

## Chapter 7: Fire in the Cane Fields

The growers are neither slaves, servants nor serfs of the Company. As far as they are concerned, there is no going back to the pre-war conditions.

A.D. Patel, 1960

A militant leader is a leader who stand for and insists upon fair play, who refuses to be a tool in the hands of the employer and who stands firm whatever the colonial vested interests say; The salvation of the working classes in this country will largely depend on the so-called militant and irresponsible leaders.

A.D. Patel, 1963

The lull of the 1950s came to a sudden, turbulent halt in December 1959, when the Wholesale and Retail General Workers Union, led by Apisai Tora and James Anthony, struck for better wages from the Shell Oil and Vacuum Oil companies. The strike and the ensuing violence against European-owned businesses in Suva shook the city to its foundations, questioning many of the assumptions that underpinned the colonial order. Fijians and Indo-Fijians joining hands against expatriate companies was a rare, and frightening, sight for the colonial authorities to witness, especially when they had done their best to create institutions and structures to keep the two main groups apart from each other. Inevitably perhaps, the strike strained race relations in a colony where race relations were never warm anyway. The strike failed because of the combined opposition of the colonial government and Fijian leaders who ordered their people not 'to bite the hand that feeds you.'<sup>1</sup> Even so, it deeply influenced political thinking in influential circles in Fiji for the rest of the next decade.

On the other side of Viti Levu, the sugar industry was also in ferment. After seventeen years of relative peace, the Colonial Sugar Refining Company and Indo-Fijian kisan were once again locked into a stalemate, which spawned a devastating strike in 1960. That strike, too, failed, but its consequences and ramifications were perhaps more far reaching than the Suva strike, extending well beyond the narrow industrial arena. This strike, too, became tainted with issues of race, and infected political discourse at a particularly critical time in Fiji's history. However, both directly and indirectly, the strike and the events that followed helped to define a new political agenda, which accelerated the dismantling of colonialism in Fiji.

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<sup>1</sup> An account of the strike is in Report of the Commission of Inquiry into the Disturbances in Suva, December 1959 (Suva, Legislative Council Paper 10/60). See also Rutherford, 1984, 73-86. *The Fiji Times* also had extensive coverage of the strike.

The sugar strike catapulted A.D. Patel back into active public life. Patel was living in semi-retirement in Nadi with his young and growing family, devoting himself to social and charitable work, and to reading and writing. This peaceful life of leisure, however, was soon to become a thing of the past. When it became clear that the CSR was quietly preparing itself for a protracted fight with the farmers over a new contract, the farmers realised that they would need the best brains to represent them in the difficult negotiations that would follow. Patel's name was at the top of everyone's list. When approached, Patel demurred at first, still sensitive about his rejection at the polls in the 1950s; but James Madhavan, Siddiq Koya and Swami Rudrananda prevailed upon him to change his mind and become the growers' leader and chief counsel in the negotiations with the CSR. Patel agreed, Koya recalled, 'when I pleaded with him to use his God-given talents for the benefit of his people, and point[ed] out that God could not have given him all those talents for his own use [only].'<sup>2</sup> We will follow Patel's role in the negotiations and the strike which followed their collapse, his representations before the Eve commission, and in the events that ensued.

Many issues were at stake in the dispute between the growers and the Company. But once again, as in 1943, the fundamental issue in contention was the distribution of the proceeds of the sugar industry. Patel viewed the industry as an equal partnership between growers and millers; one could not exist without the other. As equal business partners, he argued, cane growers had the right to be better informed about the financial affairs of the industry and encouraged to be more involved in its management. They should, furthermore, get a fair share of the proceeds as well, and promptly. Cane growing was an occupation like any other. 'We are the owners of the goods and it is we who are out to sell on the market. The very first thing in the commercial world is for the buyer to ask on what terms we are prepared to sell. It is for the other side to say whether the offer is acceptable or not and what adjustments they would like before they decide to accept.'<sup>3</sup> Dialogue not dictation was what the farmers wanted from the Company. As the sugar industry was the backbone of the economy, Patel felt that the government should maintain a watchful eye over its affairs instead of sitting on the sidelines. For this purpose, he argued, the creation of an independent Sugar Board, comprising of the representatives of growers, millers and the government was a vital step forward.

The CSR could not disagree more with such thinking. It rejected the suggestion that it was a 'mere miller of cane produced by independent, self-supporting growers.' The growers, it said, 'were not equal partners with the millers, and

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2 Koya's recollection is in the NFP Souvenir Convention Program, 10 July 1970.

3 This account of the strike is based principally on the following sources: transcripts of the Eve Commission hearings, Patel's own papers, newspaper accounts, especially in the *Pacific Review*, and the CSR archives in Canberra. I was given access to Company records on the understanding that I would respect the principle of confidentiality. For that reason, I have kept detailed references to the sources to a minimum.

still less with the Company, nor is there any prospect in the future of them becoming so.' Any attempt in that direction would be fraught with disastrous consequences. 'The Company has been aptly described as the father and mother of the industry in Fiji. This connotes a family relationship in which the parents' domination and discipline must be accepted until the children reach the adult stage and the Indians have not done so. The parents have to foster and supervise every step and, when necessary, apply a reasonable discipline.' The tension between these two positions, the demand for full and accountable partnership on the one hand and (token) participation mixed with the threat of punishment on the other, lay at the heart of the problem in the sugar industry.

The farmers were suspicious that the CSR had been making large (concealed) profits at their expense, while they themselves had faithfully observed the terms of the agreement. The Company, Patel said, 'had made certain unauthorised deductions, sold molasses to itself at a nominal price of £1 per ton and thereby paid a smaller price to the cane growers than what they were rightly entitled to under the contract.' Making matters worse, Patel argued on behalf of the farmers, the Company periodically delayed payments for the cane already harvested, which aggravated the problem of their indebtedness.

There was another bone of contention between the Company and the growers, Patel said. In 1958 and 1959, CSR had encouraged overproduction of cane, and got farmers to resort to better methods of controlling, cultivating and fertilising land with the assistance of soil scientists while 'knowing fully well that production and sale of sugar was limited by the Commonwealth and International Sugar Agreements.' Patel went on to observe that 'this was deliberately done to weaken the bargaining position of the growers in the negotiations for a new contract in 1960.' He commented on the emergence of new lorry contractors, about 3,000 altogether, who had to make their own roads and deliver their cane to the Company by lorry transport at their own cost. This, Patel went on, meant that the Company 'obtained cane from the new contractors at a cheaper price and at the same time created a rival block of sugar cane growers with a view to use them if necessary against the growers who were already producing cane in the old areas.'

The CSR did not deny encouraging overproduction, but argued that the sugar industry was 'now facing a fundamentally different set of circumstances to those of the past ten years.' Sugar production had increased considerably in the 1950s to take advantage of flexible international sugar quotas. The area under cultivation had increased together with growers' income from the industry. Good weather and better yields had contributed their share to the expansion of sugar cultivation. But by the end of the 1950s, the era of expansion was over, the CSR felt. Fiji no longer had a rapidly expanding 'cake' to look forward to. All that the sugar industry could do was to argue how the cake should be shared

between the growers, the millers and the employees. As the CSR put it, the 'greatest danger which the Company foresees is that the grower and employee will find it hard to realise that they cannot hope to progress over the next ten years as they have over the past.' The Company was right in its assessment of the growers' likely reaction. Anticipating trouble, it attempted to strengthen its negotiating position to weather any future industrial storm. To that end, in 1957 it re-valued its Fiji (but not its Australian) assets by £7,134,849, raising it to £13,030,370. The Company's general manager in Sydney was told that 'our main reason for acquiring this valuation is the ever present possibility that some situation could arise in Fiji which could lead to an investigation, or some form of arbitration, in which it could be necessary to produce information.'<sup>4</sup>

In January 1959, the CSR circulated a new draft contract to the farmers. Its terms differed substantially from those of the 1950 contract, which Patel had helped negotiate and which was to expire in May 1960. In the first place, the new contract offered farmers a quota based on tonnage rather than acreage as had been the case in the past. The Company had increased its surplus sugar from 24,000 tons in 1958 to 110,000 tons in 1959, and it wanted to use this advantage to impose complete control on production. As the CSR put it, 'Production must be brought into line with the markets on the basis of reasonable stock levels. Excessive stocks create physical difficulties, and result in storage costs, double handling, double insurance, cyclone risks, deterioration and loss of quality which affects ultimate marketing.'

