



TRINIDAD AND TOBAGO.

No. 61—1946.

[L.S.]

I ASSENT,

B. E. H. CLIFFORD,
Governor.
 30th December, 1946.

AN ORDINANCE relating to the production of cane.

[1st January, 1947.]

Commence-
ment.

ENACTED by the Governor of Trinidad and Tobago with the
advice and consent of the Legislative Council thereof.

Enactment.

1. This Ordinance may be cited as the Production of Cane
Ordinance, 1946.

Short title.

Interpreta-
tion.

2. (1) In this Ordinance—

“Board” means the Cane Farming Arbitration Board established under the provisions of this Ordinance ;

“canes” means sugar-canes ;

“contract” means an agreement entered into under the provisions of this Ordinance between a manufacturer and a farmer ;

“cultivate” includes planting, cleaning, weeding, draining, or any agricultural work whatsoever performed in growing canes to maturity ;

“cultivator” means a person who has entered into a sub-contract ;

“farmer” means a person who cultivates or contracts with a cultivator to cultivate canes for sale to a manufacturer, but does not include a manufacturer who cultivates canes on his own lands ;

No. 9 of 1944.

“former Ordinance” means the Production of Cane and Sugar Ordinance, 1944 ;

“manufacturer” means any person who manufactures sugar in the Colony and who purchases canes from a farmer for conversion in his factory into sugar, but does not include a person who manufactures wet molasses sugar only ; and for the purposes of this definition, a company or person for whose account canes are converted into sugar in the factory of some other manufacturer in the Colony shall be deemed to manufacture that sugar in the Colony and the canes shall be deemed to be converted into sugar in the factory of that company or person ;

“sub-contract” means a contract entered into between a farmer and a cultivator under the provisions of section 10 ;

“Warden” means the Warden of the County within the boundaries of which are situated the lands intended to be cultivated by a farmer in canes for sale to a manufacturer, and includes the Assistant Warden of that County.

Crop period

(2) For the purposes of this Ordinance a crop period shall be the period in each year beginning on the first day on which the manufacturer at whose factory the canes are to be ground commences grinding operations and ending on the day on which he finally discontinues such operations for the year :

Provided that a crop period shall be deemed to commence not later than the first of February in each year, except in cases when it is not reasonably practicable, owing to weather conditions, breakdown of machinery, or any other unavoidable cause whatsoever, for the manufacturer to commence grinding operations by such date, and shall be deemed to end not earlier than the 1st of June in each year, except in cases when it is not reasonably practicable, owing to any of the causes hereinbefore set out, for such manufacturer to continue grinding operations until such date.

(3) References in this Ordinance to a farmer or to a manufacturer include his predecessors and successors in title to the extent that they were or are farmers or manufacturers, as the case may be.

3. (1) No farmer shall cultivate or contract with any cultivator to cultivate canes for sale to a manufacturer unless he has entered into a contract with a manufacturer as required by this Ordinance.

Canes to be grown under contract.

(2) No farmer shall sell canes to a manufacturer and no manufacturer shall purchase canes from a farmer, unless the manufacturer and the farmer have entered into a contract as required by this Ordinance.

Sale or purchase of canes subject to a contract.

(3) Any person who contravenes the provisions of this section shall be liable, on summary conviction, to a fine of ten dollars in respect of every ton or part thereof of canes sold or purchased by him.

Penalty.

4. The contract shall be in accordance with the form contained in the First Schedule hereto or as near thereto as circumstances shall permit, and shall specify the varieties and quantity of canes which the manufacturer agrees to purchase in each year during which the contract is in force, and may contain any other conditions not inconsistent with the provisions of this Ordinance. The contract shall remain in force for such period as shall be agreed upon between the parties thereto.

Form and conditions of contract.
First Schedule.

5. (1) Save as is hereinafter expressly provided in subsection (4) of this section, no manufacturer shall, without good and sufficient reason refuse to enter into a contract with any farmer from whom such manufacturer has purchased canes for three consecutive years immediately preceding the farmer's request to enter into such a contract: Provided that the manufacturer shall not be under any obligation to enter into any contract with a farmer for the purchase of canes in the course of any year unless he receives the farmer's request before the 15th of January in that year.

