

LEGISLATIVE COUNCIL

THURSDAY, 6TH NOVEMBER, 1952

The Council met at 2 p.m., His Excellency the Officer Administering the Government, Mr. John Gutch, C.M.G., O.B.E., President, in the Chair.

PRESENT :

The President, His Excellency the Officer Administering the Government, Mr. John Gutch, C.M.G., O.B.E.

The Hon. the Colonial Secretary, Mr. J. L. Fletcher, O.B.E., (Acting).

The Hon. the Attorney-General, Mr. F. W. Holder, Q.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, C.B.E. (Nominated).

The Hon. V. Roth, O.B.E. (Nominated).

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

The Hon. C. A. P. Coghlan (Demerara River).

The Hon. J. Fernandes (Georgetown Central).

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

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

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

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

The Hon. J. Carter (Georgetown South).

The Hon. L. A. Luckhoo (Nominated).

The Hon. W. J. Macneil, C.M.G., O.B.E., (Nominated).

The Clerk read prayers.

The minutes of the meeting of the Council held on Friday, the 31st of October, 1952, as printed and circulated, were taken as read and confirmed.

GOVERNMENT NOTICES**INTRODUCTION OF BILL**

The Attorney-General gave notice of the introduction and first reading of the following Bills:—

A Bill intituled "An Ordinance further to amend the Summary Jurisdiction (Offences) Ordinance by increasing the maximum penalty that may be inflicted in respect of various acts of indecency."

A Bill intituled "An Ordinance further to amend the Motor Vehicles and Road Traffic Ordinance, 1940, by increasing the maximum penalty that can be inflicted for using vehicles other than motor vehicles on any road without due care and attention, and matters in connection therewith."

A Bill intituled "An Ordinance to provide for the probation of offenders."

ORDER OF THE DAY

SERVICES OF THE LATE DR.
HAROLD FERNANDES

Mr. Fernandes asked, and the Colonial Secretary laid over replies to the following questions:—

Q. 1.—When was Dr. Harold Fernandes appointed.

A. 1.—The 10th of March, 1948.

Q. 2.—Was he appointed on probation?

A. 2.—Yes.

Q. 3.—If the answer to 2 is "Yes", was he confirmed in his appointment when his probationary period expired?

A. 3.—No.

Q. 4.—If not, why not, and through whose fault?

A. 4.—The Government regrets that the administrative departments concerned overlooked the fact that Dr. Fernandes' probationary period of service had expired on the 25th of March, 1951, and that he had not been formally confirmed in his appointment.

Q. 5.—Is his voluntary offer to postpone his leave from 1951 to 1952 in any way responsible for his not being confirmed in his appointment?

A. 5.—No.

Q. 6.—If Dr. Fernandes' appointment was confirmed at the correct time, would he have been required to contribute to the Widows and Orphans Fund?

A. 6.—Yes—but non-confirmation in his appointment was not the only reason for Dr. Fernandes' failure to be a contributor to the Widows and Orphans Fund as the following facts indicate. On first appointment contributions to the Fund were made by deduction from Dr. Fernandes's salary. He was medically examined on 5th May, 1948, and accepted as a contributor by the Board of Directors of the Fund on 16th August, 1948. In July, 1950 Dr. Fernandes asked to withdraw his contributions

(which then amounted to \$563.87) on the ground that as an officer whose probationary period of service had not expired he could not be required to contribute to the Fund. He was permitted to do so and therefore ceased to be a contributor.

Q. 7.—What would have been his widow's position as regards pension—

(a) if he was confirmed at the prescribed time and made to contribute;

(b) her present position?

A. 7—(a) His widow would have received a pension from the Widows and Orphans Fund of \$839.04 per annum;

(b) She is not eligible for a widow's pension as Dr. Fernandes was not a contributor to the Widows and Orphans Fund.

Q. 8.—How many X-Ray pictures did Dr. Fernandes take during 1950 and 1951?

A. 8.—There is no record as to the number of pictures which were taken by Dr. Fernandes.

In 1950—3,071 pictures were taken in connexion with tuberculosis work—the majority of these were done by Dr. Fernandes. 1,350 screenings were made—all by Dr. Fernandes.

In 1951—3,033 pictures were taken in connexion with tuberculosis work—very many of these by Dr. Fernandes. 780 screenings were made—all by Dr. Fernandes.

Q. 9.—How much remuneration did he get for this work?

A. 9.—None. While the actual taking of pictures was not his specific duty, Dr. Fernandes, in the absence of a fully-qualified Radiographer of his own accord preferred to do some of this work. As T.B. specialist, it is a normal part of his duties to do screenings and to read all pictures taken.

Q. 10.—How many X-Ray pictures were taken at the Public Hospital, Georgetown, during 1950 and 1951?

A. 10:—9,998 X-Ray pictures in 1950;
11,134 X-Ray pictures in 1951.

All of these were taken by the Government Radiographers.

Q. 11:—How much remuneration did the Radiologist get for this?

A. 11:—None. All pictures are taken by the Radiographers in the course of their duty. Of the figures mentioned in the reply to Question 10 —

2,516 pictures were for private consultation in 1950;

2,062 pictures were for private consultation in 1951;

For the reading of these pictures for private consultation the Government Radiologist received 50% of the consultation fees as follows:—

In 1950 — \$4,574.55.

In 1951 — \$4,530.92.

Q. 12:—Is Government satisfied that there was an error or omission on their part?

A. 12:—On the assumption that this question is related to Questions 3 and 4, the answer is in the affirmative.

Q. 13:—If the answer to 12 is in the affirmative, is Government happy over it?

A. 13:—No.

Q. 14:—If the answer to 13 is "No." does Government intend to make amends by paying the requisite pension to Dr. Fernandes' widow which she would have got if there had been no error or omission?