Furthermore, the Company altered the price scale of the old agreement to cover itself against future market fluctuations in the price of sugar. It had done so, it argued, because the prospects in the industry looked bleak. While the income from the sale of sugar and molasses had increased from £3.2 million in 1950 to £11.4 million in 1959, the income for 1960 had declined to about £6 million, and was expected to increase to about £8 million in 1961. As the Company put it, the 1950 agreement 'provided for too sharp a rate of increase in cane price with price of sugar and insufficient discount for cane yielding less sugar.' In the new contract, the Company took a sugar price of £40 per ton and a cane yield of 14 tons of sugar from one hundred tons of cane, as its central reference point. Under the new scale, growers would get only 59 per cent of the proceeds rather than the 62 per cent they got under the old agreement. In effect, the Company would pay more for higher yields and lower sugar prices, and less for lower yields and higher sugar prices.

The control of production on a tonnage basis and the new formula for sharing the proceeds were the main differences between the old and the proposed new contracts. But there were others as well. The new contract proposed stiffer

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4 See Moynagh, *Brown or White*, 202.

penalties for extraneous matter delivered with the cane, with half the penalties shared among all growers and the other half kept by the Company. The penalty for burnt cane was increased. Under the old agreement, the Company had been obliged to accept any cane cut before it issued notice to cut cane, but in the new contract, it reserved the right not to 'accept cane in the event of any interruption to work from strikes or from other causes beyond the reasonable control of the Company.'

In October 1959, the CSR issued a memorandum to the growers advising them that for the 1960 season, it would accept only 199,000 tons of cane harvested on a tonnage basis. The growers' leaders rejected this offer. Patel acknowledged that the Company had no legal liability to accept all of the 1960 crop, as the old agreement would have expired, but he argued that it had a moral responsibility to the growers to harvest all the crop. Suspicious of the Company's intentions, and finding many clauses in the new contract cumbersome, in parts even incomprehensible, Patel urged the different growers' associations to pool their resources and work together to negotiate the new contract. The result of this proposal was the formation of a Federation of Cane Growers Associations in May 1959 at Lautoka.<sup>5</sup> The Federation committee consisted of all the main cane growers associations, including the Maha Sangh, the Kisan Sangh, the Vishal Sangh and the Vanualevu Farmers' Union.

On 18 November 1959, Patel sent a draft of an alternative memorandum of agreement to the Company, prepared by himself, S.M. Koya, J.P. Bayly and Vijay R. Singh. The Federation Committee proposed a ten year contract instead of the shorter term contract proposed by the Company. The growers wanted the right to plant any one of the varieties of cane approved by the Company itself, rather than a restricted number, arguing for flexibility within the overall framework. The price of cane payable should be determined by dividing 70 per cent of the total f.o.b. value of all sugar, molasses and other saleable by-products produced during the crushing season. The growers wanted 75 per cent of the price to be paid to them within thirty days of harvest, 15 per cent within the crushing season and ten per cent by the 30th of April following the end of the crushing season.

The CSR and the Federation Committee met to discuss the growers' proposal at Lautoka early in January 1960. At that meeting, the Company reiterated its point about being overstocked, and the need, therefore, to keep the 1960 production figures low. Counteracting, the Federation Committee suggested

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5 Among those who helped found the Federation were Ajodhya Prasad, Abdul Gani, A.D. Patel, Bechu Prasad, K. Ramaswamy Pillay, Pandit Ram Narayan, K.S. Reddy, Ram Newaj, S.M. Koya, Shiv Datta, Baijnath Prasad, Vijay R. Singh, Girwar Prasad and James Madhavan. See *Pacific Review* 3 May 1959. According to some sources, the actual suggestion to form the Federation had come from Alipate Tataiya, a far-sighted farmer from Tavua.

that to overcome the surplus problem, the growers should be advised not to plant any more cane during 1960. Patel: "As it is, the 1961 ratoon crop must be enough for the CSR Company to make up the quota, besides the surplus and the extended harvest of the 1960 crop in 1961. Thus with the whole crop of 1960 and the ratoon crop of 1961, the farmers of Fiji and the CSR Company in cooperation will be fulfilling Fiji's quota and obligation with little sacrifice.' The CSR naturally disagreed, and further negotiations were postponed. At their next meeting on 2-3 February, the CSR returned with further amendments to its original draft that, according to Patel 'were even worse from the growers' point of view.' Among other things, the Company wanted farmers every March to consult their overseers to find out how many tons of cane the Company would purchase from them the following year. According to Patel, this was designed 'to establish a permanent pool of surplus cane every year at the expense of the grower to enable the Company to draw from it in the event of an emergency such as the Suez crisis.'

With no prospects for an amicable dialogue in prospect, the meeting was postponed till 14 March. At this meeting, the CSR withdrew its offer of a ten year contract and instead offered one for two years. The future was simply too uncertain for it to make long-term commitments. Other conditions were added which gave the Company the discretion to compel growers to deliver their cane to the mill at their own cost by lorry contract, 'and if the farmer refuses to do so, the Company will be entitled to terminate his contract.' On the question of expeditious cane payment demanded by Patel, the CSR agreed but on the condition that growers pay interest on the amount the Company would have to borrow to fulfil its commitments. Patel was unmoved. As far as he was concerned, the growers were not liable to pay any interest under the existing agreement and would instead insist upon full and prompt payment. He told J.C. Potts, the CSR's General Manager in Fiji: 'We say that both under the existing contract and the practice followed thereunder for the last nine years, the Company is bound to make the final payment by the end of April. Payment is not conditional upon the Company receiving the proceeds of the sugar. The price of all sugar sold by the Company up to this date is known to the Company. As to the unsold sugar, the Company has to estimate the price as it has been doing in the past, and make the final payment immediately...We are definitely of the opinion that the Company is committing a breach of the contract in delaying the payment and is doing so to bring financial pressure on the farmers so that they may agree to sell their cane to the Company on its own terms. This is definitely unfair and illegal.'

There was no point in continuing further discussions, Patel said, unless the Company was willing to buy all the cane ready for harvest during the 1960 season and prepared to offer a better price and other terms than it had done. The CSR was equally adamant. In a letter to Patel on 6 May, it said the Company



‘re-asserts that it is not prepared to offer a better price, or to make more than minor variations in other terms that have been presented already to the growers through your associations.’ Negotiations had broken down. The CSR General Manager declared a deadlock and asked the Governor to appoint a commission of inquiry. When the Governor raised the issue of a commission of inquiry with Patel and other growers’ leaders at Lautoka on 7 May, the offer was rejected.