Manufacturer not to refuse to enter into contract.

Quantity of
canes to be
purchased.

(2) Such contract shall be for a yearly quantity of canes not less than the average yearly quantity sold by the farmer to the manufacturer within the three years immediately preceding the making of the contract.

Temporary
contracts.

(3) Nothing in this Ordinance shall prevent a manufacturer from entering into a contract with a farmer to whom the provisions of subsection (1) of this section do not apply : Provided that in such cases the quantity of canes which the manufacturer shall contract to purchase shall be a matter for the decision of the manufacturer : Provided further that if the said contract be for not more than one year, the manufacturer shall not be under any obligation to enter into any contract with the farmer in the following year.

Farmer to
grow and
deliver canes
to manu-
facturer.

6. (1) A farmer who has entered into a contract shall cultivate or cause to be cultivated in a proper and husbandlike manner the varieties and quantity of canes prescribed by his contract and shall deliver the same or cause the same to be delivered to the manufacturer pursuant to the terms of his contract and subject to the provisions of this Ordinance.

Abatement of
quantity.

(2) Whenever the farmer through gross neglect or abandonment of his cane cultivation or through any wilful breach of his contract has failed to supply the quantity of canes agreed to be sold, then in any subsequent year during which the contract continues, or on any renewal of the contract, the manufacturer shall not be bound to purchase or agree to purchase a larger quantity of canes than that supplied in the year in which such failure occurred.

Manufacturer
to purchase
canes.

7. (1) A manufacturer who has entered into a contract shall, subject to the provisions of this Ordinance purchase and take delivery from the contracting farmer during the crop period of such quantities of canes as are prescribed by and comply with the provisions of such contract.

Compliance of
manufacturer
with percent-
age.

(2) Notwithstanding anything contained in this Ordinance or in any contract, a manufacturer shall not be deemed to have committed a breach of a contract or of the provisions of this Ordinance by reason of the fact that he has not at the end of the crop period in any particular year taken delivery of the quantity of canes prescribed by such contract : Provided that the total quantity of canes received by him for grinding during such crop period has included at least a percentage of canes delivered under contracts equal to the average percentage of canes delivered to him under contracts, in relation to total canes ground, during the previous two years : Provided further that, when a manufacturer has not taken delivery

from the farmer of the entire quantity of canes contracted for in any year, then in the next following year it shall be obligatory for the manufacturer to take delivery from the farmer of a quantity of canes equivalent to the shortage of the preceding year in priority to other farmers' canes and without prejudice to the yearly quantity of canes contracted to be purchased from such farmer and notwithstanding that in such following year the manufacturer is unable to take delivery of the entire quantity of farmers' canes for that year.

(3) A manufacturer may purchase from a farmer with whom he has entered into a contract any quantity of canes in excess of the quantity prescribed by the contract: Provided that such excess may not without the consent of both parties be taken into account in computing, pursuant to the provisions of subsection (2) of section 5, the quantity of canes which is to be included in any subsequent contract entered into between such manufacturer and farmer.

Purchase of excess quantity of canes.

(4) In the determination of the percentages under subsection (2), canes ground by one manufacturer on behalf of another manufacturer, either voluntarily or under directions given by the Governor under section 8, shall be regarded as canes ground by the former manufacturer, that is to say, in the case of farmers' canes, by the manufacturer who has entered into contracts with farmers.

8. (1) If the Governor shall be satisfied as regards any cane farmer that by reason of—

Power of the Governor to facilitate disposal of farmers' canes.

(a) his failure or inability from reasonable causes to enter into an appropriate contract with a manufacturer, or

(b) the inability of a manufacturer with whom he has entered into a contract to carry out in full his obligations under the contract,

the farmer will be unable to dispose of the canes (whether as to the whole or any part thereof) which have grown or which grow to maturity on his land in any year, the Governor may give directions, substantially in the form in the Second Schedule hereto, for the disposal of such canes or of the balance thereof, as the case may be, to a specified manufacturer: Provided that directions under this section shall not be given which will have the effect of compelling a manufacturer to operate his factory without a sufficient and reasonably continuous supply of canes or beyond the reasonable capacity of the factory: Provided also that in giving directions under this section the Governor shall have regard to the requirements of the manufacturer in respect of the grinding of his own estate canes.

