

LEGISLATIVE COUNCIL.**THURSDAY, 10TH AUGUST, 1950.**

The Council met at 2 p.m., His Excellency the Governor, Sir Charles Woolley, K.C.M.G., O.B.E., M.C., President, in the Chair.

PRESENT

The President, His Excellency the Governor, Sir Charles Campbell Woolley, K.C.M.G., O.B.E., M.C.

The Hon. the Colonial Secretary, Mr J. Gutch, O.B.E.

The Hon. the Attorney-General, Mr. F. W. Holder, K.C.

The Hon. the Financial Secretary and Treasurer, Mr. E. F. McDavid, C.M.G., C.B.E.

The Hon. C. V. Wight, C.B.E., (Western Essequibo).

The Hon. Dr. J. B. Singh, O.B.E., (Demerara-Essequibo).

The Hon. Dr. J. A. Nicholson (Georgetown North).

The Hon. T. Lee (Essequibo River).

The Hon. W. J. Raatgever, (Nominated).

The Hon. V. Roth (Nominated).

The Hon. C. P. Ferreira (Berbice River).

The Hon. G. A. C. Farnum, O.B.E., (Nominated).

The Hon. Capt J. P. Coghlan (Demerara River).

The Hon. D. P. Debidin (Eastern Demerara).

The Hon. J. Fernandes (Georgetown Central).

The Hon. Dr. G. M. Gonsalves (Eastern Berbice).

The Hon. Dr. C. Jagan (Central Demerara).

The Hon. W. O. R. Kendall (New Amsterdam).

The Hon. A. T. Peters (Western Berbice).

The Hon. W. A. Phang (North Western District).

The Hon. G. H. Smellie (Nominated).

The Clerk read prayers.

MINUTES

The minutes of the meeting of the Council held on the 3rd of August, as printed and circulated, were taken as read and confirmed.

Dr. JAGAN: At the last meeting I gave notice of questions and I do not see them in the Minutes.

The ATTORNEY-GENERAL: They have not yet been gone through.

The PRESIDENT: I will look into it.

ANNOUNCEMENTS

GUARANTEED MINIMUM PRICES FOR GROUND PROVISIONS.

THE FINANCIAL SECRETARY & TREASURER communicated the following Message:—

MESSAGE No. 3

Honourable Members of the Legislative Council,

In my message to the First Session of this Council, No. 5 of 19th February, 1948, I invited approval of the establishment of guaranteed minimum prices for ground provisions for a period of three years. By Resolution No. VI, passed on the 27th of February, 1948, the Council sanctioned the proposal.

2. As the guarantee will expire on the 31st of August of this year, the *ad hoc* Marketing Committee has recommended that it should be extended for a further six months from that date, during which period the Committee would submit for the consideration of Government further proposals regarding price guarantees generally, and the operations of the Government Produce Depot.

3. I invite Honourable Members to approve of the foregoing proposals. The present schedule of guaranteed prices which it is proposed to continue is as follows:—

Item	Minimum guaranteed price cents per lb.
Cassava (sweet)	1.25
Eddoes	1.75
Corn	2.75
Plantains ..	1.50
Sweet Potatoes	2.50
Tannias	2.50
Yams	3.50

C. C. WOOLLEY,
Governor.

GOVERNMENT HOUSE,
British Guiana.
8th August, 1950.

GOVERNMENT NOTICES

INTRODUCTION OF BILLS.

The ATTORNEY-GENERAL gave notice of the introduction and first reading of the following Bills:—

A Bill intituled "An Ordinance to allow and confirm certain additional expenditure incurred in the year ended the thirty-first day of December, 1949".

A Bill intituled "An Ordinance further to amend the Tax Ordinance, 1939".

A Bill intituled "An Ordinance further to amend the Intoxicating Liquor Licensing Ordinance".

A Bill intituled "An Ordinance to amend the Mitchell Trust Ordinance, 1937, by extending the time for the submission of accounts by the Trustees; by making provision for notices to be given in the case of a vacancy occurring among the beneficiaries; and by increasing the benefits payable thereunder".

GUARANTEED MINIMUM PRICES FOR GROUND PROVISIONS.

The FINANCIAL SECRETARY & TREASURER gave notice of the following motion:—

"That, with reference to His Excellency the Governor's Message No. 3 of the 8th of August, 1950, this Council approves of the guaranteed minimum prices to farmers for ground provisions which expire on the 31st of August, 1950, being extended for a period of six months from that date".

UNOFFICIAL NOTICES

PURCHASE OF SHAMROCK MANOR.

Mr. FARNUM gave notice of the following motion:—

"WHEREAS the property at Plantation Klien, Pouderoyen, West Bank, Demerara River, owned by Honourable Captain J. P. Coghlan has been offered for purchase to the Government at a price of \$125,000, part of which would be taken in Government Bonds;

AND WHEREAS it is essential that certain dams and trenches (comprising part of the property offered for purchase) should be acquired in order to facilitate and improve the drainage of the area known as North Klien, Pouderoyen, and the creation of a declared Drainage Area for the district;

AND WHEREAS part of the property offered for purchase comprises the land and buildings known as "Shamrock Manor";

AND WHEREAS "Shamrock Manor" is suitable for use either for the Teachers' Training College or for a Farm School;

AND WHEREAS it is most desirable that the opportunity to acquire this property should not be missed;

BE IT RESOLVED that this Council recommends the purchase of the property by the Government."

NOTICE OF QUESTIONS

WORKMEN'S COMPENSATION AND FACTORIES ORDINANCES.

Dr. JAGAN gave notice of the following questions:—

1. In view of the fact that section 6 (1) of the Workmen's Compensation (Amendment) Ordinance, No. 14 of 1947 provides that "In every case where injury has been sustained by a workman, the employer shall be liable to pay to the workman or to any other person advancing the same, the expenses of conveying the

injured workman from the place of the accident to a hospital or to his residence", will Government state whether expenses incurred for motor car hire can be fully recovered under this section?

2. Is Government aware that many timber and mining companies are operating in the interior and other remote areas without proper medical facilities? If so, will Government state whether injured workers requiring emergency treatment can recover expenses incurred for passage by airplane?
3. In view of the fact that Finance Committee has recently voted money for expenses incurred in bringing emergency cases into Georgetown from the interior for medical treatment, will Government state whether there was included among the cases any person covered by the provision of the Workmen's Compensation Ordinance? If so, will Government state whether any sum of money and what proportion of the cost incurred by Government was recovered from the employer or employers?
4. Will Government state how soon the regulations under the Factories Ordinance of 1947 will be published? Will Government also state at what time the Factories Ordinance of 1947 will be proclaimed?

PETITION.

Mr. WIGHT laid on the table a petition on behalf of Mr. Hercules George seeking an *ex gratia* payment in respect of his service in the Public Works Department.

ORDER OF THE DAY

RICE MARKETING (AMENDMENT) BILL.

Council resumed the debate on a Bill intituled

"An Ordinance to amend the Rice Marketing Ordinance, 1946, with respect to the powers and functions of the Rice Marketing Board and the Executive Committee of the Board; and in other respects."

The PRESIDENT: Hon. Members of the Legislative Council, before the debate on the second reading of the Bill to amend the Rice Marketing Board Ordinance is resumed, I feel that it will be helpful in considering this

vitaly important matter if I make a statement on one major aspect of the Bill about which there appear to me to be serious misunderstandings and misapprehensions in the minds of rice producers and others. Indeed these have reached a point where I feel that they must be corrected at once in the public interest.

I refer to Clause 7 of the Bill relating to the proposed establishment of a public rice development undertaking.

It has been suggested that a great deal of this misunderstanding would have been avoided had the Bill been accompanied by a formal Message explaining Government's policy. I feel that this suggestion overlooks the important statement which I made on the rice industry in my Address to Council as recently as May last at the opening of this Session, which was indeed intended to be a formal statement of Government's policy and which received wide publicity. On that occasion after speaking about the development of new industries in the Colony I went on to say that important as this was, it was even more important that we should develop and expand our existing industries and pay full attention to what we know will grow in the Colony and is in fact grown successfully. I emphasized that from this point of view the development of our rice industry must be priority No. 1. I summarized what had been done to increase production and to assist the rice farmer in various ways, all of which was in furtherance of what is and what will continue to be the Government's policy of preserving and promoting the true interests of the rice farmer in every possible way, whether it be security of tenure of land he is already cultivating; or drainage and irrigation schemes to provide new lands for him; or increasing credit facilities; or the development of the co-operative movement; or improving marketing organisation.

