ADDRESS

By Imelda Romualdez-Marcos
Governor of Metropolitan Manila

At The Opening Of The XVIIth Congress Of The International Society Of Sugar Cane Technologists

February 4, 1980

Mr. President, Mr. Chairman,
Distinguished Guests and Delegates,
Ladies And Gentlemen:

On behalf of the Commission and the People of Metropolitan Manila, I wish to add to the words of welcome already expressed by the Chairman, my profound appreciation for the honor you have bestowed upon us in meeting here in our Capital City for the XVIIth Congress of the International Society of Sugar Cane Technologists.

In the last three years since the inauguration of the Philippine International Convention Center our city has been privileged to host a wide array of International Conferences of World Organizations including many of the specialized agencies of the United Nations. However, this is the first time that we have had the pleasure of hosting a Conference of sugar men with whom we feel the greatest affinity because of the very important role that the sugar industry plays in the life and economy of our people.

The Philippines is a natural producer of sugar cane. It is grown in nearly all parts of the Islands from the Southernmost Province of Davao to the Northernmost Province of Cagayan. And it is grown not only around large sugar Factories but also in remote localities where we still have hundreds of small animal-driven mills producing the crude muscovado sugar which is preferred by many of our people, particularly in rural communities.

When I think of the industry, I see it not only in terms of its export earnings and other benefits that it confers on our economy which undoubtedly are of vital importance to our existence but even more so in terms of the thousands of our workers in the fields and factories who depend upon it for their livelihood. According to statistics, there are some 580,000 persons who are employed in the industry while there are more than 5 million or eleven percent of the population who are directly or indirectly dependent upon it. This makes the sugar industry one of the largest employers of labor in the country and is consequently a critical factor in...
its socio-economic stability.

That is why we share a common concern with you, the sugar technologists, in raising the level of productivity of the industry in order to better enable it withstand the rigors of a generally unstable and depressed world sugar market. With high yielding varieties of sugar cane which have been developed in our experiment stations, many of our medium sized farms have been able to maintain yields at levels comparable to those obtained by some of the more efficient producers in other countries. Our problem lies in the large number of marginal and sub-marginal farms of less than 1 hectare to a few hectares which are unable to utilize known and improved methods of production.

At any event there are not very many in the industry, if at all, who can produce sugar at such a low cost as to permit it export sale at 7 or 8 cents per pound which has prevailed in the world market in the last three years. We are told that these very low prices have been due mainly to dumping of heavily subsidized beet sugar by western European countries. If so, I am afraid that even the most efficient system of sugar cane production that can be developed by the technologists would in the long run be of little avail. It is regrettable that the resources of rich and highly industrialized countries should be used to destroy the sugar cane industry of poor developing countries like ours which depend on a few agricultural products for its survival. And it is indeed ironic that some of these countries which had supplied us with machineries and equipment to set up our sugar factories have turned around to make it virtually impossible for us to operate them at any profit.

Presently, we are enjoying good price in the world market but how long will it last? We can only dare hope that through the instrumentality of the international sugar agreement, stability in the world market will be achieved to a degree that will make it possible for the sugar industry to make sustained progress towards the orderly fulfillment of the world's demand for sugar in the years ahead. To help achieve this objective, we in the Philippines have cooperated fully in the observance of the agreement although this has for us meant curtailment of production to less than two-thirds of the industry's capacity. However, as nothing less than concerted effort by all members is needed to ensure its effectiveness, it behooves all to give it its fullest support and to comply faithfully with all its mandates to the end that the benefits accruing therefrom in terms of stability of the market and reasonably remunerative prices shall redound to the benefit of all, consumers and producers alike.

Although big strides have been made in recent years towards industrialization, the Philippine economy remains basically agricultural in character up to this stage. Export trade, which is perennially on the deficit side, principally consists of coconut products, forest products, sugar, mineral products, bananas, and non-traditional exports which include several items of manufacture. Until 1977 sugar, which accounts for roughly 20 percent of total export receipts, has vied with the coconut
products for the first position in the export list. However, due to the sharp decline in volume and value, sugar receipts has dropped to the lowest position except bananas. Rice which is our staple food, and by far the country's largest agricultural crop, has been imported almost yearly to fill local production shortages until 1972. In that year self efficiency in this food was achieved after several years of massive rice production campaign. In 1977 the country became a net exporter of rice for the first time, and we have since been exporting this commodity in increasing quantities. Notwithstanding the growth of our export trade, we have consistently posted trade deficits which have run up to well above 1 billion U. S. dollars in recent years, due in particular to imports of crude oil. The sharp decline in export income of sugar has obviously been a factor of major importance in widening the country's trade gap in recent years.

In conclusion, may I express the hope that your XVIIth Congress will be a creative process for the world sugar cane industry and that your stay in Manila will be a memorable and pleasant one.

Thank you