Second Schedule.

Second
Schedule.

(2) The Governor may at any time vary or cancel, by subsequent directions, any directions which have been given under subsection (1) : Provided that, in the case of a variation, the directions as varied shall remain substantially in the form in the Second Schedule hereto.

(3) Where directions have been given under subsection (1), the like consequences shall ensue in all respects as if a binding contract in the terms of the directions had been entered into between the manufacturer and the farmer in question on the day on which the directions were given ; and where any such directions have been varied or cancelled by subsequent directions given under subsection (2), the like consequences shall ensue in all respects as if the implied contract above mentioned had been varied in the terms of the subsequent directions or had ceased to have effect (save as regards canes already delivered to the manufacturer in pursuance thereof), as the case may be, on the day on which subsequent directions were given : Provided that compliance with directions given under this section shall not, for the purpose of the obligations imposed on manufacturers by subsections (1), (2) and (3) of section 5, amount to a purchase of canes by the manufacturer from the farmer : Provided further that the provisions of section 4, section 6, subsection (2) of section 7 and the relevant provisions of section 10 shall not have effect as regards any contract implied by virtue of this section.

(4) Directions under this section shall be in writing signed by or on behalf of the Governor, and shall be served on the manufacturer and the farmer in question. Such service may be effected by posting the directions in a registered envelope addressed to the manufacturer or farmer, as the case may be, at his place of abode or business or by leaving the same with him or with the person in charge in the Colony of his business or (in the case of a partnership) with any partner therein or (in the case of a company) with any managing director, manager or secretary thereof.

(5) Whenever the Governor gives directions in the circumstances contemplated by paragraph (b) of subsection (1), the contract referred to in that paragraph shall cease to have effect save as regards canes already delivered to the manufacturer in pursuance of that contract.

(6) While directions under this section are in force for the disposal of canes by a farmer, the farmer shall not deliver any canes referred to in the directions to any person other than the manufacturer specified in the directions ; and if any

farmer shall deliver canes in contravention of the provisions of this subsection he shall be liable on summary conviction to a fine of ten dollars in respect of every ton or part thereof of canes so delivered.

9. (1) As soon as may be practicable in each year, the Governor shall— Payment by
manufacturers
for canes, etc.

(a) fix the minimum rate of interim payments to be made by manufacturers against the price of farmers' canes which they purchase during the year ;

(b) determine, in accordance with the provisions of the Third Schedule hereto, the price to be paid by manufacturers for farmers' canes which they purchase during the year. Third
Schedule.

The minimum rate of interim payments and the price fixed and determined as aforesaid shall be published in the *Royal Gazette*.

(2) Subject to the provisions of subsection (3)—

(a) interim payments at not less than the minimum rate fixed and published under subsection (1) shall be made, within twenty-one days after delivery of the canes, against the price of all farmers' canes delivered to manufacturers ; and

(b) the balance of the price determined and published under subsection (1) shall be payable within twenty-one days after the date on which such price was published.

(3) A farmer and a manufacturer may make a special agreement in writing as to all or any of the following matters, that is to say—

(a) the payment by the manufacturer of a higher price than that determined and published under subsection (1) ;

(b) the time and manner of payment of the price of canes purchased by the manufacturer ;

(c) exempting the manufacturer from the obligation to make interim payments, or modifying such obligation as to the amount, the time and manner of payment of the interim payments or any of those matters ;

and any such agreement shall have effect notwithstanding the preceding provisions of this section.