I went on in my Address to make special reference to the views of the Evans Commission on the rice industry and those of the American E.C.A. Mission which followed it. I commented in particular on the views expressed in both these reports regarding the real need there was in the industry for a rice develop-

ment and marketing corporation which would operate central mills and cultivate its own rice acreage on a scale sufficient to guarantee the minimum supplies of padi essential for those mills, but which would co-operate with individual cultivators to obtain their full requirements, and which would direct its own marketing organisation. I referred also to the view expressed by the E.C.A. Mission that the land potentially available for padi was approximately some 360,000 acres as compared with 77,000 acres now being utilised, though they pointed out that before any firm estimate could be made soil surveys would be necessary, and that drainage and irrigation schemes, costing many millions of dollars, would be required for any large scale expansion.

I referred finally to the question of the urgent need for a modern central mill for the Courentyne, for which the growers themselves in that area had repeatedly petitioned. I also said that I was discussing with the Secretary of State ways and means of making financial provision for it and for a similar mill at Anna Regina. In brief I outlined the broad direction of Government's policy for the large scale expansion of the rice industry, an essential feature of which would be the establishment of a Rice Corporation which in the words of the Evans Commission "would consolidate the industry and promote its stability upon a commercial basis notably by its contribution of technical personnel and strengthening the milling and marketing organisation in the Colony".

I have repeated all this not only as a reminder of what has already been declared to be the Government's policy but also because, now that this Council is being invited to take the first step to give effect to that policy, there appears to have arisen a feeling that something quite new is being sprung upon the industry. What is even more regrettable is the belief, entirely without foundation, that the proposed Rice Development Corporation will be free from any control, and will wish and be allowed to obtain a stranglehold on the industry and reduce the rice growers to subservience. Let me say at once that if I thought that there was any question of this happening, I should not

for one moment tolerate, much less support, the establishment of such a Corporation. I fear that these impressions, particularly among rice growers, have arisen from wholly unwarranted assumptions. Earlier in the debate on the Bill I made mention of a telegram I had received from the Vice-Chairman of District No. 6 Rice Committee, Mahaicony, asking whether it was true that if the present Bill were passed into law the peasants in the area would not be allowed to cultivate rice any more. Government tenants at Anna Regina have also informed the Management that they have been told that if a central rice mill is built there, their lands will be confiscated and acquired for the new rice mill. The same story to the effect that rice growers will lose their lands to the new Corporation is circulating elsewhere. I would like to assure hon. Members and every rice farmer in the Colony that there is no truth in these stories; they are absolutely false. There are other stories, equally untrue, such as for example, that the Firm of Steele's from Burma is to take over our own rice mill and the two we propose to erect, and that as a result the price received by the rice growers for their padi will be forced down.

It is little wonder that stories of this kind should give rise to anxieties and that the minds of so many rice growers should be filled with misgivings. I can only repeat that there is no foundation for them. Indeed, and on the contrary, I would emphasize that, one of the principal purposes for which Government hopes to find finance, if Clause 7 is passed, is a programme of long term development of *additional* land to increase the holdings of individual farmers and to meet the needs of our rapidly growing population. Thus while we envisage that in the Essequibo a substantial new area may be put under mechanical cultivation by the proposed Corporation in order to ensure the minimum supply of padi necessary for the regular operation of the new mill at Anna Regina, this will not be done at the expense of land already developed for rice. In fact it will be part of the programme for this area to encourage farmers at the same time to take up new land on their own account. As for the Courentyne, we

hope that supplies from existing rice areas, supplemented by the expansion that is taking place in Block III and elsewhere, will be sufficient to avoid the necessity for the new mill to have its own mechanically cultivated farm.

But now let me revert to Clause 7 itself. The essence of it as it stands at present is that the provisions of the Rice Marketing Ordinance shall not apply to a "public rice development undertaking". Such an undertaking is defined as one for the development of the rice industry and the extension of the rice export trade which is either wholly owned by the Colony or one in which Colony funds are invested. There is a proviso to the Clause which says that the Governor may however direct that all or any quantity of rice manufactured by such an undertaking must be sold to the Board. I readily concede that without clear appreciation of the policy of the Government and of the manner in which this Clause is intended to prepare the way for the development of the industry, the wording as it stands invites the question why the rice farmer should be subject to the Rice Marketing Ordinance, while a new body is to be allowed to come in and operate virtually free of control, and in what it is feared might prove to be unfair competition with the established industry. The answer to this is that nobody will be allowed to do so.

As the Financial Secretary has pointed out, the Company which it is proposed to set up will not be allowed to operate at all until an agreement, which will protect the interests of the rice producers and regulate the Company's relationships with the Rice Marketing Board, has been entered into with the Government with the prior approval of the Legislative Council.

On the other hand we must face facts. The new Company with its associated development projects would have as its objective not merely the improvement of the quality of milled output, but also a great and growing increase in the exportable surplus of rice from this Colony. Export marketing, with all its related problems of grading, price policy, shipping and so on, would thus be equal in importance to the technical problems relating to me-

chanical production and milling. These considerations must therefore play a vital part in the Company's decisions. No one could be expected to invest millions of capital in such a programme with the law as it stands at present. For this law would deprive the undertaking of any right to market for itself any of its output not needed for local consumption. In other words, however efficient the Company might be in the production and manufacture of rice, its success or failure would depend almost wholly upon the effectiveness of the marketing arrangements and the decisions of another body, and, what is more, of a body which had been specially designed and set up for an entirely different purpose, namely, to organise and control the marketing of the output of several thousand small producers who could not, in the circumstances, make adequate marketing arrangements of their own.

Nonetheless, we could not possibly have an organisation here operating in destructive competition with the existing Board, competing with it in its own established markets or prejudicing in any way the interests of the growers. What we envisage are two bodies operating side by side in mutual agreement for the benefit of the Colony as a whole. There would be no underlying conflict of interest, and there need be no disagreement which could not be settled by friendly negotiation.

For these reasons modification of the Rice Marketing Board Ordinance, as it stands at present, is necessary before we can open negotiations with the Colonial Development Corporation or any body. I would like to explain to hon. Members why such negotiations are not merely necessary but necessary now. After a comprehensive review, in consultation with the Secretary of State, of our various development plans and requirements the Government has, as you know, applied to the E.C.A. for a grant of about U.S. \$1,000,000 in connection with the proposal to erect two new rice mills. But this is only part of the story. Marshall Aid is given only in respect of items purchased in the United States of America and which cannot be procured anywhere else. The Government receiving this aid also has to

do two things: first it has to put up the equivalent in its own currency of the dollar aid given: this is called "counterpart" and in our case His Majesty's Government in the United Kingdom has agreed to put this up should the application to the E.C.A. be successful. Secondly the recipient Government has to find the additional funds required in its own currency to complete the project and bring it to fruition; and it has to be able to satisfy the E.C.A. Authorities of its ability to do this before a grant is made. Here I would remind hon. Members of the figure of \$6,500,000 quoted by the Financial Secretary as being a first rough estimate of new money required to erect the two mills, complete the Mahai-cony-Abary scheme and establish a mechanised farm of 12,000 to 15,000 acres in Essequibo. This does not include anything for a new drainage and irrigation scheme which will be necessary. The preliminary estimate for such a scheme which Mr. Hutchinson, Consulting Engineer, is preparing in Essequibo and which will command about 30,000 acres, is at least \$1,500,000. It is here that our problem lies. Our available funds, seriously depleted by measures arising out of the floods, are already all tied up or earmarked for development or rehabilitation projects. Indeed, even with our prospective \$10,000,000 loan which we proposed to raise next year, we shall not be able to do all that is necessary.

Consequently we cannot give even the immediate undertakings required by E.C.A. before they will approve our application, without jeopardizing the Ten Year Plan; and still less can we embark on our general programme of expansion for the rice industry in, which our E.C.A. application is but the first step, unless we are assured that substantial capital will be forthcoming now and in the future. The only body which is available, and available now, not merely to put up substantial capital of the order required but also to assume its fair share in all the problems and risks involved in a new commercial development project is the Colonial Development Corporation; and it is to the Corporation that the Government wishes to make a formal approach immediately the Bill is passed.

