

PUT FIRST THINGS FIRST*

By F. C. COOKE,

Director, Coconut Research Institute of Ceylon.

I HAVE been asked by your Chairman to speak to you today principally because I have no stake whatever in the Coconut Industry. I am a completely disinterested party; I have no properties or shares or interests in the coconut and its allied industries and I have no other purpose than a desire to see the Coconut Industry is placed on a sound footing and in a position ready to meet economic adversity if and when it comes.

It is perhaps hardly necessary for me to restate that the Food Production on Estates Ordinance was purely a war measure, introduced at a time when coconuts were being produced very considerably in excess of domestic requirements because no shipping space was available for transporting coconut products to Europe. This certainly justified at that time its exclusion from the list of foodstuffs listed in the Ordinance.

Now in time of peace, the situation is completely altered. Coconuts today stand high in the list of world priorities because coconut oil is required for the manufacture of margarine, cooking oils and soap, and poonac is required as a feeding stuff for livestock to ensure the increased production of eggs, milk, butter and cheese.

There is no question that coconuts are today a primary foodstuff; I would go further and re-affirm as I have said many times before that the coconut industry is the most fundamental industry in Ceylon. It is nevertheless a severely fragmented industry consisting mainly of small units and out of about one-million acres, about 700,000 acres are small-holdings, less than 20 acres in extent; the remainder are small properties of less than 100 acres together with a few estates, over 1,000 acres in extent.

It is because of this fragmentation, undivided ownership and irregular size of properties that it is difficult to frame legislation, apply taxation and give financial relief which will fall equitably and fairly on all shoulders. This may not be such a serious matter in times of prosperity but there are signs and suggestions of an impending depression and it is necessary for us to set our house in order now so as to meet the situation when it arises.

The first essential, of course, is for coconut properties to be freed of mortgage and debt. The next essential is to reduce the cost of production. This can be achieved in one of two ways, either: (1) by cheese-paring economies leading to the degradation of the properties and the demoralisation of the labour force, or (2) simply by a sound and progressive policy of producing more coconuts per acre.

There need be no fear of this second policy leading to overproduction of copra or coconuts so contributing to the depression. The depression if it develops will be a sympathetic fall in world prices of commodities induced by overproduction in certain industries—but the vegetable oil industry is not one of these industries.

Mr. J. C. A. Faure of Unilevers who is today one of the leading world authorities on oils and fats has stated quite categorically in his annual review of world production. "Let us not

*Address given to the Kurunegala Planters' Association on April 24, 1954.

overlook the ever-growing world population. The present rate of world production of oils and fats will be quite inadequate to meet demand in two or three years' time . . . there must be no slacking off in production for the world's future needs."

What has this to do with the Food Production on Estates Ordinance? Just this—if the Ordinance diverts attention from the main crop or if excessive taxation results in a curtailment of cultivation and manurial programmes, yields will fall catastrophically as they did in the 1942-1947 period when estates were neglected owing to lack of fertilizers. When the industry was again able to obtain fertilisers there was increased attention to cultivation and manuring and yields markedly improved as they have in the last five years 1948-1953.

A period of lower prices however now appears to be developing and we can expect some economies in estate operation which will inevitably lead to a decline in yields and I submit that the time has come for a review of the taxation position as it affects our great industry. Let us not deceive ourselves,—the enforced or compulsory production of minor foodstuffs, such as pumpkins, melons, chillies, pineapples, tomatoes or even manioc, on estates or the compounding of the liability is in effect additional taxation. I would go further and suggest that it is a short-sighted policy in that it is of far greater importance to the revenues of Ceylon to produce more coconuts than it is to interfere with estate operations in order to produce inferior and minor food crops under the dense shade of the coconut palm. Is it not true for instance, that pineapples grown in shade are of much inferior quality to those exposed to direct sunshine, that manioc, produced under coconuts, is bitter and tough and the harvest is generally insignificant and unprofitable and that the palms are adversely affected by association with manioc?

If the land is properly planted and closely covered with coconuts, there is no room for minor crops except at the expense of the major crops. Crops like manioc and maize are heavy feeders and the soil will need to be manured with additional fertilizers in order to maintain the nutrient status of the soil and the expense is not justified by the insignificant financial return from the minor crops.

This is particularly the case when owing to the nature of the soil, the coconuts are surface rooters so that there is direct competition between the major and the minor crop. In such cases the reduction in the coconut crop can be very considerable, varying with the nature of the minor crop and the extent of the root destruction caused by the cultivation of the crop.

Only where there is adequate light is the production of another food crop in association with coconuts really feasible. There are certainly cases where rice will grow in association with coconuts, but this is because the land is low-lying and water-logged and the coconuts in consequence are unhealthy and unproductive and have only very small crowns. Such land is really paddy land and should never have been put under coconuts. There are also cases where the palms are old and senile or where there are patches of lightning strike. In such cases why not replant or resupply with coconuts? Why divert the attention of coconut growers from their major crop?

Agricultural labour in the Low-Country is scarce. If coconut growers are required to give priority to the cultivation of minor crops, the cultivation of the major crop will fall into arrears and manuring will be neglected.

If we are to plant minor food crops instead of pushing on with replanting coconuts can it be said that we are really serious in our intention to rehabilitate the coconut industry?

It is, I submit, necessary to put first things first, to rehabilitate the industry with a singleness of purpose and a determination not to waste our time and fritter away our energies on unimportant side issues.