

Alister Hughea
P O Box 65
St. Georges
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THE GRENADA NEWSLETTER
For The Week Ending January 10th

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UP-DATE.

The last issue of NEWSLETTER was published on December 4th for the week ending Saturday December 6th. For purposes of record, and in order that subscribers may understand developments better as they unfold in Grenada, this first issue of NEWSLETTER for 1976 will give brief resumés of the major year-end stories as they now stand.

Nutmeg Inquiry

The one-man Commission of Inquiry into the affairs of the Grenada Copperative Nutmeg Association held its last sitting on Thursday December 4th. On the following day, the Commissioner, Mr Harold Dennison, accompanied by the Manager of the Association, Mr Robin Renwick, made an island-wide tour of nutmeg processing stations and nutmeg estates. Mr Dennison has returned to his native Guyana and there is no indication yet as to when his Report will be submitted.

Archibald Appeals

Mr F J Archibald, Chairman of the elected Nutmeg Board dissolved by Government on July 4th, has appealed against the Judgement of Mr Justice Archibald Nedd handed down on December 1st in a Suit brought by Mr Archibald against Mr Harold Dennison, the one-man Commissioner then inquiring into the affairs of the Grenada Cooperative Nutmeg Association.

In his Suit, Mr Archibald accused Mr Dennison of demonstrating bias, and he sought an injunction restraining the Commissioner from proceeding with the Inquiry. Mr Justice Nedd found no evidence to ground the principles for granting an interlocutory injunction and Mr Archibald's application was dismissed.

An appeal against this decision was lodged by Mr Archibald on December 11th. According to a notice appearing in the Government Gazette of December 31st, the Court of Appeal will sit in Grenada on January 26th, but sources close to Mr Archibald's legal advisors said today (9th) that the appeal was unlikely to be heard at that sitting. Two other sittings of the Court of Appeal will take place in Grenada during 1976. These commence on 24th May and

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29th September respectively, and it is understood that Mr Archibald's legal advisors hope that the appeal will be heard at the May sitting.

Dissolved Nutmeg Board Suit Postponed.

Mr Maurice Bishop, one of the legal Council appearing in the Suit lodged by members of the dissolved elected Nutmeg Board, said today (9th) that he was informed this morning that the hearing of the Suit had been postponed until Wednesday January 14th.

This Suit, the hearing of which began before Mr Justice Nedd on Monday December 1st, challenges the validity of the Order signed by the Governor General on July 4th to dissolve the elected Board of the Grenada Cooperative Nutmeg Association. Hearings continued on December 2nd when Mr Justice Nedd announced a postponement until Monday January 12th.

Mr Maurice Bishop said today that this further postponement to January 14th created considerable embarrassment as Mr Allan Alexander, the Trinidad barrister appearing with Mr Bishop and Mr Lloyd Noel in the case, cannot come to Grenada for the 14th. Mr Bishop said he would have to get in touch with Mr Alexander and hold discussions with the Registrar of the High Court.

Nutmeg "Bonus" Paid

Between the period 11th to 18th December, the Grenada Cooperative Nutmeg Association paid out to producers a record surplus on trading of EC\$2.75 million. This surplus (commonly called the "Nutmeg Bonus") was as a result of trading during the Nutmeg Year of 1st July 1974 to 31st June 1975.

The Interim Nutmeg Board, which took office after the elected Nutmeg Board was dissolved on July 4th 1975, has not called the usual General Meeting of producers to present the Association's accounts, and some concern has been expressed by producers. According to the Nutmeg Industry Ordinance, however, the Interim Board was under no obligation to call a General Meeting before the "bonus" was paid. The Ordinance demands that a General Meeting be held not more than nine months after the last General Meeting held in May 1975, that is, not later than March 1976, and at this meeting the Board "shall present a full report of the affairs of the Association" together

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with "a statement setting out, simply and clearly, the financial position of the Association"

Water Workers Dispute Settled

Negotiations between the Technical & Allied Workers Union (TAWU) and the Central Water Authority (CWA) relative to wages for workers employed by CWA broke down and workers went on strike on December 10th. The demand of TAWU was for a 33 $\frac{1}{3}$ % wage increase over a two year period, but CWA was unable to exceed the 12 $\frac{1}{2}$ % over three years which it was authorised by Cabinet to offer.

A compromise was reached on December 22nd and the workers returned to work on December 23rd. This compromise provides for a 15% wage increase in the first year, 12 $\frac{1}{2}$ % in the second and 10% in the third. This Agreement comes into force with effect from March 1st 1975.

EC \$ To Be Tied To US \$

According to the Grenada "Torchlight" newspaper of December 17th, the Minister of Finance, Mr George Hosten, has stated that the Eastern Caribbean Currency Commission has been authorised to tie the Eastern Caribbean dollar to the United States dollar. The Eastern Caribbean dollar is now tied to sterling.

Israeli Ambassador Presents Credentials.

Mr Gideon Saguy, Israeli Ambassador accredited to Grenada, presented his credentials to the Governor General, Sir Leo deGale, on Thursday December 4th. Mr Saguy is also accredited to Jamaica and Barbados.

Grenada Freeport Corporation.

In an interview with the Grenada "Torchlight" newspaper, American born Mr John Clancy said on December 6th he then hoped that his Company, Messrs Grenada Freeport Corporation would be open "in time for the Christmas rush". According to Mr Clancy, the aim of the Company, registered on October 15th 1975, is to administer a "shot in the arm" to Grenada's economy.