(4) Where—

- (a) directions have been served on a manufacturer and a farmer under the provisions of section 8 ; and
- (b) canes were cultivated on the land in question in the immediately preceding year and were under contract to be sold to a manufacturer for delivery at his purchasing scale nearest to the farmer's cultivation ; and
- (c) by reason of a notice given under paragraph 3 of the Second Schedule, the farmer is required to deliver canes at some other scale at his own expense ; and
- (d) the mileage over which the canes have to be transported to the latter scale is greater than the mileage over which they would have had to be transported to the former scale if they had been delivered there, the manufacturer, on reasonable proof of the contract referred to in paragraph (b), shall pay to the farmer, in respect of the extra mileage aforesaid, a sum calculated at such rate as may be fixed by order of the Governor published in the *Royal Gazette*. Such sum shall be payable, if reasonable proof of the contract aforesaid has meanwhile been furnished, within twenty-one days after the delivery of the canes, and otherwise shall be payable on reasonable proof of the contract aforesaid.

Second
Schedule

(5) Manufacturers shall be entitled to be repaid by the Accountant General out of public funds—

- (a) any sums properly paid by them under subsection (4), and
- (b) the amount of any further expenses reasonably incurred by them, in consequence of directions given under section 8, for the transportation of farmers' canes purchased by them to their estates from purchasing scales not situate on their estates, on presentation of monthly accounts, rendered on or before the 15th day of the month following the month to which they relate, in such form, and verified in such manner, as the Accountant General may from time to time require.

(6) Every manufacturer who has purchased canes from a farmer in any year shall pay to the Accountant General on demand a sum, in respect of the total tonnage so purchased, calculated at the rate per ton represented by the letter G in the formula set out in the Third Schedule hereto. Every such

demand shall be in writing signed by or on behalf of the Accountant General and may be served in any of the ways specified in subsection (4) of section 8 for the service of directions under that section.

(7) The Governor may, by order published in the *Royal Gazette* or served on the persons affected by the order in any of the ways specified in subsection (4) of section 8 for the service of directions under that section, require farmers or manufacturers or specified classes or descriptions of farmers or manufacturers or specified farmers or manufacturers to make returns or periodical returns of any particulars relating to their business which, in the opinion of the Governor, will assist him in exercising the powers conferred upon him by this section. Any such return may contain such ancillary directions as to the form of the returns, the time within which or at which the returns are to be made, the manner in which the returns are to be delivered and otherwise as the Governor may deem desirable. Any farmer or manufacturer who fails to comply with an order under this section shall be liable on summary conviction to a fine of two hundred and forty dollars: Provided that it shall be a defence to a prosecution for failing to make a return at the time or within the time specified in any such order to prove that it was not reasonably practicable to make the return at the time or within the time aforesaid. If any return is false in a material particular, the farmer or manufacturer by whom it was made shall be liable on summary conviction to a fine of nine hundred and sixty dollars.

10. (1) A farmer (herein referred to as a "contractor") who sub-contracts with a cultivator to cultivate canes to be purchased by the contractor for re-sale to a manufacturer with whom he has entered into a contract shall cause a written record to be made specifying the cultivator, the situation and acreage of the land to be cultivated by him and the quantity of canes agreed to be purchased from him. Such record shall be signed by the contractor and the manufacturer and annexed to the relevant contract entered into between the contractor and the manufacturer. The contractor shall not, except with the written consent of the manufacturer, sub-contract with cultivators other than those who have cultivated canes for sale to such contractor at some time within the three years immediately preceding the date on which he entered into a contract with the manufacturer. The manufacturer shall keep a register in which shall be entered the particulars of each sub-contract and the names of each cultivator.

Sub-contracts between a farmer and persons from whom he purchases canes for sale to a manufacturer.

(2) A contractor shall purchase from a cultivator a quantity of canes (if available) not less than the average quantity sold annually by such cultivator to such contractor during the three years immediately preceding the making of their sub-contract.

(3) The privileges and exemptions conferred and the obligations imposed upon a manufacturer by subsection (2) of section 7 shall apply *mutatis mutandis* to a contractor as regards canes which he has agreed to purchase from a cultivator.

(4) Unless a higher price is expressly agreed upon by the contracting parties, the price to be paid by a contractor for canes purchased from a cultivator shall be in accordance with the scale of prices provided for by section 9: Provided that the contractor shall be entitled to make deductions from such price in accordance with the local usage which prevailed prior to the 9th of September, 1937.