A. 14:—Government has authorised payment of a sum of \$6,480 (i.e. the equivalent of one year's pensionable emoluments) to the Legal Personal Representative of the Estate of the late Dr. Fernandes payable under the Pensions Ordinance notwithstanding that he had not been confirmed in his appointment at the proper time. Dr. Fernandes's failure to become a contributor to the Widows and Orphans Fund cannot be rectified.

IMPORT LICENCES FOR DAIRY PRODUCTS.

Council resumed the debate on the following motion by Mr. Fernandes:—

"Be it resolved that this Council recommend to Government the rescinding of Order 115/52 dated 15th October, 1952, issued by the Controller of Supplies;

"Be it resolved that this Council request Government to investigate the voting of members on various Advisory Committees to the Controller of Supplies on matters in which they are interested parties."

Mr. Smellie: When the debate was adjourned last Friday, the hon. the Seventh Nominated Member (Mr. Macnie) had asked the hon. the Acting Colonial Secretary whether dairy products were in hort supply, and added that if they were not he felt there was no need for quotas. The hon. the Acting Colonial Secretary said that so far as he was aware, butter was in short supply. I am informed that a retention of the quota system is necessary, because the free market has many demands on it and there is a variable source of supply. If we give up our quotas we might find ourselves in the position of not having any pool from which to draw. The hon. the Seventh Nominated Member also asked to be informed why the excellent margarine which used to be imported from the United Kingdom—and which, I think I am correct in saying, the hon. Mover of the motion referred to as "consumer friend No. 2",—was being restricted. The hon. the Acting Colonial Secretary did not answer that question. The reason, I think, is the regional Oil and Fats Agreement, the provisions of which have recently been extended, and which formed the subject of a memorandum submitted by the British Guiana and Barbados delegates at the recently-concluded Ninth Congress of the Incorporated Chambers of Commerce of the British Caribbean. The memorandum has been published, sir, and, with your permission, I would like

to read the relevant extract so far as it affects my argument. It says:—

“In particular the Congress is of the opinion:

- (a) that the Annual Conference which frames the Oils and Fats Agreement does not represent adequately through its delegates the commercial and consumer interests in the territories concerned, —
- (b) that even making proper allowances for the claims of copra producers, it cannot be a sound commercial policy to permit the prices of locally-produced commodities such as laundry soap, edible oils, lard and margarine to diverge so greatly from the prices of comparable imports as is likely to arise from the operation of the current agreement....”

What does this mean, sir? It means that we are paying more for the margarine which comes from Caribbean sources than we used to pay for the margarine which was imported from the United Kingdom. Those hon. Members who supported the motion last Friday were very strong in their denunciation of any action being taken which might lead to an increase in the cost of living. Here, however, is an example. But, this is only one part of the sad story. Not only is the price of the margarine from Caribbean sources higher, but its quality is definitely inferior. The Chairman of Unilever, Ltd., in his annual report on June 24, 1952, which has been reprinted from the Financial Times, has this to say — and, with your permission, sir, I will quote what he said:—

“In choosing between butter and margarine, the consumer does not have to worry about any difference in nutritional value. The conclusion of Dr. G. Smits of the Central Institute for Nutrition Research, Utrecht, is that “there is no proof of a superiority of butter over margarine as has been assumed by some investigators; provided the margarine is enriched with vitamins A and D to a content about equal to that in butter.”

The report adds that in the United Kingdom and Holland, as in most other countries, the addition of vitamins is made.

Now, sir, I am very much inclined to doubt whether margarine which originates from Caribbean sources conforms to that proviso in respect of vitamins. The United Kingdom margarine is a butter substitute; coconut margarine is not in the same class, and I submit that it would be just as illogical to restrict butter as it is to exclude margarine from the United Kingdom.

With regard to the other question put to the acting Colonial Secretary by the hon. the Seventh Nominated Member, —are dairy products in world short supply? — I think the hon. the Acting Colonial Secretary was correct in the reply which he gave, and again, with your permission, sir, I should like to quote from the Unilever Ltd. report to which I have referred. It says:—

“Many people in Britain are worried about the decline in Australian butter exports which have fallen from 104,000 tons in 1938 - 1939 to 56,000 tons in 1950-1951. The explanation of the declining butter exports is that a smaller proportion of the milk is used for butter production than before, some being diverted to cheese production and processed milk and some being consumed in liquid form.

High prices of meat in most parts of the world, themselves due to shortage, are causing people to look to other sources of protein, and this means that there should be a great future for cheese production. Cheese is a highly concentrated and digestible food and is easily the cheapest available combination of protein and fat in the solid form, being only about half the price of meat in units of comparable nutritional value. World consumption of cheese is at present estimated at about 30 per cent. higher than it was before the war. The effect of all this is that world production of butter is now about 16 per cent. lower than it was before the war, whereas world population has since increased by about 14 per cent.