This, hon. Members, is the posi-

tion as I see it. I have explained it as fully and frankly as I possibly can and in the hope that it will be of help to you in deciding this important question. At the same time I have given the most anxious consideration to the various criticisms which have been made of Clause 7 in the Bill and to the various fears as to its implications that have been expressed both in this Council and outside it. While I trust that my statement will have served to meet those criticisms and to dispel any fears or misunderstandings, I am anxious that there shall remain no shadow of uncertainty either in the minds of anyone, or even in the wording of the law itself, as to the firm intention of the Government to see that the rights of individual farmers and the position of the Rice Marketing Board are fully protected in any expansion programme. To this end I have directed the preparation of an amendment to Clause 7 which will constitute a complete redraft of the existing Clause in terms designed to make this intention clear beyond any doubt. The adoption of this redrafted clause should, I propose, be moved in the Committee stage by the hon. the Financial Secretary. I will, however, ask him to read the text of it now and to table copies of it at once for each Member of the Council.

The FINANCIAL SECRETARY & TREASURER: Sir, this is the text of the re-drafted clause which is being substituted for Clause 7 as printed in the Bill. It reads:

"7. The Principal Ordinance is hereby amended by the insertion after section twenty-one of the following new heading and sections:—

Special provisions relating to the establishment and operation of a colonial rice development company.

21 A. (1) Subject to the provisions of this section, the Governor may, with the approval of the Legislative Council, direct the establishment of a colonial rice development company (hereinafter referred to as "the company") for the development of the rice industry and the extension of the export trade in the said industry in accordance with an agreement to be entered into between the Government and the Company (hereinafter referred to as "the Agreement") and, notwithstanding the provisions of this Ordinance, the provisions of the Agreement shall govern the operations of the Company.

(2) The capital required for the establishment and the operations of the Company shall be met—

- (a) with the approval of the Legislative Council from funds of the Colony and by the transfer as part of such capital of any assets owned by the Colony; and
- (b) from funds provided by any person or body of persons who, on the invitation of the Governor, shall have agreed to participate in the establishment and operations of the Company.

(3) The Agreement shall be subject to the prior approval of the Legislative Council and shall include such provisions as may be necessary for the purpose of:

- (a) ensuring the promotion and advancement of the rice industry and the protection of the interests of rice producers in the Colony generally; and
- (b) arranging the marketing of padi and rice produced in the Colony and the fixing of grades and prices in relation thereto in collaboration between the Company and the Board.

(4) The provisions of the Agreement shall not be varied without the approval of the Legislative Council."

I would ask that the Clerk circulate copies of Your Excellency's statement and the amended draft clause.

Dr. NICHOLSON: Now that Your Excellency has cleared the mist and so dispelled the illusions regarding the aims and objects of the Bill before the Council, I plead with my hon. colleagues in the Council not to expend more time in needless debate on the second reading of the Bill, but rather to let us get down to consideration of the provisions in the Bill. Whatever doubts hon. Members may have entertained as to the motives of Government behind the Bill have been removed, I think, by Your Excellency's statement.

Dr. JAGAN: To a point of order! Is the hon. Member supposed to read his speech?

The PRESIDENT: I did not observe that the hon. Member was reading his speech.

Dr. NICHOLSON: I am not, Sir. As a Member of this Council who has been near enough to the Administration I can

assure my hon. colleagues that I do not know of any occasion on which Government has sought to hold down persons or groups of persons. We are all conversant with the circumstances of the creation of the Rice Marketing Board. I have come to look upon the Board as the Charter of Rights for the protection of the peasant industry. We all know that the Rice Marketing Board was meant to hold the scales evenly between the producers, millers and middlemen of the rice industry. Indeed, from all the tales I have heard regarding the small producer as against the millers, landed proprietors, moneylenders and middlemen, I have come to look upon the Rice Marketing Board as a Charter of Rights of the peasant industry.

We all deplore the fact that capital from outside has not been coming to this country. We have all deplored the fact that there has not been sufficiently rapid action in development works. We all know that there are thousands of people out of work, and we are all conscious of the fact that there are hundreds of children of school-leaving age for whom there is no employment. The only hope for them is the development of the country, but it would appear that from the first sign of capital coming into the Colony some of us are seeking to deflect that capital. I am therefore pleading with my colleagues to take a wider view of things, to adopt an ever widening perspective and let us, like sensible businessmen we are supposed to be, get down to business and do more work and less talking.

Mr. PHANG: I would like to reconsider my position, and I would propose an adjournment of this debate.

Mr. LEE: This is a very important issue, and legislation of this nature needs careful consideration. As Your Excellency has predicted that a large amount of capital may come in for the development of the coastal area, I would certainly ask for 24 hours, or whatever period of adjournment Your Excellency thinks necessary, to consider the statement you made this afternoon.

The PRESIDENT: If hon. Members feel that they would prefer to adjourn the debate on the Bill until tomorrow I

should be quite agreeable, but I do not admit for a moment that I said anything new in my statement to the Council. I merely gave a reminder of what I have already told the Council, and I have endeavoured to put clause 7 of the Bill in new language which would put the intention of Government beyond any doubt whatsoever. But if it is the wish of the Council to adjourn the debate until tomorrow I am quite agreeable that we should do so, but then I think we should go through to the end. We have already spent a considerable amount of time on this Bill, and I think I have shown all Members considerable latitude and given them plenty of time to consider the various provisions of the Bill. If, as I say, it is the wish of hon. Members to defer the debate until tomorrow we will do so and proceed with the other business on the agenda.

Mr. FERREIRA: I cannot say that I agree with the proposal put forward because as Your Excellency has quite rightly said, you have merely put before the Council what you have said some time ago, and I do not think what you have said today, or the amendment which has been proposed, in any way changes what we already have before us. It was very kind of you to prepare this statement, which I shall read at my leisure, but I submit that further delay certainly would not help the Bill, and certainly would not change the ideas I already have. I would therefore suggest that we carry on with the debate immediately.

Dr. JAGAN: I certainly would like to support the view of the hon. Member who has just spoken. I do not think it is necessary to adjourn the debate on the Bill until tomorrow. As you have said, Sir, this Bill has been before the Council for some time and I think we should continue the debate now.

Dr. NICHOLSON: I am in agreement with the last two speakers that there should be no adjournment of the debate.

The PRESIDENT: If the motion for adjournment is not seconded we will proceed.

Mr. LEE: I second it

The PRESIDENT: I will put the motion for the adjournment of the debate if the hon. Member desires that I do so.

Mr. PHANG: Yes, Sir.

The Council divided on the motion and voted:

For—Messrs. Phang and Lee—2.

Against—Messrs. Smellie, Peters, Kendall, Fernandes, Debidin, Roth, Farnum, Coghlan, Ferreira, Raatgever, Wight, Dr. Jagan, Dr. Gonsalves, Dr. Nicholson and Dr. Singh—15.

Did not vote—The Financial Secretary and Treasurer, the Attorney-General and the Colonial Secretary—3.

Motion lost.

The PRESIDENT: The debate will therefore proceed.

Mr. FERREIRA: I have never pretended to be an expert on the rice question, but I do live in a part of the Colony which produces a very substantial proportion of the rice produced in this Colony. As the production of rice affects the economy not only of Berbice but of the Colony, and as rice is accepted as the crop that will play a very large part in the economics of this country, I think it is only right that we should all study the industry and the factors best suited to its development. We have heard a lot said in the course of this debate already, and I must compliment the hon. the Financial Secretary on the lucid manner in which he presented Government's views on the subject and traced the history of the rice industry and the formation of the Rice Marketing Board. At this stage I wish to say that I agree with several of his statements, and I will support certain of the clauses of the Bill which I consider to be in the best interests of the rice industry. Unfortunately, there are one or two clauses with which, to be quite frank, I cannot agree, and for reasons which I hope to state I will certainly have to oppose.

It is idle for anyone to condemn out of hand the Rice Marketing Board or the

manner in which it is run. One has only to go back some 17 or 18 years to realize that in those days the rice farmer was little better than a serf who planted his crop on borrowed money, and getting (I speak subject to correction) something like 60 cents per bag for his padi, and being forced to mill his rice in order to pay his debts; although he knew that in a month or two later the price of rice would go up he had to sell his rice at \$2 or \$2.16 per bag. I recall the abject penury in which those people lived, and I have no doubt that those poor farmers in those days planted their crop largely to provide food for their families, and maybe to have a few cents to put aside. I defy anyone to say that the introduction of the Rice Marketing Board was not a good thing—something that definitely offered a sound basis for the rice farmer who now knows before he plants his crop what price he will get, which is definitely considerably better than what he has ever got in the past. There is that to be said for it.