(5) Whenever a sub-contract with a cultivator is determined the contractor shall forthwith give notice in writing of such determination to the manufacturer concerned who shall make an entry to that effect in his register, and whenever such sub-contract has been determined without the consent of the cultivator the cultivator, provided that he has been a cultivator at any time within three years including the crop season ending 31st December, 1946, may require the manufacturer to enter into a contract with him and thereupon the provisions of section 5 shall apply as if the cultivator was a farmer from whom the manufacturer had purchased canes:

Provided that any quantity of canes which a manufacturer might be under obligation to purchase from the contractor shall be reduced by the quantity which the contractor shall be required to purchase from that cultivator.

(6) Any person who contravenes the provisions of this section shall be liable, on summary conviction, to a fine of two hundred and forty dollars.

Cane Farming
Arbitration
Board.
Duties

11. (1) There shall be established a Board to be known as the Cane Farming Arbitration Board, whose duty it shall be to settle any dispute or claim arising out of any contract or sub-contract or under this Ordinance.

(2) The Board shall consist of a Chairman to be appointed by the Governor in Council who shall hold office during the Governor's pleasure, and two other persons selected by the Chairman, one of whom shall be a representative of the manufacturers and the other a representative of the farmers.

The representatives shall be selected from a panel consisting of six representatives of the manufacturers and six representatives of the farmers, who shall be nominated by the Governor in Council.

(3) The Board shall regulate its own procedure and shall have all the powers of the Supreme Court to summon and examine witnesses on oath and to order the production of documents. The decision of the Board may be enforced by order of a Judge of the Supreme Court in the same manner as a judgment or order of the Supreme Court to the like effect. The Arbitration Ordinance shall not apply to any proceedings of the Board or to any award made by it. Procedure.
Ch. 7, No. 1.

(4) There shall be a right of appeal to the Full Court from any decision of the Board, provided such appeal is entered within twenty-eight days of the date of such decision. Appeal.

(5) The Chairman shall convene a meeting of the Board whenever any dispute or claim is referred to it, and shall cause proper and sufficient records to be kept of its proceedings and decisions. Meetings.

(6) The Chairman may before convening a meeting of the Board cause a preliminary investigation to be made into a dispute or claim referred to him or to the Board with the object of ascertaining the facts and limiting the issues and of endeavouring to bring about a voluntary settlement between the parties to the dispute. Preliminary
investigations.

12. (1) If any dispute or claim shall arise between a farmer and a manufacturer concerning the goodness or sufficiency of the manufacturer's reasons for refusing to enter into a contract or the quantity of canes to be included in any such contract or purchased by the manufacturer or any other matter relating to the rights and liabilities of the parties under a contract, such dispute or claim shall be referred to the arbitration of the Board. Board to
decide
disputes.

(2) If any dispute or claim shall arise between a farmer and a cultivator as to any matter relating to the rights or liabilities of the parties under a sub-contract entered into pursuant to the provisions of section 10 such dispute or claim shall be referred to the Board.

(3) The Board shall have power to award damages and compensation for any loss or damage occasioned by the failure of either party to a contract or to a sub-contract to fulfil his obligations under such contract or sub-contract or under this Ordinance or to declare a contract or sub-contract cancelled,

Warden to
keep copies
of contracts.

13. (1) Within twenty-eight days of the execution of a contract the manufacturer shall deposit a true copy thereof together with sub-contracts, if any, with the Warden who shall keep such copy on record for the period of the contract and for two years after its termination. The Warden shall on request furnish a copy of the contract upon payment of a fee of twenty-five cents therefor.

(2) Every manufacturer shall supply the Warden with a list of the persons registered with him by each farmer under the provisions of section 10 together with the particulars registered in respect of each such person.

(3) Every manufacturer who fails without reasonable cause or excuse to deposit any copy of a contract or to supply any list of persons as required by this section shall be liable, on summary conviction, to a fine of forty-eight dollars. The Magistrate may also make an order requiring the defendant within a period to be fixed by the Magistrate to deposit the copy or furnish the list, as the case may be, and in default of compliance with the order to pay a further fine of four hundred and eighty dollars.