Apart from all that, sir, it is quite clear to me that the reason why the Controller of Supplies issued his order —No. 115/52 of October 15, 1952,— had nothing to do with world supplies. It was because he was satisfied that from the advice he was given, there was

too large an accumulation of stocks in the Colony, very large quantities of butter and cheese having arrived in the months of July, August and September. I am bound to say, however, that I think the Comptroller of Supplies committed an error of judgement in issuing so drastic an order. The order was too arbitrary and may have a most unfortunate effect upon our reputation for business dealings, with the countries involved. Moreover, it should not be forgotten or overlooked that the cooking butter sent to this country from Australia is manufactured, especially as regards colour, for this Colony. At the same time, sir, I feel I cannot support the motion as it stands. I am entirely against the latter part which seeks to request Government to divulge the voting of members on the various Advisory Committees to the Controller of Supplies, in matters in which they are interested. As regards the first part of the motion, in view of the stock position I do not think that the Controller's order should be entirely rescinded. I should therefore like to move an amendment, a copy of which I hand to the Clerk to give to Your Excellency, and I hope it will find favour with this Council. The amendment (to the first part of the motion) reads:—

“Be it resolved that this Council recommend to Government the rescinding of Order 115/52, dated 15th October, 1952, issued by the Controller of Supplies in regard to those Licences for dairy products on the basis of which firm orders had been placed by importers with suppliers prior to 15th October, 1952, provided shipments are received in the Colony before the expiry date of such Licences.”

Mr. Macnie: I beg to second the amendment to the motion moved by the hon. the Fifth Nominated Member. I do not think I need add much to what the hon. Mover of the amendment has said, except to say this: Firstly, I would like to thank him for providing the answer to my question about margarine from the United Kingdom. He has answered the question very fully. Of course, I was aware in part of the

answer because I was, to some extent, aware of the Oils and Fats Agreement, but the hon. the Fifth Nominated Member has gone further than that and, I am glad to say, elaborated on the answer, and has even gone so far as to support both the hon. Member for Essequibo River and myself on the question relating to margarine from the United Kingdom. The hon. Nominated Member also spoke on the nutritional value of margarine, and particularly on its value to an enormously large section of the community—as a cheap substitute for butter. That is, margarine from the United Kingdom and not from any of the British Caribbean territories which are parties to the Oils and Fats Agreement. With regard to the amendment, sir, I feel that it is worthy of the support of this Council. I sincerely feel that it would provide a fair and good solution of the problem before us, which problem I think it would be generally agreed—to use the words of the hon. the Fifth Nominated Member—was due to an error of judgement. It is recognized, sir, that all of us and many persons all over the world—in the past, the present and the future—have committed and will continue to commit errors of judgement, and when such an error of judgement is committed the greatness of those who commit it is shown in the manner in which they endeavour to adjust that error.

The amendment, as I interpret it, sir,—I think I am correct and I am sure the hon. Mover would correct me if I am wrong—means that those commercial interests to whom licences were issued before the date of the cancellation notice—that is before October 15,—would have their licences revalidated if this amendment is carried, provided they can show that prior to October 15 they had placed firm orders with their suppliers, and provided also—and I think quite properly—that the shipments come forward

within the life of the licences. A licence is granted for a specific period and no longer; therefore, it is important that shipment be made by suppliers within the life of the licence. I know that when a company here places an order with a supplier overseas, the company informs the suppliers of the date of the licence and it is up to the supplier to send the goods within the life of the licence.

I feel that if the amendment is adopted no one could have any complaint—either the suppliers with whom firm orders have been placed or the local commercial interests who have placed the orders—and that the matter will have been adjusted in a very fair and proper way. Those holders of licences who did not place orders before October 15 would, in my view, have very little if anything to complain about. The man who gets a licence is supposed to have asked for it for a specific purpose, namely, for ordering the goods specified in the licence. If he fails to do so and just holds on to the licence—and I feel some persons still do so for what may be described as speculative reasons—then he has no real cause for complaint if the licence is cancelled before he places the order. The present circumstances, I think, warrant the action suggested and I would appeal to my good friend, the hon. Mover of the motion, to look at the amendment from his usual broad-minded point of view and see whether it would not, in truth and in fact, serve the true purpose of the motion which he has so rightly and properly brought before this Council in order to put right something which, in his view, was wrong. I feel that the amendment moved by the hon. the Fifth Nominated Member and so ably explained by him, is worthy of the support of hon. Members of this Council.

Mr. Fernandes: I would just like to ask you, sir, to rule whether this

amendment is in order or not, before we go further.

The President: On what ground does the hon. Member suggest?

Mr. Fernandes: The Notice is a definite one and you either have to rescind it or not. My motion is for the rescinding of the Notice, and the amendment is directly opposed to the rescinding of the Notice, because the notice in itself is specific.

The President: What is the hon. Member suggesting?

Mr. Fernandes: The motion asks for the rescinding of the Notice. Either the Notice is to be rescinded or not rescinded, and anything contrary to that is out of order.

The Attorney-General: I would suggest to hon. Members that the amendment cannot be out of order on the ground which has been submitted to this Council by the hon. Member for Georgetown Central. The motion as it stands says:—

“Be it resolved that this Council recommend to Government the rescinding of Order 115/52, dated 15th October, 1952, issued by the Controller of Supplies”.

That forms part of the amendment. Then the amendment continues with these words:—

“in regard to those licences for dairy products on the basis of which firm orders had been placed by importers with suppliers prior to 15th October, 1952, provided shipments are received in the Colony before the expiry date of such licences.”

The object of the amendment is really a modification of the hon. Member's motion and says in effect that the Order, whatever it is, should be modified so that those licences for dairy products on the basis of which firm orders had been placed by importers with suppliers should be allowed to continue. In other words, the effect of the amendment is that the Order itself should not

continue in so far as this particular aspect is concerned. It is a modification or in effect a substitution or new Order with this limitation. The hon. Member for Georgetown Central says in effect that the whole Order was bad in conception and execution and consequently should be rescinded and the position be made as before or return to the *status quo ante*. The suggested amendment is that in so far as the Order goes, if there is any return to the position before the Order cancelling the licences was issued, it should be modified to enable this position with regard to contractual obligations taking their course. I suggest to hon. Members that the amendment does not outrage the purpose of an amendment because it goes to a certain extent with the hon. Member's motion, but it does not go as far as the hon. Member's motion that the whole Order should be rescinded. There is some ground for it not going as far as the hon. Member wishes to go.