A commission of inquiry would be a waste of time, Patel said. In the first place, since the commission would have no jurisdiction over the Company’s head office in Sydney, it would necessarily have to rely on the good will of the Company to supply information to the commission or produce its books of account. The Company had offered to make these available to a chartered accountant, but that was of no help to the growers themselves who would be denied the opportunity to inspect it. The commission had no power to compel the Company to produce all the relevant information. Without this growers would be hindered in presenting their case. There was another point to consider, Patel said. ‘The findings of the Commission even after the expenditure of all the money and time involved in such an enquiry, cannot be binding on either party. The parties will have to come to a negotiating table to settle a contract.’ The growers had ample experience of such commissions in the past, Patel said. ‘They know how the Company bamboozles such commissions to its own way and how abortive and expensive they turn out to be in the end. Such commissions go further and treat the farmers as if they belonged to a lesser species than the Europeans and go the extent of laying down the size of the farmer’s family, what he and his wife and children should wear and eat and what they should not. Only their physical needs are taken into account. The commissions have only added insults to injury. The farmers belong socially to the middle class of Fiji—the same class to which the Company’s officers and managers belong.’

Instead of a commission, Patel wanted a court of arbitration with binding powers to resolve the dispute, convinced that if all the facts in dispute were independently arbitrated, the farmers would get a better deal. But the CSR opposed the idea as being ‘disastrous in both the immediate and the long term.’ Faced with the Company’s adamant position and official dithering, Patel said:

The time has now arrived for the parting of the ways. The growers must prepare to stand on their own two feet, establish their own cooperative mills and become the processors as well as producers of cane. They will have to emancipate themselves and this country from the economic

bondage of such [a] ruthless monopoly. It can be done. It should be done. It must be done if the growers and their families want to live in security, peace and freedom.’<sup>6</sup>

At a meeting on 9 June in Suva chaired by the Governor, the Federation Committee offered to sell a sufficient amount of cane to manufacture 199,000 tons of cane under the terms and conditions of the 1950-60 agreement. The Company demurred. It would consider this proposal only if the growers’ representatives agreed to a commission of enquiry, which the Federation Committee refused. By then, the CSR began to realise that it was getting the upper hand in the strike, especially when the first visible signs of cracks began to appear among the growers’ unions. Until then, all the growers’ negotiations with the Company had been conducted by the Federation Committee. But suddenly, the Fijian Association revived a dormant Fijian cane growers’ union, and formed two new ones in Ba and Sigatoka, to represent indigenous Fijians in the negotiations. About 5 per cent of the cane growers were indigenous Fijians. Among those behind this proposal was John Falvey, the legal advisor to the Fijian Affairs Board and a key figure in European and colonial politics in Fiji.

The crushing for the 1960 season was scheduled to start on 21 June, but no mills opened. About 1,400 mill workers were given a week’s notice terminating their employment. As days and then weeks passed, feelings hardened on both sides. The Company said that all mills would close on 22 January 1961 even if all growers’ quotas were not harvested by then. This was contrary to the practice under the old agreement which had obliged the Company to accept from each grower a fixed quota of cane. The farmers rejected the allocation of quota on a tonnage basis. For its part, the government criticised what it described as the recalcitrant attitude of the farmers, suspicious of their leaders’ proposal to set up cooperative mills in Fiji. That was tantamount to the Indian community making a bid to take over the most important industry in the colony, which would ‘lead to political strife and bitterness among different races in the Colony.’ The farmers thought the government was the CSR’s handmaiden. As A.D. Patel put it, the CSR was a ‘strong monopoly, one solid front, a government over Government.’

On June 27, the Governor, with the advice of three unofficial members of the Executive Council, proposed a solution:

It is suggested that the Company might buy the 1960 crop up to quota level, at a price based on the price clause in the recently expired agreement, subject to adjustment of details already discussed, on the understanding that negotiations regarding the 1961 harvest shall start

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6 *Pacific Review*, 16 June 1960.



at once and that if no agreement is reached within a reasonable period of time Government will review the situation and take such steps as it may then consider necessary.<sup>7</sup>

The CSR accepted the proposal 'subject to adjustment of certain details.' What these adjustments were remained unexplained. The government's offer was carefully scrutinised by the growers association. On 1 July, A.D. Patel wrote to the Governor seeking clarification of points in his proposal. Would the 1960 crop be harvested by the Company on the basis of existing contract between the Company and the individual growers or on some other basis? Would other clauses of the expiring contract apply to the 1960 harvest? Did the words 'subject to details already discussed' mean that the CSR could bring other proposals outside the existing agreement? If no agreement was reached, who was to decide what a reasonable period of time would be? Did taking 'such steps' mean the possibility of a commission of enquiry and the obligation on the growers to appear before it? These were relevant questions in terms of what had transpired in the dispute up to that point, but the government thought the growers leaders were using delaying tactics, playing politics, arguing over petty details.

On 20 July, Patel and his colleagues met with the CSR officials over five days for last minute negotiations. Also present at the meeting were three newly formed Fijian growers associations. The Federation Committee was aware of increasing dissidence and impending disunity among its ranks, with some influential people, distrusting of Patel and his tactics, willing to compromise. The 'better half a loaf than none' syndrome. B.D. Lakshman, the sitting Legislative Council member for the Western division, was one of them and Vijay R. Singh another. The Federation Committee conceded the Company's demand for a share in the deductions for the burnt cane. It also agreed to share the liability for losses suffered through lightning strikes. But for the CSR this was not nearly enough. It knew that it had the growers on the run, and so pressed for more concessions. It stuck to its original demand that all mills close on 22nd January, whether or not the growers' quota was harvested, that the Company not be obliged to buy from each and every grower a fixed quota of cane, and that tonnage and not acreage be used as the basis of allocating quotas.

By now, the split in the ranks of the growers had come out in the open. On 24th of July, 1960, five of the original 19 members of the Federation Committee, led by J.P. Bayly, Ajodhya Prasad, D.S. Sharma, Shiunath and Vijay R. Singh, broke away and separately signed an agreement with the CSR for the purchase of the 1960 crops. Because that agreement became the cause of such intense debate and controversy in the Indian community in the 1960s, it is reproduced in full below:

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7 CSR archives (1959 strike papers) in the Noel Butlin Archives, The Australian National University.

### 24th of July Agreement

1. Arrangement made in connection with quotas, price and other matters are of an ad hoc nature and apply only to 1960 harvest. Neither party shall be deemed to have committed itself to any proposals or stipulation of the other party in respect of 1961 or any future crop.
2. The objective is to harvest sufficient cane to produce quota level production of 199,000 tons of sugar which on an appraisal made at the time of the preparation of the Company's annual report was expected to require about 80 per cent of the crop.
3. With the object of achieving equality of advantage to each grower it is agreed that one half of the area of standing cane on each farm will be harvested in the first round, each grower being entitled to designate the half area of standing crop he wishes to have harvested and defined on the ground by the gang committee and sirdar. In the second round the balance of the quantity of cane to be supplied will be on a tonnage basis related to the production of quota level sugar and the tonnage for each farm will be calculated in proportion to the tons already harvested in the first round.
4. If some grower has not had his allotted second round tonnage of cane harvested before the date of finishing of crushing the quantity short harvested shall be added to the individual grower's tonnage for 1961.
5. The burnt cane deduction of 1/6 per ton is to be formed into a special fund to cover losses to the growers arising out of strikes mentioned below. If after meeting such losses, there is any surplus, such surplus is to be divided equally between the Company and the growers. Likewise if there is a deficit, the Company and the growers are to make up such deficit in equal shares. If there is a strike—i.e. a strike by mill employees without sufficient notice to enable the Company to give notice to cease harvesting and there is cane harvested and not crushed as the result of such strike, farmers suffering any loss are to be paid out of the special fund created by the deductions out of burnt cane—as above.
6. Payment for stand-over crops not fit for manufacture will be the first item for discussion in the negotiations for the 1961 quota.
7. In planning to achieve the objective of producing quota level sugar the Company states that the mills will not continue after 199,000 tons of sugar have been made or beyond 22 January at any mill, whichever is

the sooner. If the mills start crushing immediately and there is no undue interruption and the mills have a full supply of fresh and clean cane it is expected that every grower's quota of cane will be harvested.