To date (9th) Grenada Freeport Corporation has not yet opened its doors to the public and usually reliable sources state that the ship bringing the first supply of goods has not yet arrived.

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Mr Clancy's Freeport Company was the basis for questions asked in Parliament on December 29th by Senator D. M. B. Cromwell. Replies to Mr Cromwell's questions indicate that Government has not declared a free port area in the State.

The 1976 Budget

On Monday December 29th, the Minister of Finance, the Honourable George Hosten, presented in Parliament Grenada's budget for the year 1976.

The Minister described the Budget as one designed for reconstruction of the economy, and it shows a Recurrent Expenditure of EC\$26,643,670.00. Capital Expenditure will be EC\$23,718,540.00, making a total expenditure of EC\$50,362,210.00. The 1975 Budget, presented in April last year was EC\$44.5 million.

Increased revenue to meet increased expenditure will be met by increased taxation, some of which will affect the Tourist Industry directly. The tax relative to the Hotels (Food & Drink) Act has been increased from 5% to 7½%, and there has been an increase of 2½% in the tax created by the Hotel (Occupancy) Act.

Commercial Banks which have operated in Grenada for over 20 years will now have to pay an annual licence of EC\$10,000.00 while those established here less than 20 years ago will pay EC\$20,000.00. An Insurance Amendment Act provides that Insurance Companies which deal in long-term insurance must now pay a registration fee of EC\$5,000.00. Insurance Companies issuing short-term policies face a 400% increase in their registration fee which will now be EC\$2,500.00.

Consumption Duties have also been increased, rum, whisky, brandy, gin, vodka, cider and cigarettes being affected.

Of greatest concern to the Commercial Community has been the Stamp Duty (Amendment) Act. Until now, all Customs entries have been required to carry a 25¢ stamp. According to the new Act, importers must now stamp their entries to the value of 5% of the CIF value of the goods being imported.

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GASOLINE PRICE INCREASE

A Government spokesman confirmed yesterday (8th) that Cabinet has authorised an increase in the price of gasoline.

Four months ago, the Gasoline Suppliers in Grenada, Shell, Texaco and Esso, applied for a price increase, but, although discussions were held, no decisions were reached. A source close to the Suppliers said that the 1976 Budget proposals increased the price of gasoline by 5%, and the Suppliers were not prepared to continue to operate at the old retail price of EC\$1.78 per imperial gallon.

On Wednesday of this week (7th), Esso discontinued deliveries to service stations and it was understood that Shell and Texaco would also do so. A Cabinet meeting that day, however, considered the matter and on Thursday 8th it was announced that the new retail price of gasoline is EC\$1.97 per gallon at service stations in and around St. Georges. In country areas, the price will be two cents more per gallon to offset transportation costs.

In addition to the application from the Gasoline Suppliers, Government had before it an application from the service station operators for an increase in price. The increase of 19 cents now authorised will be divided between the Suppliers and the service station operators, the former getting 15 cents and the latter 4.

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BANANA SHIPMENTS

NEWSLETTER for the week ending December 6th reported details of the banana shipment made on December 1st. Shipments since then and to date are as follows :-

<u>Date</u>	<u>Boxes</u>	<u>Weight (lbs)</u>	<u>Value (EC\$)</u>	<u>Rejects. (Boxes)</u>
December 8th	21,023	614,172	\$ 53,740.00	48
17th	22,771	672,816	58,871.00	190
22nd	15,434	448,784	39,268.00	64
January 6th	39,985	1,068,476	85,478.00	168

CRUISE LINER CALLS.

Cruise liner calls at Grenada since the last NEWSLETTER report for the week ending November 29th, and until the week ending January 3rd, are as follows :-

Week Ending December 6th

Rotterdam	December	2nd	931	Passengers
Cunard Adventurer		2nd	603	do.
Amerikanis		3rd	385	do.
Statendam		6th	383	do.

Week Ending December 13th

Cunard Adventurer	December	9th	620	Passengers
Sun Viking		12th	714	do.

Week Ending December 20th

Istra	December	15th	190	Passengers
Cunard Adventurer		15th	570	do.

Week Ending December 27th

Apollo	December	22nd	251	Passengers
Cunard Adventurer		23rd	609	do.
Istra		24th	279	do.
Amerikanis		24th	577	do.
Jason		25th	162	do.
Italia		26th	416	do.
Sagafjord		26th	417	do.
Sun Viking		26th	768	do.
Oceanic		27th	955	do.

Week Ending January 3rd

Neptune	December	28th	177	Passengers
Stella Oceanis		28th	279	do.
Statendam		28th	719	do.
Cunard Adventurer		30th	617	do.
Amerikanis		31st	626	do.
Britanis	January	1st	1337	do.
Delphi		1st	571	do.

According to a report in the Grenada "Torchlight" newspaper of January 1st, the paper was informed that, when the "Stella Oceanis" called at Grenada on January 28th, Jewish passengers refused to disembark. The paper suggested that this action could have been a mark of protest against Grenada's recent support in the UN for the Resolution branding Zionism as a form of racism.

"Torchlight" said that, in spite of denials by the Tourist Board and local agents of the ship, taximen were emphatic that passengers were refusing to land.



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