be an amendment providing that the Registrar may, with the approval of the Board, refuse to register a bank and in case of refusal the bank may appeal to the Governor-in-Council. In clause 11 (renumbered 12) the word "Board" is substituted for "Registrar" and consequential amendments are made throughout that clause. Clauses 13, 14, 15, 16, 17, 21, 22, 24, 27, 35 and 37 are similarly amended, and the management of the banks will be through the Board instead of giving absolute power to the Registrar as originally proposed. The constitution of the Board is clearly set out in the new clause 3. I do not think there is anything further I can add and when the Council goes into Committee I shall indicate the amendments.

THE PRESIDENT: I should like to say that in view of the important changes made in this Bill it is open to discussion *ab initio*.

Mr. ELEAZAR: I am glad to have the opportunity to speak on this Bill. In view of the number of amendments I ask whether it is not expedient that they be made in the Bill and put before the House in a manner that Members may know what they are doing. I thank the Colonial Secretary for trying to help me by giving me a copy of the Bill with the amendments. I do not think the Bill should be considered before the amendments are put in the Bill itself. This morning the hon. Member for Central Demerara was indicating to me the same thing.

THE PRESIDENT: I ask the mover of the motion if there is any urgency in proceeding with this Bill.

Professor DASH: This Bill was part of the work of this session. The control of these loan banks is in urgent need of attention and I was hoping that the Council would agree to proceed with the Bill. The substance of the Bill is in no way changed. The important thing is the Co-operative Credit Banks Board, and with the exception of two new clauses most of the amendments are consequential. The powers and functions of the Board are

clearly defined in clause 2, and there is nothing in the Bill to be altered except the provision for the Board instead of absolute power of the Registrar.

THE PRESIDENT: I am always averse to proceeding with legislation if Members of the Council desire further consideration in regard to it. This Bill was brought up in this session of the Council and it was hoped that the amendments would not be many, and they are being made to meet the views of Elected Members in regard to the authority in the Bill. If the hon. Member presses his point I am quite willing to let the Bill stand over. Perhaps he will give the Bill consideration in Committee, and if he finds it too difficult for him I am quite willing to postpone it.

Mr. ELEAZAR: I am not singular in my opinion; another Member made the same complaint. I cannot trust myself to deal with the numerous alterations which the memorandum indicates. This is a very important Bill, and from my knowledge of the inception of these Co-operative Banks I shall have a good deal to say, but I shall want to be able to give constructive criticism. I do not see the urgency for the Bill. The banks have been going on since 1905. Government came in in 1912 or 1913 and up to now I do not know that anything very serious has occurred which makes it incumbent on Government to press the Bill.

THE PRESIDENT: I do not know that a postponement until to-morrow is going to be of any particular advantage. The hon. Member is asking for the reprinting of the Bill with the alterations only.

THE ATTORNEY-GENERAL: I am afraid that cannot be done. The Bill is already before the House and has passed its first reading, and no change can be made in it now except with the approval and consent of the Committee. There is no substantial change in the functions of the Bill, which has been published since the 17th June, 1933. Certain powers were conferred on the Registrar who was to act alone, and the only check would be that in certain cases there would be an appeal from him to the Governor-in-Council. Clause 12 gave the Registrar general superintendence and control of all banks; the right at any time to inspect

and examine the books; power to inquire into the proceedings of any bank; power to vary or amend any order, decision or resolution of the committee or a meeting of members of a bank; power to remove from office without notice the chairman or any member or officer of the committee of a bank and to appoint some other person to act in that capacity; power to take over the management and control of any bank in certain circumstances; and so on. It was called to the attention of the House that these powers—although they are necessary for the proper management of the banks in relation to their shareholders, also in relation to the Banks' liabilities to Government and any other creditor—are of such a nature that for the general well-being of the banks it would be far better if they were exercised by a Committee. In deference to that suggestion a substantive change was made that the Governor shall appoint for the general superintendence of all banks a Board to be styled "The Co-operative Credit Banks' Board," and the Registrar now becomes an officer and secretary of the Board. What has happened is that the objection that these powers shall not be exercised by one person has been met by the substitution of a Board. That is the only difference. All the other amendments are consequential on substituting the Board for the Registrar.

THE PRESIDENT: I suggest that we proceed with the Bill.

Mr. ELEAZAR: Before we proceed, sir, I should like to say that somebody is anxious to take away from the people who, without Government's assistance in inaugurating these banks, have been carrying them on with their own money and in their own way all these years. Have they suddenly become incompetent to manage their own affairs? What is the reason for taking away this privilege from them?

THE COLONIAL SECRETARY (Mr. Millard): I rise to a point of explanation. I invite the hon. Member's attention to the last clause of the Bill, which repeals sections 305 to 315 of the Local Government Ordinance. The control of these banks is provided for at the present moment within those sections, which are now incorporated in this Bill, but to meet the objection to control by a Registrar

when the Bill was previously under discussion it is now proposed that the banks should be under the control of a Board, one member of which will be the Director of Agriculture.

Mr. ELEAZAR: It is my misfortune that I cannot conceive how the Board is to exercise control when there is not a single bank but a number of banks all over the country. Where does the Board come in, what are its functions, and why is the Director of Agriculture on it and for what purpose? Government only came into the matter to supplement the funds of the banks contributed by their members. Is the Board to supersede the Committees of the banks, or is it to be the governing body of the banks all over the Colony, only because Government is lending them a certain amount of money? I cannot do justice to the Bill with all these amendments.

THE PRESIDENT: The hon. Member has expressed his views. He has objected to the Bill on principle and continues to object to it on principle.