The President: I am asked to give a ruling. I give it on the advice of the hon. the Attorney-General. It is in order. There is no purpose in allowing a person to move an amendment which is in the direct negative, because the object of the negation can be met by voting against the original motion. That is not what is at the back of this particular amendment.

Mr. Raatgever: If we accept the amendment moved by the hon. the Fifth Nominated Member we would be in exactly the same position as we are in today. If you remember, sir, when I spoke last week I said we had in the Colony on the 8th October 571,085 lbs. of butter. As you know the consumption of table and cooking butter is roughly 80,000 lbs. per month or 960,000 lbs. annually. We have in the Colony seven months' supply and there is due to arrive, according to the figures given by the Controller of Supplies, 640,059 lbs. That is another seven months' supply. It is with the intention of stopping that

that the Controller on the recommendation of his committee issued that Order. Therefore, if we accept the amendment moved by the hon. the Fifth Nominated Member we would be reverting to the same position that the Colony is in at the present moment. That is, we still have a surplus of butter and still have another seven months' supply to arrive. Butter put up in tins can only keep for six months—that is table butter. On the other hand cooking butter can keep for perhaps twelve months. As far as table butter in packet is concerned, six weeks is the longest that it can be kept in cold storage, after that it gets rancid and deteriorates and has to be thrown away. This is food, and food that has been without any doubt in short supply in the world market, but through no fault of our own we have a surplus of this food. It is therefore our duty to see that this food is not wasted. If we allow the amendment by the hon. the Fifth Nominated Member we would be allowing more food to come into the Colony to be wasted and thrown away. As far as the remarks about margarine are concerned, I am entirely against the renewal of the Oils and Fats Agreement.

Mr. Fernandes: The hon. Member is out of order! The amendment has nothing to do with margarine. The hon. the Fifth Nominated Member (Mr. Smellie) was making his speech for the first time when he referred to margarine, which he had every right to do. But the hon. Member has already spoken, and not because the amendment has been moved by the hon. the Fifth Nominated Member and seconded by the hon. the Seventh Nominated Member that gives the hon. the Third Nominated Member the right to speak on margarine.

Mr. Raatgever: Very well, sir, I accept that. With your permission I would just like to read an extract from the Minutes of the Central Imports Ad-

visory committee of the 29th October, 1952, relative to the stocks of butter in the Colony and the cancellation of the licences. It has nothing to do with margarine.

Mr. Fernandes : If it has nothing to do with the amendment as such, the hon. Member would be out of order to refer to it. The amendment is a separate entity, and no Member of this council can speak on anything else but what the amendment refers to.

Mr. Raatgever : I am speaking on the amendment. The hon. Member, in the amendment, spoke of firm order having been placed. What I am going to read concerns that. I would be very grateful if the hon. Member for Georgetown Central would not interrupt me so frequently.

Mr. Fernandes : I am going to take strong objection to that remark. The hon. Member is not chairman of this meeting. If I raise the point that a Member is out of order, it is up to you, sir, as Chairman, to rule and ask me to take my seat. It is not right for any Member to try and do so. In the first place I maintain the hon. Member is out of order.

The President : The hon. Member would not be out of order if what he seeks to do is to remind us of the position of stocks in the Colony, as it would be affected by the hon. Member's amendment. I think that is what the hon. Member desires to do, and, if that is so, he is in order. But until he speaks I cannot say whether he is in order or not.

Mr. Raatgever : It refers to the cancellation of orders: It reads:—

"Mr. Messervy went on to add that since those figures were supplied a shipment of butter had arrived in Trinidad from Australia for transshipment to British Guiana but the quantity was not known. The S.S. "Amakura" had sailed from Liverpool with supplies of Irish butter. He had agreed to the request of the Australian

Dairy Board and the New Zealand authorities that shipments at dockside be allowed to come forward and the S.S. "Pioneer Reef" and S.S. "Athenic" had both taken on shipments before sailing. Mr. Gullick, the Australian Trade Commissioner in Trinidad, had called on Friday and he had taken the opportunity to discuss the position with him. Mr. Gullick had reminded him of the action taken by Australia and New Zealand earlier in the year in cancelling all import licences which could not be revalidated without proof of *bona fides* and added that once the suppliers were not put to any expense there would be no reaction whatever."

The position is, that all the butter—that is cooking butter—that was prepared for this market was allowed to be shipped by the Controller of Supplies so that no hardship would be experienced by the exporters in Australia by having the supplies specially made for this market rejected. I have a copy of a telegram which was sent by an Australian exporter to his agent in British Guiana informing him that no hardship would result from the cancellation of the licences issued by the Controller of Supplies. He had received word that the cancellation had been put into effect. I just mention that to show that care has been taken to see that all shipments of butter specially made for this market have been allowed to be shipped.

The President : I would just like to have a point explained, whether the hon. the Third Nominated Member is saying that in contravention of the Order made the Controller has been letting in some shipments of butter which would be topped by the Order as it stood.

Mr. Raatgever : The position is, when an Order is issued it is always understood—I have been on the Board from its inception and I am one of the oldest members on it—that goods on the dock ready for shipment are allowed to come forward. That is an unwritten agreement well known to merchants, agents and all people in commerce.