On the other hand, there is this to be said too: When prices went sky high in the War days and the producer could have got far better prices he was compelled to sell his rice at a fixed price; although he bought things like flour at a fixed price also, owing to subsidization. There has been give and take in so far as those conditions went, and one should not lose sight of that fact because there have been many loose statements to the effect that the rice farmer has been subjected to various hardships. There has also been a lot of talk about mechanization and a lot of criticism, the Board having been condemned out of hand on an allegation of squandering a large sum of money in that respect. It is always easy to be wise after an event and to criticize. Frankly, I think it has been a most difficult job and, although the Board may have done things on too lavish a scale—exceeding their better judgement in their desire to further the industry—I feel, nevertheless, that the steps taken to bring down machinery will prove to be wise in the end. I do hope that the people to benefit will be the rice farmers.

With respect to the clauses of the Bill I will say that there are several with

which I agree and I will make mention of them without going into details. The Rice Marketing Board and the rice farmer must realize that even though they may have a monopoly and can push their prices up, they owe a duty to the public. The public must be satisfied that it is getting a fair product for a fair price. When it comes to the selling of samples and the control of prices, I am thoroughly in agreement with Government because we must avoid competition in the industry. There would be no wisdom in lowering our grades and getting farmers to produce low grade crops. Eventually it is going to react on the rice farmer, so everything possible must be done to get him to produce a better grade crop, since that will benefit him and the Colony as a whole. The rice farmer today is no fool and is not as ignorant as he used to be. He has learnt a lot from experience, and it gives me great joy today to see him ploughing his land with a tractor, and so on.

Sir, you have done a lot to have Clause 7 put to us in a way that one might understand but, frankly, I am not for one moment in agreement with it. I would like to support my view by reading an excerpt from the "Daily Chronicle" of a recent date. It is a small news item relating to Trinidad and it says:—

"On Friday next, Members of the Trinidad Legislative Council will meet a Committee at Government House to consider proposals for the establishment of yet another industry which will mean substantial relief in the Island's unemployment situation."

I am not interested in what the industry is; what I am interested in is the public relations adopted by the C.D.C. in Trinidad. Your Excellency touched upon this question of the C.D.C. at the last meeting, and in the opening of this debate the hon. the Financial Secretary was keen enough to give certain figures and make certain statements in the same period, but I do submit that the statements made by him were rather vague and nebulous. We were told that so many million dollars would be brought into the Colony, but I do not think that is good enough. This is a proposition of some magnitude that is intended to benefit the Colony, and I think the same thing done in Trinidad should have been done here. The

C.D.C. authorities should have come down here and met us in the same manner as Lord Trefgarne has done — outlining the scheme and so on — and if Members had any objection to it we might have been able to thresh it out and put something acceptable before this Council. The Chairman of the Rice Marketing Board has referred to Steel Bros. as taking an interest in the rice industry, yet my friend, the hon. Member for Eastern Berbice, has received a strong letter from Steel Bros. stating that they are in no way connected with rice.

The FINANCIAL SECRETARY & TREASURER: I must rise to a point of explanation! I never, for one moment, mentioned Steel Bros. as being interested in rice here, and I am rather surprised to hear the hon. Member saying that I did

Mr. FERREIRA: I never said the hon. the Financial Secretary mentioned Steel Bros. He did mention the C.D.C. however, and as the General Manager of the C.D.C.'s timber interests in Burma happened to be Steel Bros., one would assume that they were in the rice industry also. They may not be in it now or in the future. I do assure Steel Bros., however, that the hon. Member for Eastern Berbice regrets any annoyance he may have caused them; I say that on his behalf. This is one instance in which something could have been done to make this Council accept the proposition. We may have put forward counter-proposals and so on, but that chance has not been allowed us. A big point, as I see it, is that the farmer who grows the rice has to sell it to the Rice Marketing Board. If he lives in Berbice he has to pay about 16c. per bag, or possibly more, to bring it to New Amsterdam, and then he has to pay a further 20c. per bag to get it to Georgetown, plus cartage to the Board's bond. In addition to all this you will find the Board stating that it cost them 55c. per bag to grade and handle the rice, so that a rice farmer from the Corentyne has to lose something like \$1 on each bag of rice. Why shouldn't the C.D.C. pay similar charges also. If the rice farmer is given sufficient land to cultivate and if the C.D.C. can provide the necessary assistance for the Board, the cost of

handling should drop from 55c. to about 25c. per bag. There is no doubt that so far as this is concerned the rice farmer certainly loses.

As regards the question of markets, I think I am perfectly right in saying that we have to live up to our obligations in supplying the West Indian Colonies. We have been given figures to show that we get an export price of something like £42 per ton for our rice, but the fact remains that we had to supply cheap when we could have got Brazil and Trinidad to pay more. If my memory serves me rightly, it cost the Government of Trinidad something like \$1,000,000 to subsidize Brazilian rice when British Guiana had none to supply that island. The C.D.C. will have to go to outside markets, and how are they going to justify that effort. When one goes through the Rice Marketing Board Ordinance, one wonders whether it should not be the subject of a very big enquiry. I am amazed that rice producers who have been so vivacious over this Bill have been silent over the point I have made about having to pay up to 60c. or 80c. per bag to bring their rice from Springlands and other parts of Berbice to Georgetown, when there could have been a branch of the Board in New Amsterdam to take charge of it. The present system, I think, is intended to provide employment for people in Georgetown. For the reasons I have stated I must oppose Clause 7 of the Bill.

I must say, however, that if there is a proposition for bringing capital into this country I would be most eager to listen to it and to lend every possible assistance, but I feel that such a proposition would best come by way of a separate Bill. I am quite sure that hon. Members would be quite willing to give all reasonable assistance towards making such a proposition a reality. We want to be taken into the confidence of Government on this clause; we want the C.D.C. to be more frank with us, and if that is done I have no doubt we would be able to put forward something which would be acceptable. In the meantime, Clause 7 is the one which is most repugnant to me and the one which I must oppose. As regards Clause 1, I must also vote against it because I

think it is totally unnecessary but, nevertheless, it is minor as compared with Clause 7. As regards the other clauses, I am willing to give every possible assistance towards them or towards any other clause which, I feel, will assist the rice industry.

Dr. SINGH: I have received several telegrams from producers of rice in the Demerara - Essequibo constituency, indicating to me that they are dissatisfied with the proposed amendment to the Rice Marketing Board Ordinance. They also invited me to attend meetings which they intended to hold in the district, and I did so in order to discuss the amendment with them. At the meetings we went into the proposed amendments and there was a spirit of give and take, generally speaking, but when it came to Clause 7 they were entirely against it. They expressed the view that I, as their representative, should vote against the whole Bill, but I told them that in the interstices there were gems and that if we discarded the whole Bill we might lose the opportunity of extracting those gems which would be very helpful to the Colony as a whole. Since then, I have been wondering why Government did not consult the members of the two bodies — the Rice Producers' Association and the Rice Marketing Board — when they contemplated making these amendments. If Government had taken these two bodies into its confidence, perhaps there would not have been that amount of suspicion and dissatisfaction which one finds at the present time. On the whole, the Indian community is suspicious of the Bill. They feel that since immigration is ended no one really cares for their welfare and, therefore, it is their duty to protect their own interests and to live as thriftily as possible—saving as much money as they can to educate their children and give them a profession so that others might respect them. But that is by the way.

We must not be oblivious to the fact that when the rice industry went into a state of chaos—that is, when it was discarded as a foundling—it was Government who came to the rescue. Through dishonest practices on the part of those who produced the rice we lost the West Indian market. They exported rice with broken

grains in the middle of the bags and good grains at the top, and the result was that a hue and cry was raised among the purchasers abroad. When the producers were stopped in that they tried another bluff and that is, they sent one sample to the prospective purchaser and when the order was placed they supplied an inferior sample. Those things disorganized our trade relations with the West Indian Islands with the result that Burma who was knocking at the door of the West Indies for the supply of rice came into the picture. Of course, Burma's rice was cheaper and, naturally, the West Indian Colonies ordered their rice from there. I remember that I was then a member of the Rice Marketing Board and that Mr. Smellie and Mr. Seaford were also members. We used to meet two or three times a week and cables were sent to interested parties in the Islands requesting them to purchase our rice, but without any result. After days of consideration we selected three men to go to Trinidad and see if they could induce the persons concerned to give us an order. The men who went to Trinidad were able to bring about a compromise with the result that Trinidad took some of our rice and, gradually, the industry revived.