8. Except for the ad hoc arrangements stated above the conditions of the recently expired agreement for the purchase and sale of sugar cane shall obtain.

9. Both sides recognise the urgency of starting negotiations for the sale and purchase of future cane and consider it desirable to commence such negotiations now that an agreement is reached for the sale and purchase of the 1960 crops. The Company may fix the date for such negotiations after the start of the 1960 season.

The agreement was signed by J.C. Potts on behalf of the CSR, J.P. Bayly, president of the Kisan Sangh, Vijay R. Singh, president of the Labasa Kisan Sangh and by Isikeli Nadalo of the Nadroga Fijian Cane Growers Association, Maleli Dakui of the Ra Fijian Cane Growers Association and Ratu Marika Latianara of the Ba Fijian Growers Association. The Fijian cane leaders signed the agreement, N.S. Chalmers, one time president of the Kisan Sangh, recalled, because John Falvey and Ratu Mara had advised them to do so and to 'forget altogether about Patel'.<sup>8</sup>

The agreement was widely publicised through the radio, newspapers and the CSR publicity machine. Its terms were discussed at mass rallies of farmers throughout the cane growing areas, causing great bitterness and division among them. Singh, who had master-minded the negotiations which led to the agreement, explained his position. He himself did not particularly like the terms of the agreement, just as he did not like paying taxes or the school fees of his children. But that agreement was the best that could be achieved in the circumstances. The Company was not willing to enter into a ten year contract with the growers, so a temporary arrangement was the best way out of a difficult impasse. How could the farmers negotiate from a position of starvation and bankruptcy which would certainly result from the course of action pursued by Patel, Singh asked? The CSR was not the evil giant its critics had made it out to be, Singh argued, noting the mutuality of interest, the partnership, between the millers and the growers. Perhaps its one major 'radical defect' was its 'public relations' which engendered distrust among the growers.<sup>9</sup> By this he meant the Company's socially exclusive policies. Its senior officers were not permitted to mix with their local junior counterparts. They lived in separate, even segregated, neighbourhoods, aloof and apart.

<sup>8</sup> *Pacific Review*, 17 November 1960.

<sup>9</sup> See his contribution to the Legislative Council Debate of 30 September 1960.

For Patel, the problem between the kisan and the Company was more deep-rooted, more structural than cosmetic. There was a fundamental clash of interest between the two groups, he argued. As he had said in 1943, the CSR was a ruthless monopoly whose sole concern was to 'produce sugar here in Fiji as cheaply as possible and to sell it abroad as dearly as possible.' The welfare of the local people, their buying power was 'immaterial to them.' Merely employing more non-Europeans in the industry, or sponsoring school essay competitions on the contribution the sugar industry was making to the Colony, or having a mobile film unit travelling around the country showing documentaries on aspects of how the industry worked and how it benefited the local economy, was not the solution to the underlying problems in the sugar industry. All this was done at the growers' expense anyway. Patel was convinced, and he was right as it turned out, that the CSR was indeed interested in a long-term contract, but it wanted to negotiate it from a position of strength, which it hoped to secure if the growers were disunited.

Still, a number of the secondary proposals in the 24 July agreement were accepted by the growers, but the sticking point remained the Federation Committee's insistence that the CSR give an unequivocal undertaking to harvest 80 per cent of each grower's cane, 50 per cent in the first round, along the lines suggested by the Company, and 30 per cent in the second. It rejected the Company's tonnage quota as well as the deadline for closing the mills. The mills should remain open, the growers demanded, until the agreed percentage of cane had been harvested. The 22 January date was detrimental to their interests. There would be a rush to get the cane in, which would produce unseemly competition among them, enmity, burning of cane and further disharmony. In any case, in the past, the Company had kept its mills open as late as March. 'It is unwise to use a wrong key to open a door, to persist is even more foolish,' said Patel.<sup>10</sup> The counterproposal was signed by all the three major cane growers associations, including the Kisan Sangh (but not its Vanua Levu branch of which Vijay R Singh was the President), the Maha Sangh and the Vishal Sangh. The Company was not about to retreat now when outright victory was in sight. The growers' solidarity was broken. The Labasa mill opened on 11 August. Nonetheless, negotiations continued. On 19 August, A.D. Patel, S.B. Patel and J.P. Bayly, who had by now returned to the Federation fold, asked the Governor to intervene in the dispute and purchase the unharvested cane from the growers. The Governor declined. On 31 August, Patel and his colleagues made another proposal. The Federation Committee was:

willing to recommend to all the cane growers that they give on TRUST to the government during the 1960 crushing seasons as much cane as the Government may require to maintain the economy of the Colony on

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<sup>10</sup> *Pacific Review*, 8 September 1960.

the understanding that the Government will take cane from each and every cane grower in approximately the same proportion and the area of cane required to be harvested will be demarcated on the farm before the commencement of the harvest. All other terms and conditions relating to the sale of the 1960 crop will be determined by His Excellency the Governor as to him may seem appropriate.

The proposal was presented to the government through Commissioner Western, Q.V.L. Weston, who had played a significant mediatory role throughout the strike, and discussed by the Governor and his closest advisers, including the Colonial Secretary, the Attorney General and the Financial Secretary.<sup>11</sup> The effort was well worth it, as it prompted the government into offering a separate proposal of its own. The following day, 1 September, the Governor invited A.D. Patel, S.B. Patel and S.M. Koya to Suva and made a new offer. The Government's proposal was that:

In response to the appeal by His Excellency the Governor and in order to save the national economy of the Colony, to preserve the public peace and to maintain unity among cane growers, we recommend that those farmers who have not accepted the July 24th Agreement should consent to abide by the decision of His Excellency the Governor in respect of the percentage of cane to be harvested from each of their farms on an area basis during the present crushing season provided His Excellency the Governor shall determine the allocation of each farm on an equitable basis as between farmer, bearing in mind that it should be the aim that as far as possible no farmer's allotted area of cane is left unharvested. We appreciate that in the event of hurricanes, floods, strikes, burnings or other unforeseen events, the percentage determined by the Governor may not be able to be reached and that the Governor can only make a determination subject to acceptance by the Company.<sup>12</sup>

The three leaders signed the proposal. Omitted from this formula was the CSR's demand about harvesting on a tonnage basis, and there was no fixed date when the mills would close. Patel came away convinced that the government was 'favourably inclined.' But two days later, the proposal was rejected. Patel surmised the reason for its collapse. 'The proposal had to be acceptable to the CSR Company before the Governor could make any award. The fact that it was rejected later indicates that it was thrown out by the unofficial members of the Executive Council who are directly or indirectly behind the 24th July agreement

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11 Legislative Council Debate, May 1969.

12 *Fiji Times*, 1 September 1960.

or by the Company.' Certainly, the CSR could not have been happy either to see its bitter adversaries extricate themselves from what appeared to be a hopeless situation.