Professor DASH: I think the hon. Member is under a misapprehension as to the general principle regarding the management of these banks. The Banks' Committee will still be in control of their own affairs as there is no real change in that sense, but the control previously vested in the Banks' Committee is now to be vested in a Board with the Director of Agriculture as Chairman. The banks are now becoming an integral part of the work of the Department of Agriculture, the district officers are chairmen of the banks, and it is only fit and proper that the Head of the Department should have some little voice at any rate in the general direction of the banks. The Board provides for the control and the Director of Agriculture is the chief executive officer of that Board. That is really all that the Bill seems to do and I think hon. Members will agree that it is very essential. The tendency in the banks in the past has been to loan moneys not altogether for the purpose of agriculture. The fact that you have in the districts now agricultural officers who are in sympathy with agricultural activities and those on the land is a guarantee that under this arrangement the funds in future will be loaned for agricultural purposes

very largely, so on the whole the general tendency will be to keep the banks for the purpose for which they were really created. Government will help the banks in the future but help in the future will depend on the efficiency of the banks, and this measure is definitely to exercise a little more efficient control in the handling of the banks, but that control will be by the Board in much the same way as in the past, the only difference being that the Chairman of the Board is the executive Head of the Department under which the banks now logically fall.

Question put, and agreed to.

Bill read the second time.

The Council resolved itself into Committee to consider the Bill clause by clause.

Clause 2—Definitions.

The following definition was added to the clause:—

“The Board” means the Board appointed by the Governor under section three of this Ordinance.

Clause 3—Appointment of Registrar, Deputy Registrar and Assistant Registrars.

Professor DASH: I move that clause 3 be deleted and the following substituted:—

3.—(1) The Government shall appoint for the general superintendence of all banks a Board to be styled “The Co-operative Credit Banks' Board.” The Board shall consist of five members one of whom shall be the Director of Agriculture.

(2) The Director of Agriculture shall be the Chairman of the Board and shall preside at its meeting; in the absence of the Chairman from a meeting the members present may elect one of their number to be Chairman of the meeting.

(3) The Chairman of a meeting shall have an original and a casting vote.

(4) Three members present at a meeting shall form a quorum.

(5) The Governor may at any time revoke the appointment of any member of the Board.

(6) A member of the Board shall vacate his office—

(a) if he resigns in writing addressed to the registrar; or

(b) if he departs from the Colony without leave of the Governor, or remains out of the Colony after the expiration of his leave; or

(c) if he fails without reasonable excuse (the sufficiency whereof shall be deter-

mined by the Governor) to attend three consecutive meetings of the Board.

7. The Governor may at any time appoint some person a member of the Board—

- (a) to take the place of an appointed member who shall vacate his office by death or otherwise; and
- (b) for the period of any leave granted to an appointed member.

Question put, and agreed to.

Professor DASH: I move the insertion as clause 4 of the following:—

4.—(1) The Governor may appoint a registrar of banks and assistant registrars to assist him in the performance of his duties.

(2) The registrar shall be the secretary of the Board. He shall be subject to the direction of the Board and shall have the powers and perform the duties assigned to him.

Question put, and agreed to.

Clause 7 (renumbered 8)—Appeal from refusal to register.

Professor DASH: I move that sub-clause (1) be amended by the substitution of the words "The Registrar may with the approval of the Board refuse to register a bank. In case of refusal" for the words "If the Registrar refuses to register a bank" in the first line.

Question put, and agreed to.

Clause 11 (renumbered 12), which provides for cancellation or suspension of the registration of a bank by the Registrar, was amended by the substitution of the word "Board" for the word "Registrar" and otherwise amended consequentially in the verbiage.

Clauses 13, 14, 15 and 16 were amended in like manner.

Clause 17 (renumbered 18)—Loans by Co-operative Banks a preferent charge.

Mr. ELEAZAR: This clause provides that a borrower shall be personally liable for the loan or advance up to the sum of \$240. I think the amount should be made smaller, especially when you take into consideration sub-clause (2). This clause will cause considerable hardship to the general community. A shareholder of a bank may contribute \$25 or \$50, which is sacrosanct and cannot be touched. That shareholder may contract a debt of \$240 outside the bank and as soon as the creditor goes forward to distrain on his contribution the authorities of the bank simply go to the clerk of the Magistrate's Court and say "Oh no, he is indebted to us and the money cannot be touched." It is not in the best interest of the com-

munity that shareholders in a bank should be advanced loans aggregating so large an amount.

THE ATTORNEY-GENERAL: This clause is taken from the Local Government Ordinance. The reason of it is that in times of difficulties, which might be caused by drought or excessive rain, Government has to come to the assistance of the banks by means of loans for the purpose of lending money to the people who need it. There is no instance where this Legislature has sanctioned an advance of public funds to any individual or corporation or to a village without the statute conferring on Government a preferent lien in respect of that money over all other creditors. The Council is not asked to do something new but to repeal something that has been in existence for a very long time and is in accordance with precedent.

Mr. ELEAZAR: My point is that the effect of it in practice has been to injure other parties. It works a hardship on other creditors and I am suggesting that instead of \$240 it be made \$100, so that if a man makes a debt of \$250 a creditor may have an opportunity to recover his claim.

Sub-clause (2) was amended by the insertion of the words "of Deeds" after the word "Registrar" in the fifth line, and sub-clause (3) was deleted.

Clauses 21, 22, 24, 27, 35 and 37 (as renumbered) were amended as previously indicated.

The Schedules were also amended in accordance with the verbiage of the Bill.

The Council resumed.

The Standing Rules and Orders were suspended to enable the Bill to be read the third time.

Professor DASH: I move that the Bill be read the third time.

Mr. DIAS seconded.

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

Bill read the third time.

ADJOURNMENT.

THE PRESIDENT: There is a motion by the hon. Member for Berbice River. Government is giving consideration to it and the hon. Member will be communicated with on the subject.

The Council adjourned *sine die*.