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THE 1960 FIJI SUGAR DISPUTE : THE CANE GROWERS
VERSUS THE C.S.R. COMPANY

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PREFACE

Sugar is Fiji's chief export and accounts for over eighty per cent of its total export earnings. The set up of the Fijian sugar industry is perhaps unique in the world. The buying and processing of cane as well as the distribution of sugar up until 1962 were entirely in the hands of the Colonial Sugar Refining Company (usually referred to as the CSR or the Company) of Australia. The Company was also the owner or lessee of nearly half of the colony's total cane lands which were leased or sub-leased to over 5,200 small Indian tenant farmers. In its milling, operations and transport network the CSR employed over 2,500 workers. Thus the CSR enjoyed a monopoly in the manufacture and distribution of sugar as well as holding an oligopoly as far as control of cane lands was concerned. From this strong position it could deal with the cane farmers successfully over matters such as cane payments to the farmers or conditions regarding harvesting and transporting of cane to its mills.

If the cane growers failed to reach a favourable agreement with the CSR over the sale and purchase of cane they were faced with the unenviable position of having in hand a commercial crop with no buyers. The growers' position was aggravated by the fact that the cane crop deteriorated if it was not harvested in season and further it remained at the mercy of floods, hurricanes, droughts or even fires which were not uncommon occurrences in the sugar districts. The livelihood of over 80 percent of the Indian farmers depended solely upon the income derived from the sales of sugar cane which brought by far the biggest return of any other crop. Sugar cane growing thus dominated the farming activities of Viti Levu and Vanua Levu's western coastal plains, the only plains large enough for extensive agricultural use.

Compared with the CSR the cane growers' position was weak. Most of them were tenants, either of the Company, the Fijian landlords, or the Crown. As for their economic position their highest common denominator was indebtedness to the retail stores in town caused mainly by spending far beyond their income which was difficult to estimate until the cane payments were received at the end of the year. Furthermore, it was difficult to estimate the cane yield which could be affected by floods or drought. Although they held a monopoly in the ownership of the cane crop the cane farmers' ability to confront the CSR on equal terms was limited by the lack of unity amongst them.

The 1960 troubles arose out of a dispute between the cane growers and the CSR over the terms of an agreement for the sale and purchase of cane to supersede a contract that had expired in May of that year. As a result of the dispute cane growers did not cut their cane and crushing was delayed for five months with the resultant loss to the colony of well over \$2 million in export revenue.¹

The dispute highlighted the problems of the sugar industry and showed the unsurpassed economic strength of the CSR and the potential for internal dissension within the Indian farming community. Moreover, the colonial administration, out of touch and remote from the farming community, was never able to win their support. The colony's administrators found it much easier to co-operate with a foreign-owned sugar monopolist than with Fiji's farmers. If the government did anything, it joined the ranks of the farmers' critics.

This study is an examination of the dispute while its memories are still fresh in the minds of those who were involved in it or who suffered from it.

1. Judy Tador (ed.), Handbook of Fiji (Sydney, 1962), p. 115.

The farmers lost the battle against the CSR. Internal dissension caused a split amongst them resulting in the signing of an agreement on 24 July by two of the six Indian cane farmers' associations. The agreement was successfully opposed for a month when the first mill started crushing. By 10 September all the four mills were crushing but on a very limited scale. More than half of the growers were still on strike which ended on 15 October with the strikers having made no further gains than what was already agreed to in the 24 July agreement. The farmers' strike was thus a failure due much to factionalism that allowed a group of farmers to continue crushing while the rest were inactive.

Although the CSR suffered too by not being able to start crushing on its scheduled date its losses were largely offset by having in stock a large surplus of sugar with which it met its export requirements until the strike ended.

More than anything else there was a definite lack of trust between the miller and the grower which prevented the negotiations from taking place in an atmosphere of mutual confidence and goodwill. The Company's view of the cane growers' leaders as men who wanted to disrupt the smooth functioning of the sugar industry for selfish, political, or personal reasons was hard to change. Even its treatment of the Indian tenant farmers had not changed much over the years; the domineering attitude persisted in matters such as planting and harvesting of cane and in negotiations for a new contract. What was needed was for the Company to treat the growers as its partners and to allay their fears that they were being exploited. This could only come about by the conclusion of a contract satisfactory to both parties - and this was the crux of the whole problem.

The dispute revealed the extent of the CSR's control over the sugar

industry, the complex issues regarding the manufacture and marketing of Fiji's sugar, the strengths and weaknesses of the growers, and the impotence of a colonial administration when faced with a colonial crisis. This study also examines the nature of forces that determine the economic and social position of Fiji's cane farming community. I cannot but agree with David Butler that 'the past should be seen as a continuum running into the present and the future'.²

This work has, however, suffered from the untimely death of A.D. Patel, who could not be interviewed, and from lack of co-operation from the South Pacific Sugar Mills Ltd., a CBR-owned subsidiary which took over the sugar milling assets of the Company on 19 December 1961.

I am indebted to many people who have given freely of their time to help me in my work. Some of those whom I can easily recall are A. Prasad, K.B. Singh, Vijay R. Singh, S.B. Patel, Ujagar Singh, S.P. Lakshman, N.C. Chalmers, and A.I.W. Deeki. My thanks also go to my parents for their encouragement, Mr Roderick Alley of Victoria University for his help at a critical time, Professor A.H. Oliver and Dr A.P.N. Tyler for their criticism, and to Mr G.V. Butterworth under whose supervision this research exercise progressed. Finally I might mention Beadle who also helped me tremendously whenever I faced difficulties.

2. David Butler 'Instant History', New Zealand Journal of History, II (1968), p. 114.

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LIST OF ABBREVIATIONS

<u>CMB</u>	Chini Masdur Sangh (Fiji Sugar Employees' Union)
<u>C.P.</u>	Fiji Legislative Council Paper followed by number and year
<u>FLCD</u>	Legislative Council Debates
<u>FBC</u>	Fiji Broadcasting Commission
<u>FJ</u>	Fiji Samachar (Hindi Weekly)
<u>FT</u>	Fiji Times
<u>FI</u>	Fiji Fitness
<u>FG</u>	Fiji Royal Gazette, a Fiji Government publication
<u>JPS</u>	Polynesian Society Journal
<u>MLC</u>	Member of the Legislative Council
<u>NFF</u>	News from Fiji, newsletter published by the Public Relations Office, Suva.
<u>PIM</u>	Pacific Islands Monthly
<u>PR</u>	Pacific Review
<u>PP</u>	Papers and documents in the Kisan Sangh files of 1959, 1960, and 1961 in the possession of A. Prasad.