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ANOTHER BLOW FOR HAITI: A SUGAR MILL CLOSES

REUTERS

LEAD: A sugar mill that was Haiti's second largest employer has shut down, saying it was put out of business by sugar smuggled from Miami and the Dominican Republic.

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The closing of the Haitian American Sugar Company, known as Hasco, will idle 3,500 mill employees and affect as many as 30,000 to 40,000 small sugar-caneplanters in regions around the capital, the company said.

Hasco workers earned \$4.20 daily, considerably higher than the usual minimum daily wage of \$3.

"Because of unprecedented and ever-growing smuggling, Hasco regrets it cannot continue to accept delivery of sugar cane after April 10," the mill told planters this week. Lower Prices and Lost Jobs

Since Jean-Claude Duvalier, the Haitian dictator, fled 14 months ago, extensive smuggling of basic goods like cooking oil, flour, rice, sugar and canned milk has lowered consumer prices but bankrupted several local manufacturers. Hundreds of thousands of Haitians have lost their jobs.

As workers lined up Friday for their last pay, a company spokesman, Georges D. Rigaud, showed a warehouse with 445,000 unsold 100-pound bags of sugar.

"We are closing because of our huge stock of unsold sugar," he said. "We have no money left to continue operations."

He said the company owed \$7.6 million and had borrowed \$1.5 million to pay off workers.

Mr. Rigaud attributed the mill's problems to an order by Mr. Duvalier two years ago barring Hasco from refining sugar. 'State Can't Compete'

He said the Government then began importing refined sugar at world market prices and reselling it at a profit.

He said the provisional Government that replaced Mr. Duvalier last year had continued the policy.

"But now with all the smuggling even the state can't compete with smuggled Dominican refined sugar," Mr. Rigaud said. The smuggled sugar sold for about \$24 for 100 pounds, compared with \$27 for the Haitian sugar, including a \$3 tax.

It is estimated that every employed Haitian supports at least six people. Mr. Rigaud said Hasco's closing would affect as many as 300,000 people.

Workers were bitter about the closing. "We're dead, and it's the Government that's causing us to die," said Lucien Felix, 34 years old, who has five dependents.