At the same time, rice farmers have been complaining to me that they would take a certain type of padi into the mills and after it had been converted into rice they were given an inferior grade instead of the one to which they were entitled and, further, they were not given the real quantity of rice which their padi produced. They also pointed out that they had to borrow money at a high rate of interest in order to plant their crops and had to hypothecate the crops as a sort of guarantee for the money borrowed, but when the rice was sold they could not get their money properly because it came to them in dribblets. At a later date the Rice Marketing Board organisation came into force. It was in the teeth of opposition that that Bill was passed, since everybody felt that the Ordinance was going to ruin the industry, but soon afterwards rice growers came to me and said they were better off than they were before single selling came into operation, since they now know exactly what they will get for their crops. They must not be forget-

ful of these facts, for it is said that ingratitude is worse than witchcraft. It was in the regime of Governor Lethem that the hon. Member for Essequibo River and myself approached Government on behalf of certain rice farmers who were being ejected from their lands after they had broken them in and made them ready for planting. The result of those representations is that today we have the Rice Farmers (Security of Tenure) Ordinance. Then, there is a co-operative system whereby rice farmers can now borrow money at 4 or 6 per cent, per annum, instead of having to borrow from money-lenders at the old exorbitant rates of 60 per cent, and so on.

As regards the proposed amendment to section 5 (2) of the Principal Ordinance, that sub-section reads:—

“(2) The Committee shall consist of six members of the Board who shall be —

- (a) the Chairman,
- (b) the Vice-Chairman,
- (c) one member of the Board appointed by the Governor to be a member of the Committee, and
- (d) three other members of the Board appointed by the Board to be members of the Committee.”

I feel that, as this sub-section has been working favourably and well from the inception of the Ordinance, it should be continued. If we can select the right type of persons to be members of the Board there is no reason why we should not be able to get over the difficulties we are thinking about. Section 15 (1) of the Principal Ordinance states:—

“(1) The Board may fix grades of rice, and different grades may be fixed in respect of rice to be purchased from a manufacturer, in respect of rice to be sold for consumption in the Colony, and in respect of rice to be exported.”

In this respect, I feel that an expert like the Director of Agriculture is a fit and proper person to be on the Board because he is very much interested in the rice industry, and if hon. Members feel that it should not be a one-man show I would suggest that the Chairman of the Rice Marketing Board and the President

of the Rice Producers' Association should be added, to make three. Section 16 (2) states:

“(2) The Board may export and sell the quantities of rice available for export and for this purpose may negotiate and enter into contracts with persons outside the Colony, appoint agents and establish depots for the sale of rice at places outside the Colony.”

So far as the amendment set out in clause 4 of the Bill is concerned, if it is passed the allocation of exports by the Board would be subject to the approval of the Governor. It may be all well when you are here, Sir, but we do not know who will be your successor.

Mr. DEBIDIN: To a point of correction! An indication was given that this clause, 4, would be withdrawn.

The FINANCIAL SECRETARY & TREASURER: That is so.

The PRESIDENT: That clause will be withdrawn when the Committee stage is reached.

Dr. SINGH: It is felt that we should have two concerns—one for the people in the Colony and the other for people coming here — but the law should apply to every person interested in the rice industry. I was asked not to vote for this Bill but, as I have already indicated, there are some good things in it and the question is how are we going to extract the gems from the other parts. Capitalists coming to this Colony will not want to be bothered; they must be given freedom, since we want to develop the Colony. Thousands of children leaving our schools would be able to find employment if there is proper development, for there is too much unemployment in the Colony at the present time. If clause 7 is amended I shall be pleased; otherwise I shall have to vote against the Bill.

Mr. LEE: It appears to me that the last two speakers have not considered carefully the amendment proposed in clause 7 of the Bill, but I would like to put forward the point of view of the producers in order that hon. Members may see exactly what are their fears and anxieties. The sum total is, they

will have to put their backs to the wall in competition with a company or corporation. We must go back to the history of this industry in order to see how and why the producers are afraid of new legislation and new companies. There was a time—after the last War—when padi used to be sold as high as \$5 per bag. There were no restrictions whatever, and every producer was happy because the export price of rice was good and those who produced it were able to live economically and at a standard which Government desired. Some years later the price went down and the middleman—the person who the producers are afraid will appear on the scene again if certain things are not done, and I do not think they will be done—came into play. The producers—the small men—are the people who have to bear the heat and burden of the day, in order to produce the padi and, in my humble opinion, they have good grounds for the fears which they entertain. They say that when Government wanted to introduce control Government called their leaders together and discussed the matter in broad and general terms with them.

I think the hon. the Financial Secretary will remember, when that meeting was called in the Assembly Rooms some years ago every section of the industry was represented and their views were taken. It was found that certain proposals were detrimental to the middleman, the exporters and the commission agents, and Government found a way in which to compensate the exporters at the expense of the producers. The producers said that was good because they would be able to get rid of the middleman, since there would be control and they would have a single-selling organisation in which Government promised that the voice of the people would be heard.

Soon after that the war broke out and, as the hon. the Financial Secretary has said Government put control through the Defences Regulations and tried its utmost to bring the rice industry to a position where it could and should have been able to supply the Caribbean area with rice in competition with the world market. But what do we find? We find the producers are grumbling over the price paid to them for their padi, and on

the other hand Government is saying to them "The contract made for you was done by members of the Board." But the producers say, Sir, that those members of the Board were never elected by them, although Government took the precaution to select men whom it trusted and thought the producers would have trusted too. As the hon. the Financial Secretary has put it, when the contract was made champagne was drunk over it and he saw a photograph of the event at the Board.

But the producers never knew that Government or the Secretary of State disapproved of such a contract for such a long period. The producers had put their trust in Government as to nominations to the Board, and they say that if such instructions were sent by the Secretary of State Government should have called those men who were about to make the contract and told them that it was not wise to do such a thing. Perhaps, in the despatch from the Secretary of State reasons were given as to why the contract should not be for such a long period. But here it is. The producers are burdened with this contract and with the renewal of it, perhaps, and Government on the other hand is now trying to induce capitalists to come in on a scale which, perhaps, will be in competition with their production of rice. I cannot help seeing the fears of the producers, and I must put them to you, Sir. If, in the first instance, Government had deemed it advisable that the people should have not merely a voice but a voice in the control of this industry and so introduced in this Legislative Council the Rice Producers Ordinance in which they would have that voice to elect those from whom would be chosen the Rice Council, that in fact should have been. That is what they thought—it was the intention of Government that when they chose the men in their districts those men would go to Georgetown or the centre of activities for the rice industry to choose their representatives on the Council. Government should have seen that in the Ordinance there was provision that the Council should not be comprised of men who had been rejected by the people.

The PRESIDENT: Who are the members rejected by the people? Every mem-

ber of the producers who is on the Rice Marketing Board is a member of the Rice Producers' Association. Am I not right?

The FINANCIAL SECRETARY & TREASURER: And of the Council.

Mr. LEE: Perhaps I have not put my point clearly, and so I will do so again. Each district elects two representatives to select the Rice Producers' Association Council consisting of 24 men, but the law does not enjoin upon those 26 men to choose 24 of their number and, as on the last occasion, men who were rejected by the producers are now members of the Rice Producers' Council. That is a matter I have gone into, and I only ask you, Sir, to check up on the names. In my constituency there are two district areas and we have got two men on the Rice Producers' Council but none on the Rice Marketing Board. Here you have an Ordinance requiring the 13 districts to elect two men each — not select — and send them to Georgetown where those 26 persons are supposed to choose 24 persons to be on the Council. But, Sir, in their choice of those 24 persons certain members of certain districts, who belonged to the Rice Producers' Association but had been rejected by the members for election, were chosen to be on the Council and, therefore, the Council does not become a democratic institution. It can never be that, if those members remain on it. Friends have been selected to be on the Council and, therefore, that Council will not express the opinion of the producers in certain districts. That is where the fear of the producers comes in. They thought, and I firmly believe, that it was the intention of Government that those elected persons from the districts were to select a Council of elected persons, but they have found that men who had been rejected at the district elections were chosen to be on the Council because of friendship. Your Excellency, I cannot give the names of those persons, but I feel Government should enquire and satisfy itself.