By late August and early September, the situation in the countryside had deteriorated to dangerous levels. Cane fields were being set on fire. Between June and August, over 12,000 tons of cane had been burned through arson, causing over £36,000 worth of damage. Over 9,000 tons of the destroyed cane belonged to the CSR. By September, another 7,000 tons of cane had been burned. At Drasa, Lautoka, the CSR lost a thousand tons through arson. On 30 August, the government announced that 'it would do all in its power to maintain law and order.' Soon afterwards, as mills opened—Rarawai on 1 September, Lautoka on the 9th and Penang the following day—it deployed special constables and military personnel in the sugar cane belts, particularly in western Viti Levu. Indian schools were commandeered along with jeeps, land rovers and passenger buses. Special constables were posted to protect those who wanted to harvest, the government said. The farmers saw the deployment as intimidation.

Some influential people in the colony wanted the government to take an even stronger stand against the growers' leaders, in particular A.D. Patel. P.J. Bull of Dreketi wrote: 'Let us act against these agitators (who seek to undermine and destroy) by deporting those of them who are aliens and by banishing to some outlying islands (as in the old case of Apolosi) those who were born here.'<sup>13</sup> For good measure, he raised the partly dead horse of Indian non-participation in the war effort. A.J.C. Foster added another dimension: 'When a child fails to respond to coercion, there is only one solution: good hearty wallop.'<sup>14</sup>

The *Fiji Times* concurred. Commenting on the dignity and pride with which the Fijian ex-servicemen had marched through Suva, it said: 'They were not like the skulking cowards who hide in the cane fields to destroy by fire the fruits of other men's labour...They were not self-effacing, politically ambitious, emotionally twisted grabbers after power by lies and intimidation.' It urged the government to take advantage of the ex-servicemen's declaration to 'stand on the side of the preservation of law and order.'<sup>15</sup> For their part, the Great Council of Chiefs resolved late in August to 'stand ready to assist in the preservation of law and order and the protection, if necessary, of cane farmers who are prepared to harvest their crops.'<sup>16</sup> Besides their natural affinity with the colonial government, the chiefs also feared loss of rent from the strike.

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<sup>13</sup> *Fiji Times*, 9 July 1960.

<sup>14</sup> *Fiji Times*, 30 August 1960.

<sup>15</sup> *Fiji Times*, 22 August 1960.

<sup>16</sup> *Fiji Times*, 29 August 1960.



Similar sentiments were expressed in the Legislative Council. John Falvey called A.D. Patel the 'villain of the piece/ a man of 'outrageous vanity' with 'clear indications of paranoia.' Ravuama Vunivalu wanted people like Patel to be 'sent where they came from, lock, stock and barrel.' Ratu Mara concurred: 'If Apolosi was considered to be fit subject to be deported from Fiji, why not this certain gentleman whose name was mentioned here yesterday' He assured the Council that the Fijian people 'will see to it' that there was no law and order problem in the country. In Patel's opponents, Mara saw the 'birth of a new type of Indian, which I like and respect.' Vijay R. Singh blamed Patel for having 'successfully divided the Indian community itself into various pieces.' His thoughtless actions had undone a lot of the interracial bridge-building that had been so painfully achieved by leaders like himself. B.D. Lakshman accused A.D. and S.B. Patel, 'who had started their sinister work from 1929 onwards' of being the agents of the greedy Gujarati community 'which was trying to keep people in bondage.'<sup>17</sup> The Gujaratis were not the cause of the indebtedness among the growers, Patel would respond. The grower was poor 'because he sold at credit. His price was paid over eighteen months. Everyone spoke of him being in debt but no one tried to work out that the CSR owed him money and this was what was making him poor.'<sup>18</sup> If the government was seriously concerned about the problem, why could it not start an Agricultural Bank to lend growers money at cheaper rates, Patel asked. He had first mooted the idea of an Agricultural Bank in 1945.

Meanwhile, in the cane belts, the situation was tense with the presence of the military and with cane fields regularly set to fire. The growers were agitated, confused and apprehensive, their solidarity threatened by the sight of some growers harvesting. They still clung to their demands and condemned those who had signed the agreement with the CSR. If all else failed, Patel told the growers, he would lead a delegation to the CSR in Sydney and to the Colonial Office in London, at his own expense, if necessary. Patel urged the growers not to give up.<sup>19</sup> 'Do not worry about some people cutting cane. Try to persuade even these few to stop. During a hurricane one should steer the boat patiently and carefully. He should not jump into the sea full of sharks. In this trying time advise the breakaway to come again to the united front. We have yet to make the future contract. Let us not get knocked out in the first round itself. The government follows the Company. Now the alternatives are sacrifice or surrender. Choose the honourable course.' Brave words, but by now the battle had been lost.

From the Colonial Office came the fortuitous announcement that Julian Amery, the Under Secretary of State for the Colonies, would be visiting the South

17 For these quotes, see Legislative Council Debate, 30 September 1960.

18 Legislative Council Debate, 1965, 641.

19 *Pacific Review*, 29 August 1960.

Pacific, including Fiji, in October, to discuss a number of subjects, including the strike. Patel and his colleagues seized upon this as a sign of the Colonial Office responding to their demands, which was far from the actual truth, and urged growers to begin harvesting.

Patel and S.M. Koya held a lengthy meeting with Amery in Lautoka on 14 October and briefed him on the events leading to the strike. They urged him to seek moderation from the CSR, and reiterated their views about the uselessness of a commission of enquiry proposed by the government. The problems of the sugar industry would continue to fester unless appropriate and timely steps were taken by both the colonial as well as the imperial governments. Assistance should be given to setting up cooperative mills throughout Fiji; the sugar quotas of Fiji should be divested from the CSR and vested into the Government; as long as sugar was available in Fiji, the CSR should fulfil the quota from Fiji, and not Australian, sugar; the sugar industry should be nationalised and a statutory sugar corporation set up with the government having a 51 per cent share and the growers 49 per cent; a joint stock growers company should be created and monopolies prohibited by legislation. For his part, Amery asked the growers to reconsider their opposition to a commission of inquiry which, he promised, would be thorough and independent.<sup>20</sup>

A.D. Patel and his group had fought hard, but disunity among growers, the CSR's demands and government's reluctance to intervene in the dispute had broken the strike. Most of the growers were dispirited by the prolonged disruption and many were rapidly sinking into indebtedness. Broken and disheartened, they gathered for the last time at the Churchill Park in Lautoka on 15 October, where they passed resolutions against the CSR and the government, the military personnel and special constables, the Indian members of the Legislative Council who had pilloried the Federation leaders in the council debates, and against all those who had signed the 24 July agreement which, it was alleged, had grossly damaged 'the growers' prospects of reaching a favourable settlement with the Company.'<sup>21</sup> 'Our own lamps were used to set fire to our houses' was how Patel described the signatories to the agreement. Heeding Amery's advice to begin harvesting to salvage what was left of the colony's economy, the growers resolved to harvest their cane during the season under protest, with the promise to plough out their ratoon crop and not plant any new cane until a settlement was reached between the Federation Committee and the Company. Furthermore, they resolved to create a special fund, to which each grower would contribute the gross proceeds of two tons of cane, to compensate those farmers whose cane had been burnt and those who had boycotted harvesting. Nothing came of this resolution.

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<sup>20</sup> *Fiji Times*, 13 October 1960; *Pacific Review*, 20 October 1960.

<sup>21</sup> *Pacific Review*, 20 October 1960.

The government did what it had promised to do all along, and which the growers had opposed all along (but which the signatories to the 24 July agreement supported). It appointed a commission of inquiry into the sugar industry. It promised that the inquiry would be independent and wide ranging, but the CSR had its own ideas and there seems little doubt that the government's choice was influenced by the CSR's preference. The CSR was against the idea of a full inquiry. Nor did it favour an inquiry comprising representatives of the different interest groups, such as growers and millers, even with an independent chairman. Its own preference was clear: 'The Company believes that a single person should be appointed. Being a sole Commissioner he would not have to make compromises with local members in reaching his findings.' The CSR went as far as suggesting the names of prospective commissioners, including academic economists E.H. Phelps Brown and J.R. Hicks.