Mr. Fernandes : I am going to speak on the amendment now, sir. The hon. the Third Nominated Member has just told us exactly what you asked him, that the Controller of Supplies ignored this Order. As far as this Order is concerned it has already gone into the waste paper basket. This Order is specific. It says "*Importers should therefore submit immediate proof of shipment of any outstanding orders*". The hon. the Fifth Nominated Member moved an amendment which goes on to say it should not be so drastic but we should permit articles that were bought and contracted for on that date. The hon. the Third Nominated Member was at pains to say that when Orders are issued there is an unwritten law that the Controller can vary them. That unwritten law has caused me to put the second part of my motion. If there is an unwritten law to that effect, why should there be clause 2 of the Order? If there was not clause 2 of the Order it would have been a different matter.

Mr. Lee : What clause 2?

Mr. Fernandes: I had just read it. I intend to take that up in my general remarks and to remind hon. Members of the remark made by the hon. the Third Nominated Member that packet butter can only keep six weeks in cold storage.

Mr. Wight : The motion is apparently drawn up in a two-prong way with a resolution clause which calls for an investigation into the voting of members on the various advisory committees. The hon. the Sixth Nominated Member is unfortunately not in his seat, but I would like to say that he with his usual incisiveness and analysis of a legal brain was at pains to say that there were no personalities in the whole thing, but there can be no doubt that the second resolution clause must necessarily involve personalities. I would like to draw his attention to that. If

the Government of this Colony is prepared, even on the advice of this Legislative Council, to ask at this late stage for the voting of members of that advisory committee from its inception, all I can say is that it is a pity the hon. Member for Central Demerara (Dr. Jagan) is not in his seat. I think he would have a gala day and, perhaps, be able to give us quite a lot of food in respect of his various ideals and ideologies. I may be entirely wrong, but I would have liked to see him around this table taking part in this discussion. Be that as it may, I do not think that hon. Members on giving this matter due consideration would consider that the second resolution should be supported.

After all, the members of the advisory committees were appointed some years ago and, no doubt, were appointed on action taken by this Legislative Council. I take it that the various sub-committees were appointed and those persons on them were appointed because of their specialised knowledge in the particular branches dealt with by those sub-committees — steel, iron, foodstuffs, etc. I do not know if all or any of them have such a great comprehensive knowledge of each and every item dealt with by the advisory committees of the Board of Control. I do not attempt to consider that I have even a smattering knowledge of any of those matters or, perhaps, even in my profession. That is just a matter of opinion. I feel, sir, it would be rather silly to say that those honourable gentlemen—I say "honourable" not in the sense of Members of the Legislative Council who therefore get the prefix by virtue of that, but I take it they are honourable in their general dealings and outlook, as they represent some of the leading firms and no doubt are mostly the leading merchants of the community—are serving their own ends on those committees. It would be a horrible thing for this community to think so, despite

what the whispering gallery says around. If that is so, it is a horrible indictment to say of this Colony, when we are on the verge of self government or of attempting to improve our own government by having government by the people of the people. I think I need not say more at this stage upon that.

The real motion, as it appears, is the rescinding of an Order which was made by the Controller of Supplies. I am fully aware that I had moved a motion in this Council for decontrol generally of all sorts of articles. I am fully aware also that the committee of which I am chairman is about to report. Be that as it may, the position is simply this: What was the object of Control as such? Surely Control as such was to ensure an equitable quantity and distribution, and secondly to keep down prices as far as possible. In other words, there are two aspects of control as far as I envisage it — control of supplies and control of prices.

One argument against decontrol is that if you decontrol articles it automatically would send the cost of living up. We have seen it locally in the case of several articles; as soon as they were decontrolled the cost rose. But we have come to a levelling now of prices. They have been stabilized. Apparently the producer is satisfied with the profit he is making, and the consumer has apparently to be satisfied with the price he has to pay. In dealing with decontrol generally it seems that principle is one which we trust will be recognized—an article in moderate supply or in scarcity or shortage should be allowed free enterprise on the market so as to get a stabilizing effect and see exactly what is the profit to the producer and what is the profit to the consumer. I cannot imagine the producer not wanting to make a profit, and at the same time I cannot imagine the consumer wanting to be bled and to pay exorbitant prices and so put excessive profits into the hands of the pro-

ducers whether at home or abroad. As I say, the whole system of control and the whole object of control were designed to defeat the law of supply and demand in times of scarcity.

No, Sir, the position is this: It is agreed that the object of those who think alike and know that foodstuffs would perhaps be in great demand for years is to unite or combine for the purpose of the preservation of stocks of foodstuffs wherever they are in the world. Is it to be said and are we to be satisfied that we can allow any particular article to come into this Colony to be thrown away and wasted, or are we to be satisfied in equity that control is the only means for the benefit of the consumer regardless of the factors in the general scale leading up to it? That seems to me to be the issue which was before the Controller, and that seems to be the issue which is now before the Council.

Are we satisfied that by this system of control persons who are importing foodstuffs into this Colony have committed an error, and that same error would have been committed had there been a free market? If that were so, then there would be no answer to the particular motion. The position is this: Are we also satisfied that the importer had a free hand to import as he liked or was he bound by this system of control? Had he a free hand as under decontrol, then of course this whole matter could never have arisen, but under a system of control, under a system of quotas, under a system of restraint what do we find?—A sudden launching of tremendous quantities of an article on the market by somebody outside of our importers who are controlled by our laws. It was not the fault of the importers. It is illogical to say the importers caused this enormous quantity of stock on our market. Therefore, are we to say they are to be protected under the system of control which we are still under, or are they just to be left to the general decontrol system?