The FINANCIAL SECRETARY & TREASURER: I would like to intervene on a point of explanation about this, because I think we are a little confused

about it. In the constitution of the Rice Producers' Association the method or procedure of constituting this Council is, I agree, a bit complicated. Each of the thirteen districts which have been set up is provided with an elected committee, and the law says each committee shall every two years elect two electors — in other words, constitute an electoral college as in the old days — and send them to a meeting at the headquarters in Georgetown to select and elect 24 members of the Rice Producers' Association to form this Council for the ensuing two years. In the selection of this Council of 24 there was no idea or intention behind that legislation that those men should be representative of districts. The whole idea was that the electoral college would cast around and find 24 men within the rice industry best suited and best fitted by ability, experience, etc., to be members of that Council, and when moving its adoption in this Council I explained that it was not the intention to have representation on the Council by districts. The electors were to find the best men to go on that Council and also to become members of the Rice Marketing Board. These electors, as the hon. Member has said, got into Georgetown and, I presume, selected the best 24 they thought would be fitting for membership of the Council. Whether they selected men who had been rejected in some district election, I do not know; but I do not think it really matters.

Mr. LEE: It does matter. You are giving them a democratic institution. Your Excellency will remember I tabled a motion in respect of the manner in which the election was conducted. The election was conducted in this way: Nominations were made and those nominated sat on a bench and the members of the Rice Producers' Association came into the room and pointed out to the returning officer who they wanted to be elected. I cannot tell you how the thing looks. The matter was brought to me and I moved a motion as to whether it was the same method adopted long ago in the rice industry when they were compelled to take their padi to the factory and to pay exorbitant rates of milling and interest charges, because they were under the thumb of the landed proprietor

and the miller. It is the same thing here. Although the rice producers objected and sent in, I understand, a protest in respect of the manner in which the election was conducted and asked that it should be done by ballot, Government replied that it could not be done by ballot as it was too expensive. You, therefore, have a landed proprietor and a rice miller sitting among those to be selected or elected by the members of the Rice Producers' Association who come to Georgetown to do the selection to the Council. The only deduction to be drawn from that is, those men are able to feather their own nest because they have to protect their own interests. I am talking on behalf of the rice producers who feel that the election is not being conducted in the manner Government desires, and the Rice Producers' Ordinance introduced and passed in this Council verifies that fact. Friends who have come into the Rice Council are elected through this method, this unheard of democratic method, though they have been rejected by the producers. That is one instance where the producers in my constituency fear Government is not doing that which is right and in a democratic manner for their voices to be heard.

But they go farther than that. They say that in the Rice Council there are men who were elected and men who were rejected by the Association, and they thought that the 24 men on the Council would be men they trusted from whom eight would be elected to the Rice Marketing Board under the Ordinance which provided how many should be millers, etc. In any case the eight men were elected by them and when their names were sent up to the Government for nomination to the Board — eight men in whom they had confidence — Government deemed it advisable to accept only five and to put three other members from the Rice Council on the Board. I am told that, and I would like Your Excellency to enquire into the matter—men who were rejected by the producers to be on the Rice Council even were placed on the Rice Marketing Board to represent the producers

Mr. FERNANDES: To a point of explanation! I would like to state clearly the three members nominated by Govern-

ment are Mr. McDoom, Mr. Cowell and Mr. Jaundoo who were not rejected by the producers. As a matter of fact Mr. McDoom had topped the whole of the elections for the Council of the Rice Producers' Association in his section.

The PRESIDENT: What the hon. Member (Mr. Lee) has said in effect is that the producers have no confidence in the Council and the Council is misleading the Government and the producers. It would please nobody. I think he has made his point

Mr. LEE: I am glad that Government has realised that I have made the point that the producers felt, from the inception when Government promised them the institution, that it would have been a democratic one and would be governed by practically themselves or men from the industry elected by them, and that Government has failed in that promise. Therefore that brings us to the point, whether or not in this new amendment of the Rice Marketing Board Ordinance asking this Council to give one more member to the Executive Committee it would not be jeopardizing the producers' interest when put in juxtaposition to a company in which the Colony's funds are invested. Put broadly, we are going back to the days when the rice miller and the proprietor were dominant in the industry. Unless, as I have told them, the Security of Tenure Ordinance is made permanent the rice proprietor will be able to raise the rents of his land and there will be nothing but new legislation to stop that. Then you come to the miller. He says when there is the central mill, which we welcome, the producers will not be able to go and say to the authorities "We have our padi, mill it for us and let us market it through a single selling organization or the Board (if it continues to function)" They will be subjected to the central mill in which any profits made will not be returnable to them because it is a company. That company will consider first the cost of administration, secondly the cost of milling, and other expenses and will be able to say in view of such cost and the state of the world market it cannot offer more than \$2 per bag for padi, which it considers a reasonable offer.

Let us take the producers' point of view. If they are going to be able to mill their rice and if they are to set up a democratic institution like the Rice Marketing Board and amendments are made to the Ordinance, they would be able to say to their members "Go and enquire; whatever losses or profits are made it will be our own funeral". But they cannot do that. The moment they take their padi to the central mill it is removed from their sight and knowledge and they become the natural producers of primary products for the central mill to profit by. Their fears are there, and I do ask — I am glad the hon. Member for North Western District (Mr. Phang) has said so — that this amendment which is now put in a more explicit way be very carefully considered, because no one denies the fact that the rice producers desire development. The rice producer at the present moment desires the machinery by which to produce more in order that his economic standard of living can be raised. The more he produces the more income he will get and be able to dictate terms in a democratic manner to his elected member on the Board. He will be able to tell the elected members of the Board "See that we get such and such a price for our padi and for our rice", because Government is not going to subsidize the industry and is not going to consider the standard of living the producers desire or require. They are quite satisfied if the market price goes up that the price to them should go up, and if it goes down for their price to go down. When the Rice Marketing Board was instituted the control powers given it took away some of their liberties even to the home consumption of the rice which they produce. They are limited to a certain extent, although now and again the Board did allow a little latitude to the producers who have a large family, if they knew the ropes. The Board has granted a little concession on application made to it.

But Your Excellency, if in the introduction of any corporation it is to be in competition with them — I doubt that, but at the same time they say so — they would become serfs to that corporation which will control the central mill. I

would like to point out that the producers have that fear and, because of that fear and because they have not been called into consultation by Government in respect of this new project, they feel that the catch in it is that they are only to produce the padi and gain nothing more by it, though their padi will be governed by the world market price. If they are told the world market price they might be able to get a fair price for their padi. If it is considered that as a private company this corporation has to consider its shareholders and that such a company always thinks of profits for the shareholders —

The FINANCIAL SECRETARY & TREASURER: I would like to correct that. In the sense of a company the shareholders will be His Majesty's Government in British Guiana and His Majesty's Government in the United Kingdom through the Colonial Development Corporation.

Mr. LEE: I will dispel that argument with this: If this rice producing corporation can make the rice industry a profitable concern in this Colony, and we have been given in this Colony the gift of machinery and pumps and have invested \$4 million from which we are going to get profits, why should we knowing that it is a profitable industry join a corporation and be subjected to their directions as they will be having the majority of votes? I cannot agree to such a thing. We have the Mahaicony-Abary Scheme with mills, agricultural lands brought up from its experimental stage nearly to — if I may put it so — the perfection required, from which we say, and Government says to us, we will make profits. Why should this Government with that \$4 million subject itself to a minority vote in a company or corporation? If the corporation wants to come here and go to Essequibo or the West Coast, Demerara, or to the Courantyne, let it come. I am not saying that I am not going to agree to the amendment. According to the report of the American experts and the report of the Evans Commission it requires extensive drainage and irrigation and control of drainage and irrigation, and that means more money. Can the hon. the Financial Secretary tell

me where this Colony is going to get more money, because it is going to cost more than \$10 million, to invest in this corporation when it calls for more contribution in the proportion of 4 to 6? We have no money and we will have to go back to His Majesty's Government. I am not saying that it is not right, but the issue of that will be that we will have in this Corporation gentlemen from abroad who will draw big salaries. The producers are not satisfied with the salaries paid to certain members of the Rice Marketing Board and the Rice Producers' Association. The fear is that we are going back to the days when profits went out of the Colony, though we have people in the Colony who can do the work for perhaps a little smaller salaries. I realize that this Colony has to attract capital, but there is nothing in the agreement about discussions between the capitalists and those responsible for the expenditure of public funds. The proposed new clause 7 refers to "Special provisions relating to the establishment and operation of a colonial rice development company" and provides :

"21 A. (1) Subject to the provisions of this section, the Governor may, with the approval of the Legislative Council, direct the establishment of a colonial rice development company (hereinafter referred to as "the company") for the development of the rice industry and the extension of the export trade in the said industry in accordance with an agreement to be entered into between the Government and the Company (hereinafter referred to as "the Agreement") and, notwithstanding the provisions of this Ordinance, the provisions of the Agreement shall govern the operations of the Company."

There is no compulsion on the Governor to say that a rice development company must be established here. Is the Ordinance going to be so framed to compel the establishment of a corporation?