The Colonial Office, however, chose Sir Malcolm Trustram Eve, later Lord Silsoe, to head the inquiry. Of his appointment, Michael Moynagh offers this assessment: 'It is hard to imagine a person more representative of the English establishment than Eve. He was Queen's counsel, the First Church Estates Commissioner of the Church of England, a member of the Prime Minister's Committee on the administration of Crown lands, the independent chairman of the Cement Makers Federation, director of the Yorkshire Insurance Company,' and many other such bodies.<sup>22</sup> By training and temperament, then, Eve was closer to the CSR than to the growers. Moreover, he believed that the CSR itself was not on trial. His role was to 'remove the bees from the bonnet.' Eve was assisted in the inquiry by I.S. Wheatley from the Colonial Office, and accountant J.M. Bennett who, interestingly enough, was connected indirectly to a company which was helping the CSR prepare its case for the inquiry. So, as Moynagh says, 'The inquiry was to be a public relations exercise designed to improve relations between the growers and the CSR.' At the Commission hearings, the CSR was represented by its counsel Ronald Kermode and its senior officials, the Kisan Sangh was represented by D.M. MacFarlane and the Federation Committee by A.D. Patel, assisted by S.M. Koya. The Commission sat at Lautoka.

The extensive submissions made to the Commission cover a whole range of issues and concerns that need not be repeated here. We shall discuss only the submission of the CSR and of the cane growers represented by A.D. Patel.<sup>23</sup> Together, they help to provide a representative picture of the issues facing the sugar industry. The Company argued at the outset that while some of the growers' complaints might have economic foundations, political considerations lay at the root of the problems in the sugar industry. The growers' leaders, A.D. Patel in particular, were using the sugar dispute to advance their political agenda

<sup>22</sup> Moynagh, *Brown or White*, 243.

<sup>23</sup> In the transcript of the proceedings of the Commission.

in the Indian community. The CSR had a proven record of sound and efficient management, the 'system has proved itself and there is no need to vary the present organisation, operation and development,' except in minor details. The sugar market was tight, the Company argued, and unless some further sugar quotas could be secured, no further expansion of the sugar industry should take place.

The growers themselves were a large part of the problem, the Company argued. Too many of them lived on the cane farm and expected to earn a good living from it. The growers lacked discipline and diligence, employing casual labour and substitute cane cutters to perform work which they themselves could and should have done, using their own equipment and livestock. It was these tendencies, rather than any Company policy, which strained the growers' income and increased their indebtedness. The growers complained about the Company dividing the farmers to serve its own ends, and fragmentation was a problem, but it was the growers' own leaders who were responsible because the division 'has been mainly for political purposes.' The CSR denied that it was making the excessive profits alleged by its critics. In its view, it was the growers who had been receiving a larger share of the industry's proceeds than had been intended or could be justified. The truth was, that 'the miller's share of the gross income has dwindled to such an extent that his profits are inadequate and unsatisfactory' to maintain milling infrastructure efficiently.

When Patel opened his case, the tension between him and Eve was palpable. The CSR had been allowed to open its case with little interjection from Eve, but with Patel, the Commissioner was combative. He seemed determined not to let Patel come out on top, as the CSR had advised privately. The differences between Patel's group and the CSR were fundamental. Whereas the CSR had suggested minor changes in the sugar industry—to remove the bees from the bonnet—Patel advocated fundamental restructuring of the industry. The CSR was a monopoly, he argued, which 'treated Fiji as a closed shop for all time to come.' This monopolistic situation enabled the CSR to dictate terms to all the parties in the sugar industry; even the government itself was not free from its influence. As if this was not bad enough, Patel went on, the monopoly operated by 'remote control' from Sydney. Even the commission itself would have to travel to Sydney to examine the company's account. 'If the Commission cannot have the company's books produced in Fiji, I very much doubt whether the Inland Revenue can get them here.' And he showed how the company had used book-keeping practices to deprive the colony of revenue by citing the example of molasses pricing. The price per ton of molasses from 1934 to 1960 had remained constant at £1 per ton. There was no other commodity in the world which had remained at a constant price except molasses which the CSR manufactured and sold to itself. In Jamaica, comparably situated, molasses was

valued at £7 and ten shillings per ton. 'If I am correct in my assumption that the value of molasses exported to Sydney should be at the same price prevailing in Jamaica and British Guyana, it means that the Company—and I don't like to use strong language but I am compelled to use it here—is cheating the growers to the extent of £300,000 a year.'

That was a very sorry state of affairs, Patel told Eve. He wanted the Fiji government to pass legislation compelling the CSR to keep its book of accounts in Fiji, which should be audited by the government's own audit department. Further, the Company should be obliged to produce their books to commissions of inquiry and courts of arbitration, or any other responsible authority such as the Commissioner of Inland Revenue. Another measure to control monopoly in the sugar industry was to introduce an element of competition. Establishing grower-owned cooperative mills was one sensible solution, Patel suggested.<sup>24</sup> These mills could be located in rural areas, thereby alleviating the problem of rural unemployment. Moreover, the mills would do away with the processor middlemen, and the growers, as shareholders, would be the beneficiaries. The growers must prepare to stand on their own two feet, establish their own co-operative mills and become the processors as well as producers of their cane, said Patel. There was no other alternative if things did not change. Eve would have none of this proposal. The following exchange captures the general tone between Patel and Eve:

Eve: Won't they want to make as much profit as the CSR Company?

Patel: Yes, but these profits will go back to the growers themselves. They are going to make those profits.

Eve: But those profits will go into the pockets of the shareholders and the shareholders happen to be cane growers. I thought you wanted the processing made without profit?

Patel: What I meant was that it would cut out the outside middleman's profit.

Eve: I cannot see that. Any profits that will be made will go back to the shareholders.

Patel: They will not go to an outsider.

Eve: They will go to the shareholders who will happen to be the growers. They will be the same profit.

Patel: But those profits will go to the growers.

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24 See also Legislative Council Debate, 12 May 1969.

Eve: Who will be the shareholders and will have put up the capital.

Eve was adamant, and Patel moved on to another proposal to rein in the CSR. This was the creation of a Sugar Board. Fiji, he said, was the only country under the Commonwealth Sugar Agreement where the government exercised no control over the industry, which worsened the situation in the event of strikes or other disruption to the industry. A Sugar Board, properly constituted, preferably with the concurrence and assistance of the Imperial Government, with its members drawn not from Australia, New Zealand, Fiji or India, but from countries like the United Kingdom and Canada, could reduce suspicion and misunderstanding between the growers and the millers. 'It can establish industrial peace and good relations in the industry; and it can ensure a fair and equitable distribution of rewards to both sides.' It could oversee the smooth functioning of the industry, ensure compliance with agreements reached between growers and millers and, if need be, take over the marketing and selling of sugar as well. Similar boards existed in Mauritius and Queensland, Patel told Eve, where they had worked well.

Another important function of the Board would be to negotiate Fiji's sugar quota in the British Commonwealth Sugar Agreement and the International Sugar Agreement. The quota negotiated belonged to the sugar industry as a whole, on whose behalf it was negotiated and obtained, Patel argued; it was not the CSR's 'personal individual property,' as the Company claimed. The growers had no say in its negotiation or its content; instead, they were hostages of the Company in the matter of quotas. An independent Sugar Board, made up of government, Company and growers' representatives, should represent Fiji's sugar industry in the international arena.