It is difficult to say at the moment who is going to benefit. We are told on the one hand that the Order will benefit those persons who have butter overstocked for 14 months roughly. We are told that this Order is to protect those people. We are told that the rescinding of the Order is to protect the consumer. We have not been told if the commission agent is going to be protected; if he is going to make any money, he is the man who takes the orders for goods and whatever happens he still gets his commission. It is the middleman who is the cause of the dispute in the world over production and consumption. I am waiting to hear whether the prices at which these persons are now going to sell will be lower than the present prices obtaining. In other words, there is going to be a cut price and the effect of the new shipments, outside of packet butter, will be reduced prices. We know fully well that if there is an abundance of stock competition is keen, and we also know that prices will normally drop. If we are in that position and there is what we consider a reasonable price, are we going to get the new stock cheaper yet than that? That is the whole position in a nutshell.

So far as I can see, and so far as I have been told by merchants outside, the question is whether packet butter is going to benefit the rural areas at all. Are we satisfied that the packet butter which is going to come into the Colony is going to reduce the price of butter throughout the Colony, or is it not a fact that a few persons in Georgetown and New Amsterdam only are going to benefit? This butter has to be kept in cold storage and cannot last if put in tins. I have also been told by several representatives of firms—not only of leading firms—that 90 per cent of the butter which is imported into this Colony is imported in tins and not by way of packets. If we are going to benefit the consumers generally, we should

benefit not only the small person who resides in Georgetown or New Amsterdam.

I do not quite agree with the hon. Members who have suggested that the Controller has committed an error of judgment, if he has behind him the whole principle of what control means. From the experience I have had as a member of that Committee, there is no written law binding it, but any case that merited reconsideration was reconsidered in full. The suggestion is that the Controller's action was intended to benefit a certain section of the community and was not in the interest of the consumers generally. If there is plenty of butter in the Colony and people can purchase it, we would be increasing the standard of living rather than reducing the cost of living. If merchants are overstocked, as they are in this case, it seems to me that prices would have to fall of necessity until the stocks become normal. I take it that one of the things we have been aiming at in this Council has been to prevent the overstocking of items or the falling of quotas in the market.

It seems to me that if there is going to be this collapse of new importations of butter, there would be a loss of money—a loss right away round in the community. If there is a loss of \$200,000 to \$300,000 in the market, generally, it must react right away through. Should the Controller permit such a situation if satisfied that the consumer is not being exploited otherwise? If he is so satisfied, it seems to me that the order should stand. We have roughly, seven months stock, but without more shipments coming this year. I may be entirely wrong again, but I have heard how it is done by agents and, personally, I feel that if they fly around to the merchants with information and the market goes down, some poor lawyer or lawyers would have to sue to recover on behalf of the shippers. I am glad to see that the debate has taken this turn because, obviously,

certain other items might be in the same position and this Council would realize that decontrol is the solution to the problem. Logically, I cannot find myself supporting this motion when we have a system of control and when control means what it should mean. I think we should agree that control is to protect everybody who falls under its umbrella and not one particular group of people.

Dr. Singh I would like to touch upon one particular aspect of this question, and it is this: Would decontrol of butter bring relief to the poor people we have been referring to as "the masses"? Would it reduce their weekly budget or give them any other form of relief? In my opinion, decontrol would be no answer to the question. I feel that it would not bring the people the relief that some of us in this Council are anticipating. Whether the butter is controlled or not, it would not mean anything to the masses. They have got accustomed to their oil and also to using margarine instead of butter. It is true that because of these quotas and free licences, butter is being sold cheaper—perhaps at cost price—today, and that is likely to continue for some time. If we decontrol butter, however, we might find it in short supply by next year. Our duty, therefore, is to continue to control butter until the supply becomes steady and we can get it without any difficulty. When it is in short supply the price goes sky high and we find blackmarketing and so on taking place. I am in favour of control.

Capt. Coghlan I have listened very carefully to what has been said for and against the motion, and there are just a few points I would like to deal with. The first question I would like to ask is this: On whose responsibility was the order for rescindment given in this matter? Was it done by the Controller of Supplies? The hon. the Seventh Nominated Member has said that it was, and in that case there was a body to approve of the decision

of the Controller of Supplies, that body being the Executive Council. I beg, however, to differ with him on that point. I think somebody must have been mistaken, and that is exactly what I understood him to say later. In the Executive Council the Governor acts on the advice of his executive councillors, but he need not accept the advice if he does not want to. In other words, it would be the Governor's action alone in such a case. The situation is quite different as regards the Central Imports Advisory Committee. On this Committee which has been appointed by the Governor, there is a very representative body of people. There are five members of the Executive Council, and in addition there are two representatives of the Georgetown Chamber of Commerce — Messrs. H. G. Seaford and A. E. Gonsalves — a representative of the Berbice Chamber of Commerce — Mr. S. Wreford — along with Mr. F. Morrish, the Director of Medical Services and the Controller of Supplies and prices. With such a representative Committee, I fail to see how — as certain hon. Members have suggested in a veiled way — a Nominated Member of the Legislative Council is alone responsible for the Control.

Mr. Macnie: To a point of correction: The hon. Member for Demerara River has referred to me. What I said was that the responsibility lies solely with the Competent Authority which, in this case, is the Controller of Supplies and Prices. The Committee, the personnel of which the hon. Member has read, is an advisory committee, and the responsibility is with the Competent Authority. That is what I said.

Capt. Coghlan: But the Competent Authority, as the hon. the Seventh Nominated Member himself knows, — he was a Competent Authority himself — acts on the advice of the Committee.

Mr. Macnie: I am sorry to insist. It is open to the Competent Authority to act in accordance with the advice,

but he is not bound to accept it and the responsibility is his, and his alone, for the action taken. It is not always that the Competent Authority has accepted the advice of this Committee.

