Memorandum for the Cabinet

By

The Hon. Minister of Agriculture, Power

And Communications

Funds to run the M/V. "Hannibal"

Funds to run the M.V. Hannibal are not sufficient principally because the ship needs repairs badly which amount to about £1,000.

The Financial Secretary has been requested to provide the sum of £1,600 for repairs and operational costs from the Contingency Fund but he has turned this down stating that ways and means should be found for funds to run any essential service from the total amount provided for the Department in the estimates for 1963/64.

I am unable to find the sum of £1,600 without curtailing considerably and perhaps even stopping equally essential services in other sectors of the Department. I consider that the funds made available this financial year, which are less than those for the previous financial year by £8,953, are not adequate to enable me to play my role in the development of agriculture and fisheries.

Through the dint of appropriate action, it has been possible to increase local production of vegetables and the catch of fish. Prices, in consequence, have been moderate and at certain periods even abnormally cheap. Incidentally, I may point out that the good fish catches helped considerably to blunt the soaring prices of beef.

Besides, imports of agricultural produce and of frozen fish have reasonably decreased, certain items such as tomatoes have completely disappeared from the import bill and exports have considerably increased and are still progressing. A glance at the export chart will be sufficient to convey the successes we are having in this respect.

The difficulties therefore of finding a small sum such as £1,600 frustrate me considerably when I know how hard it is to regain progress once the initiative is lost.

In any case, if no funds are possible, then there are three alternatives:-

- i) Either to defer repairs to next year which means jeopardicing the lives of the crew and multiplying manifold the present expenses later, since damages once started accelerate rapidly.
- ii) Or to pay off the crew and lay up the ship
- iii) Or to postpone the repairs to the Refrigerating Compartment up to Mærch, risking the putre-faction of the catch and relying only on the fact that winter will help us, though March cannot be considered as being a winter month.

The first alternative should not be considered even for a moment and should be brushed off forthwith, for the risk should definitely not be taken.

The second alternative has political repercussions and may not be quite appropriate as a measure.

The last alternative seems the most reasonable but this step alone will not ward off the excess completely. It will only bring it down to about £1,000.

A sum of money will inevitably remain unspent by the close of the year from the Departmental Vote but what this will be depends greatly on the pressure that is made by the exigencies of particular services and the demand for cuts in expenditure because of the present economic position.

In my view, however, the sum of £1,000 is small and the risk should be taken.

14th November, 1963.

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