The Sugar Price Stabilisation Fund was another bone of contention between the CSR and the growers, and Patel wanted it abolished. The Fund was created in 1946, without the growers' consent, to cover contingencies such as depression in the world price of sugar, and to promote experimental research into new varieties of cane, disease control, and public education through the Company's mobile film unit. The growers paid three and a half shillings per ton as their contribution to the Fund.

Overall, their contribution was 75 per cent, and the Company's 25 per cent. But when the money was paid back to the growers, they received only 66.5 per cent instead of the 75 per cent they had contributed, while the CSR share rose to 35.5 per cent. A cane grower who produced 120 tons of cane paid £21 into the Fund. That was substantial sum of money, especially as many growers were in debt and often paying interest of around ten per cent. Meanwhile the Fund was invested at a much lower rate in such a way that some penalty was often incurred when the money was withdrawn. Patel argued that the Fund was



‘inadequate for its purpose and is unjust to the growers.’ In the event of a real depression, he said, the Fund could keep the price of sugar at an economic level for no more than a year, after which the ‘grower will be in the same position as he would have been without the Sugar Price Stabilisation Fund.’ He wanted the Sugar Price Stabilisation Fund repealed, and the funds ‘divided in the actual proportion in which it was contributed to by both the growers and the miller under the Agreement and that the further collection or deduction of the Price Stabilisation Fund be discontinued.’

Was this in the Commission’s terms of reference, Eve asked Patel, and a heated exchange followed:

Patel: It comes under the reorganisation of the industry and I am telling you why it is not in the best interests of the industry and the Colony. It is on those grounds I ask you to advise and recommend.

Eve: You are content for the present and the future? It is all right?

Patel: For the future we advocate that the deductions be discontinued.

Eve: It is all right, isn’t it? May I put it quite slowly: for the present and the future you have no complaint about this measure and...

Patel: ...and of the division part, yes.

Eve: It is only for the past.

Patel: For the past.

Eve: I may say at once, I think you will find it a little difficult to recommend retrospective legislation.

Patel: That is for you to consider.

Eve: Well, I am telling you.

Patel: I am doing my part.

Eve: Yes, certainly, so am I.

Patel: I cannot presume to take over your part, Sir.

On the question of estimating the costs of production, Patel and the CSR were poles apart. The Company, it will be recalled, had portrayed growers as a generally un-enterprising lot who palmed off work to others and yet expected to earn a good living off the farm. Patel disagreed. The Commission should look on the grower as a seller of commodities and not as a seller of services; whether he worked himself or employed casual labour, the value of the labour should

be included in the cost of production. Whether the grower harvested the cane himself or engaged a cane cutter, the value would be just the same as far as the cost of production was concerned. 'If the Company say that the grower is merely a worker who has no business to get an outsider to do his work, I am in entire disagreement with that principle. We cannot take into consideration when assessing the price of cane, as to how much it takes for a grower and his family to live on as we would, for instance, do in the case of workers when assessing their wages. Their wages, more or less, have some relation to the cost of living and how they live and their standard of life. As far as the growers are concerned, if they are producing more and selling more, they are getting more money, but if they sell less, they get less money. If they are careful they can save money. If they are improvident and they squander their money it is not our look out.' It was as simple as that. But Eve remained unmoved.

Indebtedness among of the growers had been raised by the CSR in its submission, incurred, it had said, through foolish investment. Indebtedness was a problem, Patel agreed, but he disagreed with the CSR about its causes. It was, he said, a direct result of rural unemployment. People bought tractors or lorries to set up a member of the family in productive employment. 'Probably the farmer thinks that if he buys a tractor one of the boys can work the tractor and go and plough for the neighbours on hire and make an income from that. It is not that the owner just wants to buy a tractor for a small 10-acre farm and he himself wants to have a tractor instead of a pair of bullocks for his own farm, but this is the way to get some sort of work or occupation for a member of his family' Growers incurred debts to educate their children, to equip them with technical training so that they could find employment outside the sugar industry.

Moneylenders added their share to the problem, Patel said. They made loans on very high rates of interests, partly because the banks were reluctant to lend money.

There were no easy solutions, Patel conceded. Nonetheless, he made a number of proposals to alleviate the situation. One way to control the credit squeeze and resort to the money lender was to make more credit available at the cheaper rate and introduce an element of competition in the field of money lending.' Another was to force the CSR to make its cane payments as soon as possible after the harvest, thirty days from delivery and no further than April for the final payment, which would obviate the need for the farmer to buy goods on credit or incur debts for other reasons. The third solution Patel proposed was diversification. Additional land should be found for surplus rural population, and the planting of alternative crops should be encouraged. Cotton was one crop that could be looked at, he said. 'Sea Island cotton is very famous throughout the world and gets higher values than other varieties grown in other countries, and we've got at least two markets which are in need of staple cotton—India

and Japan.’ Diversification, Patel said, ‘will take pressure off the cane growing areas. It will bring the value of the cane lands down, it will bring the rents of the cane lands also down because there is competition just now to secure cane land...It will expand the economic development of the country and will benefit the people all round. What we urgently need is to take pressure off the surplus population from the cane fields and speculate on other profitable lines.’

The gulf between Patel and the CSR was as great as ever. Patel’s distrust of the Company remained. ‘I am convinced more than ever after reading what CSR officials have given that the Company is adept at juggling figures as it suits them.’ And he questioned why the CSR officials in Fiji were paid so handsomely. ‘We have at this Inquiry heard time and again that when the question of labourers or ordinary workers was concerned, it had always to be borne in mind whether the wages asked for are economically sustainable or not. The question naturally arises whether the Company has two different standards, one for the staff and one for the labour. If they want to have an economically sustainable wage, why not economical salaries for staff? Why should their staff be paid on the standards of living in Australia and not on the standard in Fiji?’ A fair question but an unrealistic prospect in colonial Fiji.

It was a long and deeply contentious inquiry. Eve was aware of this. Concluding his inquiry, he said: ‘I have put some questions of a fairly hostile nature to all the four parties. I hope I have been reasonable with everyone and I don’t want anyone to think that because there has been a hostile question from the Chair that is the view of the Commission. It is a way of getting the real facts out. I take some small bit of credit that I provoked most people and it has helped to get out the stuff we wanted to hear. But please do not think that what Counsel have said or what questions they have put have, in fact, proved anything any way. I hope everyone will keep their judgement till they read our report.’

The Eve report was published in 1961.<sup>25</sup> On most of the major points, Patel and his group had lost, their demands for accountability and equity in the sugar industry either denied, deflected or diluted in the recommendations. The idea of cooperative mills was rejected outright as being impractical. The growers had not learned to manage their farms without supervision, how could they be trusted to run efficient mills? The Price Stabilisation Fund was not abolished but future levies were. Patel’s idea of a Sugar Board with teeth was ignored in favour of an advisory sugar council. Eve underlined the point for all concerned: ‘The word advisory shows that its members are not to decide anything. They are to discuss all problems, to advise the industry, to advise government and to try to solve any difficulties.’ This view was supported by the Kisan Sangh. On the question of molasses, about which Patel had submitted at length, Eve

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25 Report of the Fiji Sugar Inquiry Commission (Suva, Legislative Council Paper 20/1961).

acknowledged that the CSR had done well under the old agreement, but it had not violated the terms of that agreement; he did agree, however, that the price should be raised though not to the level demanded by the growers. On the question of production control, Eve acknowledged the difficulties involved but came out in favour of control by tonnage than by acreage.