Capt. Coghlan : If the Competent Authority does not accept the advice of such a representative Committee it would be amazing to me or anybody else to find that he and he alone can act against such advice. The next point is that the hon. the Third Nominated Member gave the reason why there was, more or less, a glut of butter on the market. It is due to the fact that Australia and New Zealand shipped butter to the Colony under 1951 licences which had expired and the shipments arrived here when they were not expected by the merchants. The hon. Member for Georgetown Central has said that in 1952 we have nearly 2 per cent more butter in the Colony than we had in 1951, but that is not a real criterion. The real criterion is what right had the butter to enter the Colony. If the butter had come in at the same rate this year as it did in 1951, that is the only way we would have been able to compare the supplies of the two years. The bulk of the 1952 shipments arrived during the latter part of this year, and a man cannot eat in one day what he should have eaten in six days. At the same time, there appears to have been a certain amount of double dealing between the merchants and the agents. That is what I have gathered from the speeches made in this Council.

I think it was the hon. Member for New Amsterdam who said he did not know there was such a huge profit as 40 per cent in the butter trade. I have no pity for the merchants — no more than I have for the agents or the consumers, because the butter was not a product in short supply; it was for everybody. The difference between the agent and the shopkeeper or merchant is this: The shopkeeper has rent or taxes, insurance, salaries, licence; light and then loss on certain commodities.

The agent, on the other hand, does not have to labour, I think, under the same difficulties. As a matter of fact, some agents receive their commission on every shipment of articles the very day on which the merchant receives it. I took the trouble to find out how much this butter was being sold at and to know if the consumer is the one who is going to suffer. I found that one can buy a tin of butter at many places in the City, and one place quoted it at \$1.12 wholesale and \$1.20 retail. Therefore the importation of packet butter which is being sold at \$1.21 per lb., as stated by the hon. Member for Georgetown Central, has made very little difference as regards the question of price although, so far as I am aware, tinned butter is superior to packet butter. I am informed that the packet butter goes bad much quicker than the tinned butter.

This situation is, apparently, the result of a battle royal between the merchants and the agents. The agents say "we are the friends of the consumers" and, naturally, when anyone wants to gain an advantage for himself he will say "I am always standing up for the poor man." I think it is up to this Council, however, to adjust the matter and I am sure we are going to hear from the reply of my hon. Friend who has moved the motion, whether the merchant or the agent is the friend of the consumer. Personally, I do not know myself and would be very glad to hear what the hon. Mover has to say. I do not think it makes the slightest difference to the consumer as to which of them want this battle royal. I support the amendment moved by the hon. the Fifth Nominated Member.

The Colonial Secretary: I would like to congratulate the hon. the Fifth Nominated Member (Mr. Smellie) on his very convincing case in which he has proposed a partial rescinding of the order issued by the Controller of Supplies and Prices on October 15. The hon. Member has pointed

out that by that action they may indeed find a number of importers here who had already placed firm orders. His amendment pre-supposes that if, in fact, there has been any injustice to those merchants who had placed firm orders, that injustice would be removed by the partial rescinding of the order. I, sir, support that amendment. I do not know whether, in fact, there have been cases of firm orders which had been placed and which had to be cancelled by the order of the Controller of Supplies, but if indeed there had been and injustice has been done, then I agree that we should exercise our powers to remove it. The question of further measures of decontrol, which was raised by some hon. Members this afternoon, is actually receiving attention now from a Special Committee of which the hon. Member for Western Essequibo is Chairman.

We know that last year there was at one time a shortage of butter. It has happened that this year, on account of the heavy supplies we received in July, August and September, we are faced with a surplus. It looks as if that surplus may continue for some months but I submit, Sir, it will be for this Committee which is now studying the question of controls to say whether this country can rely safely for a sufficient length of time on adequate and ample supplies reaching this Colony, and if so then we should expect the Committee to recommend not only the removal of control of distribution of butter and restrictions on importation but the removal of the control of prices as well. I hope this special Committee will give this question their early attention in view of the obviously anxious feelings of hon. Members on this particular point. I beg to support the amendment of the hon. the Fifth Nominated Member.

Mr. Fernandes: Sir, when I moved this motion last Friday, I was at pains to go into details from the very commencement of the last World War right

up to the present day, so as to show you and Members of this Council a very clear picture as to how this butter mess came about. I was very pleased to find that every Member who said anything against the motion did, in trying to oppose it confirm the statements I have made. Now, Sir, I will deal with them as I have them jotted down here.

The hon. Member for Georgetown North (Dr. Nicholson) in answer to my statement that butter was a real choice item as regards profits and in defence of his Committee said that because rice, sugar, condensed milk and other articles were set down at too low a margin of profit butter was allowed to remain at a high margin. The full margin of profit on table butter in this is 34 cents per lb. He never thought that he would have been doing his duty on that Committee if he had not allowed such a thing to happen. Had he corrected the profit margin on rice, sugar and condensed milk and reduced the margin of profit on butter this would never have arisen, because butter would not have been a star-chamber item at which all persons dealing in groceries and provisions would grab.

It will be remembered that the quota figures show that the quota-holders of butter last year applied for licences over and above their 960,000 lbs, which is the quota for them and which, I maintain and am glad to see they have confirmed, is more than sufficient for the Colony's supply and, therefore, logically the quotas should have been abolished. In spite of the fact that this 960,000 lbs was confined to them alone, yet they went into the open market for free butter and got licences issued to them for 482,660 lbs.