The FINANCIAL SECRETARY & TREASURER: I have not yet explained the new clause; I have not yet moved it, but the hon. Member might read sub-clause (3) which is the meat of the control of the Legislative Council.

Mr. LEE: I will read sub-clause (3). It says:

"(3) The Agreement shall be subject to the prior approval of the Legislative Council and shall include such provisions as may be necessary for the purpose of :

- (a) ensuring the promotion and advancement of the rice industry and the protection of the interests of rice producers in the Colony generally; and
- (b) arranging the marketing of padi and rice produced in the Colony and the fixing of grades and prices in relation thereto in collaboration between the Company and the Board."

I would ask Your Excellency to consider the point that before any agreement is made Government should obtain the consent of this Council. Supposing it is not the C.D.C. but a company whose shareholders will naturally expect some return from their investments, in my humble opinion, they will have to expend more than \$20 million, and we will have to see that it is expended in such a manner as to give a favourable return to the shareholders of the company. The only control we have is through this Legislative Council and the Rice Marketing Board. Why is it that the company cannot operate under the control of the Rice Marketing Board? The Rice Marketing Board is a small body on which Government has a majority at all times. There are eight members of the Rice Producers' Association, — three of whom are nominated by Government—and eight on the other side, two of whom are Members of this Council. By an unwritten principle the President of the Rice Producers' Association is Vice-Chairman of the Board; therefore even if this Council concedes to Government the additional member required, but insists that the President of the Rice Producers' Association shall be the Vice-Chairman of the Board, there would be four against four, with a casting vote of the Chairman. The addition of one member will not in any way alter the situation unless Government insists that the Vice-Chairman shall not be the President of the Rice Association

Why is it that Government seeks to give the corporation absolute freedom of the world market when, if necessary, we

could amend the Rice Marketing Ordinance in such a manner as to give the corporation a voice on the Rice Marketing Board and allow the single-selling organisation to continue? In that way Government will retain the confidence of the producers. The rice producers do not live up to the standard they should, because the returns from the sale of their padi are not commensurate with their demands. They have been a very patient set of British subjects. I am not saying that several of them have not prospered, but the most prosperous ones have been the millers and proprietors. If the Rice Marketing Board is so constituted that the democratic spirit is not there, the producers would lose what little benefit they get from the sale of their padi.

There is one other point with respect to the proposed amendment to section 5 of the Principal Ordinance. Why is it that Government desires that the Rice Marketing Board should be merely an advisory body, while giving the Executive Committee entire control of prices and grades of rice?

The PRESIDENT: There is a special provision in the Ordinance that it shall be done by the whole Board and not by the Executive Committee. Surely if the hon. Member read the Ordinance he would not make a statement like that. It gives me great concern when statements of that kind are made. If the hon. Member looks at section 5 (1) of the Ordinance he will see what the Executive Committee can do. Sections 15 and 36 refer to the powers of the Board with regard to the fixing of grades and prices. We went through the whole of section 15 when the hon. Member for Eastern Demerara (Mr. Debidin) was speaking and explained the whole position as to when the Executive Committee cannot act.

Mr. LEE: The Executive Committee is at the present moment subject to the directions of the Board, which has the power to fix grades of rice and prices.

The PRESIDENT: The Executive Committee cannot fix them.

The FINANCIAL SECRETARY &

TREASURER: The position is exactly the same with respect to the executive powers of the Board. This Bill makes no change whatever.

Mr. LEE: The amendment seeks to substitute for the words "Subject to the directions", etc. the words "The Committee shall manage the business of the Board under this Ordinance in conformity with the general policy of the Board." Therefore the Board will only lay down the general policy.

The PRESIDENT: Will the hon. Member go on to read the whole section with the proposed amendment? The powers, duties and functions of the Board are set out in sections 6, 15, 30 and 36 of the Ordinance. There is no alteration whatever of those powers which deal with the fixing of prices, grades and so on.

Mr. LEE: The Board will fix the policy of the Rice Producers' Association but the Executive Committee will have the control of the management. Therefore, if the Board fixes a price and the Executive Committee does not agree with it the Committee has the power to do what it wants, because the clause says "The Committee shall manage the business of the Board."

The PRESIDENT: If that is what the hon. Member thinks the Ordinance means, and that is what he tells his constituents, I do not know where we are. The hon. Member is entirely wrong. There are certain powers which only the Board can exercise and the Executive Committee cannot touch. Those powers are laid down in the four sections which I have mentioned. I should not like to think that other hon. Members think the same way.

Mr. LEE: Let us for argument say that the Board fixes \$5 per bag for rice, and there is an offer of \$7 per bag which the Board is prepared to accept but the Executive Committee turns it down. How can the Board control the Executive Committee which, the clause says, "shall manage the business of the Board"?

The ATTORNEY-GENERAL: I do not wish to interrupt the hon. Member

but I think he does not fully appreciate the terms of the Statute which are specific, and no Executive Committee can override what the law says so far as the duties and powers of the Board are concerned. The only point the hon. Member is endeavouring to make, I presume, is with regard to the use of the words "in conformity with the general policy of the Board" in place of the words as they now stand in the Ordinance. The provisions of the Ordinance are quite clear as to the powers of the Board with regard to the fixing of prices and grades. Those are statutory powers.

Mr. LEE: I am taking the practical side of it.

The ATTORNEY-GENERAL: With the practical side the hon. Member must take the legal side — the statutory provisions by which they are bound.

Mr. LEE: If the Board fixes the prices of padi and rice and a cable is received offering higher prices than those laid down by the Board as a general policy for export, and the Executive Committee which "shall manage the business of the Board" refuses to accept that offer, how would the Board control that? What power has the Board to say that the Committee must accept the offer? As the section stands at present it says "Subject to the directions of the Board", which means that in any matter which is controversial the Committee has to go to the Board for directions. I may be wrong but I feel that when the Ordinance was passed it was the intention of the Government that the Rice Marketing Board should manage the affairs of the industry, but now it is sought to take that power away from the Board and give the Executive Committee power to manage the business of the Board.

The PRESIDENT: Will the hon. Member move on to his next point?

Mr. LEE: I crave Your Excellency's indulgence for the reason that if I differ from the hon. the Financial Secretary with respect to certain points I would like to convince him that he is wrong; but if you say that I must move on I will move on.

The PRESIDENT: I suggest that the hon. Member might move on to his next point.

Mr. LEE: I like the manner in which it is suggested, but I do urge Your Excellency to consider that point — that the producers do not want the control and management of their produce put into the hands of the Executive Committee of the Board. I would also like to hear from the hon. the Financial Secretary Government's reasons for making the fixing of the grades of rice subject to the approval of the Director of Agriculture, in order that I may be able to convince the producers as to the necessity for this provision.

They contend that at certain stages of the year the rice they produce is different — owing to changes in the weather — and the Board, with the assistance of the millers and the landowners, should be able to decide what are the best samples. They put it in this way: Do you think that we would jeopardise our own product; do you think that we would not in every way try to capture the West Indian markets, but our samples as decided by the Board should not be in conflict with the padi given to the millers? The Director of Agriculture does not go around to the various mills and he does not know the difference in the padi produced in the various districts of the Colony. He is ignorant as regards our padi, but I am not saying so in any derogatory sense. He would not know, for instance, that in District No. 1 or in District No. 12 the weather was of such at a particular time as to reduce the standard of the sample required. If this question is put into the hands of the Director of Agriculture and there is any competition with the in-coming corporation, what would happen to the small mills. It is to be expected that the mills of the corporation will produce better grade samples than those of the small millers.

All the experts have said in their reports that the small mills should be done away with and that there should be central mills. That means that in certain districts where central mills are not established the rice produced by the small

millers will be low in grade and, if the Director of Agriculture sets a particular standard for the Colony as a whole, the producers in these areas will not get the same value for their product as those in the areas in which there are central mills. Therefore, I think Government should consider the question of providing transportation facilities at a reasonable cost so that padi could be taken to central mills from districts in which there are no such mills, thus enabling the producers to get better value for it. They say that the Board has the right to purchase padi, but it has never — except in one or two instances — sent to purchase in areas where there is competition as regards price. The Board allows the millers to compete and get as much as they can out of the producers, and I respectfully submit that this amendment will encourage the members of the Board who are in districts where there are no central mills to raise the standard to such an extent as to lower the price of the padi produced there. I remark that particularly because there is nothing in any report relating to the district or constituency which I represent to show that there will be a central mill there. The producers there will have to meet heavy transportation costs in order to get a price similar to those in the districts in which there are central mills. There is no indication that the Director of Agriculture will relax as regards the standard in such a case because the standard will be uniform, but the small millers cannot produce the standard grade.