Eve endorsed the idea already being mooted privately by the CSR of forming a wholly owned subsidiary for managing its Fiji activities. The result was the creation, in 1962, of the South Pacific Sugar Mills Limited. And on the vital question of sharing the cake, Eve recommended that 30 per cent of the net proceeds be allocated to the CSR to cover its sugar making costs, thus protecting the Company against losses but not the growers. The growers' basic share of the proceeds was 57.75 per cent, which was closer to the CSR offer of 55.1 per cent than it was to the Federation's demand of 66.3 per cent. It was also less than the 62.6 per cent the growers had obtained under the 1950-59 contract.<sup>26</sup> The CSR was pleased with the report. Deputy General Manager G.M. Dixon wrote to the Company's London agent on 22 September 1961: 'The Commission obviously had to criticise the Company for something. All the major points which the Company had included in its draft agreement as put to the growers, and all the major points we wished the Commission to rule on, are covered in the report or a recommended contract in a way which is very satisfactory.'

Everyone connected with the industry was to share blame, Eve wrote. The government was to be blamed for not heeding Lord Shepherd's recommendation for a sugar advisory board which, had it existed, could well have averted the strike. Eve agreed with the CSR's contention that its income from the industry had become inadequate and un-remunerative, but said that its behaviour towards the growers was inexcusable. The Company claimed it could not pay the high price of cane demanded by the growers yet, Eve said, 'they did not produce for the growers any accounts of any sort at any stage until our public hearings. This was no way to deal with people who admittedly were to have a share of the sugar proceeds.'

But this reprimand was nothing compared to what Eve had to say about the growers' leaders, and Patel in particular. For a start, Patel and other leaders of the Maha Sangh had deliberately caused disruption in the sugar industry 'in the hope of gaining advantages for themselves and of trying to drive the millers out of Fiji.' The sugar industry had become a vehicle for 'ambitious politicians.' Then, in an unusual and unprecedented move, Eve singled out Patel for special criticism:

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26 Moynagh, *Brown or White*, 252.

We have pondered deeply upon the intentions of the leader of the no cutting campaign. We hoped that we might discover some evidence that the policies advocated by him were directed towards the improvement of the growers' lot. We realise that the attitude of the millers could well have antagonised him and the withholding of financial particulars could have given him cause for suspicion. None of this however justifies the form and extent of the no cutting campaign particularly after the offer of an inquiry. His conduct has been so obviously against the interest of the growers as to lead us to advise them that his policies at the time should not have been followed. We hope that his future conduct may change and that he will show far greater sense of responsibility to the country of his adoption. We are satisfied that this leader is a very able man, and that he could provide sorely needed leadership of the right kind.<sup>27</sup>

Eve's harsh tone was not unexpected given the tenor of the exchange between him and Patel during the hearings and the ideological gulf that separated the two men, not to mention their vastly different understandings of the fundamental problems in the sugar industry. Some of Patel's proposals do seem infeasible, such as establishing cooperative mills. The idea had its appeal, but the growers did not have the technical know how to run such a vast industry on their own. Nor, would the government allow the colony's major industry to be dominated more than it already was by the Indian community. Some in the Kisan Sangh thought the proposal was a plot for a Gujarati takeover of the sugar industry. Both B.D. Lakshman and the Kisan Sangh had publicly opposed the idea of a strong Sugar Board, and both had wanted to exclude lawyers serving on such boards. Eve was thus aware of the divisions among the growers. And he was well briefed about Patel as well. In a confidential memorandum prepared for the Commission, the CSR went out of its way to portray Patel as the chief villain of the piece. The tone and indeed some of the words in the CSR's memorandum are echoed in Eve's report. The CSR had said of A.D. Patel:

There would seem to be no doubt that A.D. Patel is a very ambitious man, and from his actions over the years, it seems that political leadership of the Indians, and in time of Fiji, is his aim. He possibly pictures himself as the first Prime Minister of a self-governing or substantially self-governing country, with the control of the sugar industry. Thus, any other Indian who comes to the fore as a leader and a possible rival must be put down, and if in doing this, the sugar industry suffers, A.D. Patel is apparently unconcerned. If the situation is as described, and the pattern seems quite clear over the years, the real reason for the recent troubles seems manifest. The more important question is how much can

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27 Report of the Fiji Sugar Inquiry Commission, 9-10.

such a man be relied upon to act responsibly in the interests of the Sugar Industry (and not of his own political advancement) in the future. No leader who had the welfare of his supporters at heart would tell them to burn their crops, plough out ratoons, and do no planting, as he would well know that such advice must result in his supporters becoming ruined, or at least being left very heavily in debt.<sup>28</sup>

Such an allegation by Patel's principal adversary is understandable; but for Eve to make them himself does seem curious. As Patel said, here was a Queen's Counsel, a member of the British Bar, who had not followed the elementary procedures of natural justice. At the very least, he would have expected Eve, after passing any judgement, to give him the fullest opportunity to respond. Patel's own judgement of Eve was equally harsh, but he himself remained philosophical: 'There are two sides to a man's action: on one side is praise, on the other side is blame; on the one side is honour, on the other side is insult. But my religion has taught me to do your duty unaffected by praise or blame and without expecting any reward for what you do.'<sup>29</sup> Assuming that Patel's political ambitions were a factor, to attribute all the troubles of the sugar industry to the political ambition and vanity of one man seems far fetched. Such a characterisation portrays sugar cane growers as passive and ignorant people who did not know what was in their own best interests, which even a cursory knowledge of Fiji's cane farming community would find grossly unfair. And it needs to be explained why, if Patel was such a personally ambitious man who cared little for the interests of his people, why he would be returned to public office in election after election, making him the dominant political figure in Fiji in the 1960s? The *Fiji Samachar* put the whole issue succinctly: 'We are totally against the policy of A.D. Patel but are compelled to ask why he is such an outstanding person that the majority of the farmers are under his influence, and even the members of the Legislative Council and farmers' representatives have failed to disperse it?'<sup>30</sup>

So what of the whole commission exercise? Michael Moynagh:

The Eve inquiry had been an astute political exercise. Under the guise of impartiality, a report which was distinctly favourable to the CSR had been produced. Despite opposition from the leaders of the Federation, in early 1962 growers signed a new contract based on the commission's findings. Later there would be complaints that the farmers had been forced to do this because there was no alternative. Growers were financially drained and thoroughly disheartened from the strike two years before, which had cost them an estimated £850,000-£900,000 in

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28 I am obliged not to reveal the source of this quote.

29 Legislative Council Debate, 21 April 1969.

30 Editorial on 7 October 1960.



lost income (CSR had also suffered, making a loss on the 1960 season). They were in no mood to start industrial action again. The position of the CSR, supported by the government and Fijians, seemed unassailable. The implementation of most of the Eve report was extremely important for the sugar industry. The method of production control, the Sugar Board and the Sugar Advisory Council still exist today. CSR's continued presence in the colony—for at least another ten years—was assured.<sup>31</sup>

Those ten years were crucial ones in the history of Fiji. Political change, its nature and pace, would dominate discussion, but in the Indian community, particularly in the sugar cane belt, the issues surrounding the strike, why it was started and why it collapsed, the role played by certain individuals in prolonging or terminating the strike, the poverty and the suffering caused by the application of the Eve formula for sharing proceeds from the sugar industry, would continue to be debated with great emotion and controversy. The Company and the kisan would confront each other again a decade later, but with different results. Meanwhile, the slogan chanted at virtually every major meeting of cane growers throughout Fiji was 'You Can't Trust Eve.'

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31 Moynagh, *Brown or White*, 216.