Exemption of
obligations on
account of
act of God or
unavoidable
causes.

14. If by reason of any act of God, strike, breakdown of machinery or any unavoidable cause, not due to any wilful neglect or default on his part either of the contracting parties fails to carry out any of his obligations under a contract or sub-contract he shall be exempt from any liability consequent upon such failure.

Devolution of
rights and
obligations.

15. The right conferred by this Ordinance on a farmer to require a manufacturer to enter into a contract shall enure to the benefit of his successors in title and assigns in whole or in part as the case may be, and the obligation imposed by this Ordinance on a manufacturer to enter into such a contract shall devolve and be binding on his successors in title and assigns and the rights and obligations conferred and imposed upon any party under a contract or a sub-contract shall devolve and be binding on his successors in title and assigns.

Legal effect
of a contract.
Ch. 31.No. 8.

16. A contract shall not be deemed to be a bill of sale within the meaning of the Bills of Sale Ordinance.

Contract
exempt from
stamp duty.
Ch. 33. No. 4.
Saving undis-
charged
contracts.

17. A contract shall be exempt from the payment of any duty under the Stamp Duty Ordinance.

18. Undischarged contracts made pursuant to the provisions of the former Ordinance, shall continue to be binding on the parties thereto but subject to the provisions of this Ordinance.

19. (1) This Ordinance shall be deemed to come into force on the 1st of January, 1947.

Commence-
ment and
application of
the Ordinance.

(2) On the expiry of this Ordinance, all contracts thereunder shall expire also, but without prejudice to any obligations or liabilities in respect of things done, omitted or suffered thereunder.

(3) This Ordinance shall apply in relation to any farmer's contract (as hereinafter defined) made before the passing of this Ordinance as though such contracts had been made under and in accordance with the provisions of this Ordinance and as though subsection (2) of section 19 of the former Ordinance had not been passed. For the purpose of this subsection, the expression "farmer's contract" means any contract by a farmer in relation to which all the following circumstances exist, that is to say—

- (a) the contract is of a class in relation to which express provision was made in the former Ordinance ;
- (b) the contract is substantially in conformity with such provision ;
- (c) the contract was in force at the time this Ordinance was passed.

20. This Ordinance shall not apply to the Island of Tobago.

Ordinance not
to apply to
Tobago.

SCHEDULES.

THE FIRST SCHEDULE.

(Section 4.)

Cane Farming Contract.

Agreement made this day of , 19 , between
hereinafter called "the manufacturer" of the one part and
hereinafter called "the farmer" of the other part :

It is hereby mutually agreed as follows :—

For reaping during the years 19 to 19 , both inclusive, the farmer shall cultivate or cause to be cultivated in a husbandlike manner canes of any of the following varieties to wit : to the extent of tons per annum on land situate at and sell such canes to the manufacturer and for that purpose to reap the said canes from time to time when they have grown to maturity and are of good quality fit for use for conversion into sugar and deliver the same to the manufacturer at his purchasing scale nearest to the farmer's cultivation in a reasonably good condition at such times and in such quantities as the manufacturer shall specify by notice. Such notice shall be in accordance with established custom in respect of the reaping season and the proportionate quantities of canes to be delivered from time to time during the crop period, so as not to delay the reaping and delivery of matured canes, nor to cause excessive delivery of canes beyond the capacity of the factory at which the canes are ground.

During the aforesaid period the manufacturer shall take delivery of all canes of the above-mentioned variety or varieties and of good quality offered for sale by the farmer and pay for the same at the value at the time of delivery as determined by law unless some other price is expressly agreed upon: Provided that the manufacturer shall not be required to purchase a quantity of canes in excess of the amount specified in this contract.

References in this contract to canes of good quality shall be deemed to include burnt canes fit for grinding which have been burnt not more than three days before delivery: Provided that in the case of such burnt canes as aforesaid the sum of sixty cents per ton shall be deducted from the price determined by law.

In Witness, &c.

(Insert here other conditions.)

(Section 8.)

THE SECOND SCHEDULE

Directions by the Governor.

To _____ of _____
 (hereinafter called "the manufacturer") and
 of _____ (hereinafter called "the farmer").