I would like to point out to hon. Members, however, that in the amendments contained in the Bill there are certain inducements being given to the producers. First of all, machinery will be given to them on easy terms and, according to the last item in the Schedule, if they need money to carry on their operations they would be able to pledge not only their rice or padi, but their machinery or equipment in order to get it. I do appeal to hon. Members not to oppose these two clauses which are necessary for the producers at the present time. If hon. Members cannot agree with clause 7 because it would lead to the destruction of the single-selling organisation, I appeal to them not to throw out the Bill at its

second reading because Government, under its obligations to the Rice Marketing Board, must introduce legislation since the Board requires money to carry on its affairs, including the purchase of machinery and so on. It has been stated that we must not allow the two inducements mentioned to overshadow the real issue — and the real issue is to bring in a corporation in competition with the present single-selling organisation. I have stated the views of the people in my constituency; I have consulted them on more than one occasion.

The PRESIDENT: What are the hon. Member's views? We want to hear them.

Mr. LEE: I accept their views and give them as my own, Sir, because I know them. Clause 6 of the Bill contains an amendment which provides for the insertion, after section 29 of the Principal Ordinance, of the following new section:-

“29A. The Manager, the Assistant Manager, the Secretary, or any person authorised in writing by the Board so to do, may seize and detain any padi, rice or bags which will afford evidence of the commission of an offence against this Ordinance or of any Regulations made hereunder.”

I would like to know what is the necessity for this. If these gentlemen are made rural constables and, they can have the Secretary functioning as a member of the Committee under the Ordinance, then they can carry out their duties as rural constables. I did ask Government why this power is being given to these people, and the answer given to me was that if it becomes necessary to close a mill because of the commission of any offence the Manager could be instructed to do so. For instance, if a miller wets padi in the tank the mill could be closed down and the farmer who owns it would have no redress whatever, neither would he be responsible for the action of the miller who has committed the offence under the Ordinance. I have been asked to oppose this amendment and I do say that it is unnecessary. The Ordinance provides that the Board may prosecute any person who has committed such an offence, but if there are witnesses present I do not see why all these things should

be seized. That is one of the reasons why the fear in relation to clause 7 is very strong, and I appeal to Your Excellency to assist in removing it. There is the Police Department for whose upkeep we pay hundreds of thousands of dollars annually, and if the members of the Board go to a mill and find anything wrong they can obtain the services of the Police

Mr. WIGHT: To a point of explanation! I do not understand why the hon. Member is objecting to the proposal that the Chairman, the Vice-Chairman and the Secretary of the Board should be appointed Supernumerary Constables.

Mr. LEE: It is the Manager, the Assistant Manager and the Secretary; why should they be given that power? They are really looking after the affairs of the producers and if an offence is committed by a miller why should they exercise the power that the Police Department should exercise. It is the duty of the Police Department to investigate crime, and if any miller commits an offence the Police should investigate it. I repeat that I do not see any necessity for the clause. With regard to the Schedule, if I remember rightly, when the Principal Ordinance was introduced into this Council Government thought — and rightly so — that the Manager and the Secretary of the Board should be protected as regards dismissal. Why are we going to add another employee now and put them on the list of pensionable Officers of Government when they are in a commercial concern? The producers have fears about all these things, although Your Excellency will have to give approval in this matter.

The PRESIDENT: Are they afraid that I am going to exercise that approval in a wrong way? You gave the protection to the Manager and the Secretary, why not give it to the Assistant Secretary also. Is there anything wrong in that? I do not understand the suspicion.

Mr. LEE: Although it is a suspicion it may be well founded. If these people are to be given pension rights, the time might come when certain officers of the Board would also become pensionable, as in the case of the Transport Board. It is

already felt that the salaries being paid to certain officers of the Board are too high and, further, it is alleged that the Board has passed a resolution whereby the passages of certain officers and their wives are paid when they go on holiday. In other words, it has been stated that the Board is squandering the funds of the Organisation. Perhaps certain members are not looking after the interest of the producers properly and the money that should be returned to the producers is being wasted in some other direction.

The hon. Member for Berbice River has stated that an enquiry should be held into the affairs of the Board, and I would certainly endorse the suggestion. If an enquiry is held the report would disclose some startling things — not fraudulent things — but things to the effect that the affairs of the Board were not being conducted in a businesslike manner and that the profits had been utilised in wrong directions instead of being distributed among the producers.

Mr. RAATGEVER: To a point of order! I take strong exception to that statement by the hon. Member. I will not sit on the Board and allow any irregularities to go on, Sir.

Mr. LEE: I said clearly that there are no irregularities. I stated that certain things are being done which should not be done. No commercial concern in this Colony pays the passages of its employees and also of their wives, when they go on leave.

Mr. RAATGEVER: I can assure the hon. Member that that concession has been stopped. It was only done on one occasion but it has been stopped, so the hon. Member need not have any fear.

Dr. JAGAN: Would the hon. Member elaborate, Sir, and say what employees are getting their leave passages paid?

The PRESIDENT: I think the hon. Member (Mr. Lee) should go on.

Mr. LEE: The producers are among the people who elected us to this Council, and they are trying to show that they

do not like certain things that are being done. They cannot report these things to Government and their representatives are the persons they must report to. I am glad that a member of the Board has said that the concession of paying the leave passages of certain employees and their wives has been stopped, and it must have been stopped because of some objection. The producers are saying that that money should have gone to them, since they do not get any bonuses or otherwise. If the paying of leave passages for employees was universal so far as the Board is concerned, one would have been able to say that everybody got it, but in the circumstances mentioned the producers are saying that it was favouritism. I hope the suggestion made by the hon. Member for Berbice River that there should be an enquiry into the affairs of the Board will bear fruit.

I would also like to say, Sir, that the producers like the present Governor and his Administration. They admire all that you have done for the Colony and what further you are trying to do, but they are entitled, nevertheless, to make representations in their own interest — and up to 11 o'clock last night some of them were at my home saying that they desire me to tell the Government certain things. I must admit that I see reason in what they say. If profits from the Board were being returned to them in the form of subsidisation of bags, as was done in the past, they would have been satisfied, but they are not even getting that any more. They are the people who have to buy the bags now, and they say that the expenditure being incurred by the Board and the Rice Producers' Association is, in their humble opinion, too heavy. I do not know what work exactly these organisations do, but I say that they should try to go forward with proper control and with Government's protection. There is no doubt, however, that the single-selling organisation through the Board has been a success and the producers say that in no case whatever must I ask that it be discontinued. They want to see it continued throughout the Colony, but they say that there are certain organisations starting from the Rice Producers' Association and coming to the Board itself which should

be enquired into, and I think it is right that their complaints be investigated.

It is felt that the Rice Marketing Board and the Rice Producers' Association should endeavour to economize with respect to the question of samples and Inspectors. Under the law the millers have to send in their returns and are liable to heavy penalties for failing to do so; therefore, why are Inspectors necessary? The Inspector only signs a book and checks the rice, then draws his salary. The producers are hoping that the price of rice will not remain where it is at present, but that Government will intervene and help them to get better prices. They are convinced that the Board is not a democratic institution. They are asking, therefore, for the introduction of an amendment so that it will become a democratic institution — so that every producer will be safe when it comes to the question of policy and will not lack someone to represent him. I feel that Your Excellency would see that point of view. There may be differences between the Rice Marketing Board and the Rice Producers' Association, but they should be gone into and settled. That brings me to this point: Why should you, Sir, be the authority to say that no money or grant should be given to the Rice Marketing Board or the Rice Producers' Association without your approval? It is their own money and if it is squandered they will be the losers.

The FINANCIAL SECRETARY & TREASURER: The hon. Member has just said that the rice producers are very concerned over the amount of money being expended by the Rice Marketing Board, now he is saying that they should be given more freedom.

Mr. LEE: It is required that any grant of money to the Rice Producers' Association should have His Excellency's approval, and I am saying that that is not necessary. Why should Your Excellency be drawn into the affairs of this organisation? If the Ordinance is amended, as I have suggested, it would become a democratic institution. The producers are aware of their rights, and they maintain

that they are not being properly served under present conditions.

Mr. LEE: No, Sir, I would like to deal with other points.

The PRESIDENT: Is the hon. Member finished?

The PRESIDENT: Council will now adjourn until 2 p.m., tomorrow.