Tell me why did they not stop at buying their quota and allow the free butter to go to those persons who were denied the right to import butter from soft currency markets? I gave the figures, and this Council was told that my figures were

absolutely correct. They are the official figures. Of that 482,000 lbs they received last year 186,644 lbs. in addition to 721,000 lbs. out of their quota, making a total of 907,644 lbs. The total imports last year was 965,000 lbs. showing a small difference in the hands of non-quota holders. Hon. Members will remember that the hon. the Third Nominated Member (Mr. Raatgever) provided us with a lot of licences which, he said, were issued last year and the butter did not arrive until April, May, June, July and August this year. Whatever is the month does not make any difference. I wonder if Members stopped to remember the hon. Member's figures and pondered over them. His figures were 300,000 lbs., exactly 4,000 lbs. different from the figures I gave. That was the grabbing butter—the butter that caused the trouble. Licences had been issued last year to them for 482,000 lbs. of free butter and they received 186,000 lbs. What about the remainder of roughly 300,000 lbs.? The hon. Member said it was approximately 300,000 lbs. It is that 300,000 lbs. that is choking them now, the butter they grabbed. What would have happened if that butter had come into the country after the licences had expired?

I can name dozens of items that came into the Colony after the licences had expired and everyone was forfeited, seized and sold. The hon. the Colonial Secretary will remember that I served on both of these Committees, the Food Advisory Sub-Committee and the Central Imports Advisory Committee, and he will remember the case of the Refrigerators which came into the Colony after the licences had expired and were seized and sold. Whether that was legal or not, it is not for me to say. But butter is one of those choice items, and you cannot allow that. None of them thought of notifying the people not to ship this butter. Why should they do that? They are the butter barons of British Guiana and knew how to protect themselves.

The butter that choked this country was 300,000 lbs. of free butter which was bought by quota-holders in their desire to grab. The hon. the Colonial Secretary surprised me very much because he supported this Order. That has made me begin to lose confidence in any statement which comes from the official side of this Council. I have here, sir, the Hansard of the 18th July, 1951. You, sir, were in the Chair and Mr. D. J. Parkinson was then acting Colonial Secretary. These were his words on behalf of Government in the debate on the question of Controls:—

“This Administration, sir, has no desire to maintain control where control is no longer necessary in the public interest. I think it has given evidence of its attitude clearly enough by divesting itself as far as possible of different forms of control from time to time, and I do not really believe that those which remain can be regarded as unnecessary. However, if it is the general desire of this Council that a Committee should be appointed, as recommended in the resolve clause of the motion, to investigate and report on the said controls—to say whether they are necessary and to what extent—the Administration would not oppose the appointment of such a Committee.”

That was an official statement coming from the Government, but what do we find? Not only is the normal control of licences brought into play, not only is the normal control of prices brought into play, but there is a strangling control of licences. The hon. the Third Nominated Member when he rose to support the amendment to this motion was at pains to point out that packet butter cannot keep more than six weeks in cold storage. Those were his words; I wrote them down. I am not going to dispute that. This Council can well see that packet butter is now a prohibited article, if not shipped before the 15th October. I gave figures to show that under normal conditions butter is in close supply and the margin of profit on butter in tin is 23 cents per lb. higher than that on packet butter. The hon. Member for

Western Essequibo (Mr. Wight) was at pains to say that the rural people do not benefit from this. There are about 100,000 people living in Georgetown and its environs and quite a number of them have frigidaires, and the people in New Amsterdam have refrigerators. I am here as a Member of this Council representing the central area of this city and I am being paid \$160 per month to see that these people get proper treatment, to see that Government does nothing that will hurt them without my opposition. I am a paid servant though in a little different category from that of the hon. the Third Nominated Member. I am paid, and I work for it and will continue to work for it.

The hon. the Colonial Secretary used these words:—

“The hon. Member who moved the motion said there has been only two per cent. of increase in the importation of butter this year over last year”,

but he did not go far enough. He did not give the month by month figures, but I am going to give them. I got these figures from the hon. the Colonial Secretary. I will bulk the last three months for the purpose of my argument so as to save time. 154,000 lbs. of butter came into British Guiana in July and 401,000 lbs. in August and September. The answer to my question gives the stocks of butter as 583,000 lbs. Therefore, taking it for granted that the butter stocks are evenly distributed—but it is not—it would mean that 401,000 lbs. of this butter out of the 583,000 lbs. arrived in this Colony in September and October and is only two months old, that which arrived in July being three months old, and the remainder is old butter. Why all this alarm that this butter is new? Why desire to stop persons from importing butter? Members of this Council must have noticed that the hon. the Fifth Nominated Member (Mr. Smellie) whose business principles we

all know and respect, when he moved his amendment was doing exactly what should have been done when I brought this matter to Government's attention a few weeks ago.

This matter is going to bring us into disrepute because of the fact that firm orders had been placed and it would pull the good name of British Guiana down into the dust. But there is no necessity to amend the motion in order to get what the hon. the Fifth Nominated Member wants to achieve. If we recommend that the Order be rescinded the Controller of Supplies can call those people who have licences and see that is done, but the hon. the Third Nominated Member was at pains to show that would serve no purpose, it would not save the situation; firm contract or not it must be cancelled. He went on to tell us that the Australian Government had cancelled contracts and Jamaica had done that. If every country in the world is dishonest, there is no justification for us to stay here and allow British Guiana to follow them. It is my duty to keep British Guiana honest as long as I possibly can. It will be noticed that everyone refrained from mentioning cheese. I have to thank the hon. the Fifth Nominated Member for the excellent facts he gave us about cheese. I was hoping that someone would touch on it because cheese is going to be an international question. In reply to my question as to why Dutch cheese was permitted when British cheese was prohibited I was given this:—

“Cheese is an important item in the diet of workers in the interior. Dutch cheese does not deteriorate out of cold storage so quickly as New Zealand cheese, so it is important that regular supplies of cheese from Holland should come forward.

Just think of that: Cheese that does not keep so well must be prohibited, but the one that keeps well must be permitted to come at regular intervals. I thought it would have been