1. The manufacturer shall purchase from the farmer during the crop period of the year _____ such quantity of canes not exceeding _____ tons of the following varieties, namely, _____ grown on land situate at _____ as have grown to maturity and are of good quality fit for use for conversion into sugar and are delivered by the farmer to the manufacturer in accordance with the directions hereinafter contained.
2. The canes shall be delivered at such times and in such quantities as the manufacturer shall from time to time specify by notice to the farmer. The times and quantities specified in the notice shall conform with the established custom for the reaping season so as not unreasonably to delay the reaping and delivery of matured canes on the one hand and not to cause delivery of canes beyond the capacity of the manufacturer's factory on the other hand.
3. The manufacturer shall, by notice to the farmer, from time to time specify the purchasing scale at which he is prepared to take delivery of the canes and thereupon delivery shall be made accordingly.
4. The price to be paid by the manufacturer for canes delivered by the farmer and the interim payments (if any) to be made against such price shall be in accordance with the provisions of the Ordinance.
5. The manufacturer shall also pay to the farmer, in accordance with section 9 of the Ordinance, such sums (if any) in respect of extra transport of canes as are provided for in the section.
6. References in this contract to canes of good quality shall be deemed to include burnt canes fit for grinding which have been burnt not more than three days before delivery: Provided that in the case of burnt canes as aforesaid the sum of sixty cents per ton shall be deducted from the price determined by law.

THE THIRD SCHEDULE.

(Section 9.)

Rules for determining the price of farmers' canes.

1. For the purposes of this Schedule—

- A=the average price per ton (determined by the Governor) of grey crystal sugar f.o.b. Port-of-Spain during the period the 1st January to the 30th of June of the year or such later date in the year as the Governor may fix ;
- B=the premium per ton on sugar sold for local consumption, which shall be taken to be the average selling price of sugar (other than granulated sugar) during the period the 1st of January to the 30th of June of the year or such later date in the year as the Governor may fix (determined by the Governor on the basis of returns made by manufacturers under section 9) less A, multiplied by the local sugar quota for the year, and divided by the total tonnage of sugar manufactured in the Colony during the year as determined by the Governor on the basis of returns as aforesaid ;
- C=the value of molasses in the Colony (determined by the Governor) derived from the manufacture of one ton of sugar during the period 1st January to 30th June of the year or such later date in the year as the Governor may fix.
- D=the certificated preference granted by the Imperial Government in respect of sugar manufactured in the Colony, which shall be taken to be the total value of the certificates issued in the year divided by the total tonnage of sugar manufactured in the Colony during the year determined by the Governor as aforesaid ;
- E=the total amount received by all manufacturers through the Canadian Benefit Pool in respect of such period of twelve months as the Governor may fix each year, divided by the total tonnage of sugar manufactured in the Colony during such period ;
- F=the expenses of handling canes and of processing and marketing sugar other than granulated sugar, the rate per ton being determined by the Governor on the basis of returns made by manufacturers under section 9 : Provided that in determining the rate per ton as aforesaid the Governor may disregard any costs in particular cases which, in his opinion, are above the average of the costs of the other manufacturers for similar operations ;
- G=the total of the sums refunded to manufacturers by the Accountant General under subsection (5) of section 9, divided by the total tonnage of farmers' canes purchased by all manufacturers in the Colony during the year as determined by the Governor on the basis of returns made by manufacturers under section 9.
- H=the allowance for depreciation and obsolescence which shall be the sum of \$804,966 divided by the total production of sugar, as determined by the Governor, provided that the production exceeds 100,000 tons.
- J=interest which shall be taken to be \$4.80 per ton of sugar provided that total production exceeds 100,000 tons.
- K=number of tons of cane required to produce one ton of sugar as determined by the Governor during the crop year.

2. The price of canes per ton shall be the amount in dollars represented by the following formula :—

$$\frac{(A+B+C+D+E)-(F+H+J)}{K} - G.$$

Passed in Council this twentieth day of December, in the year of Our Lord one thousand nine hundred and forty-six.

G. E. CHEN,
Clerk of the Council.