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MEMORANDUM
on
Indo-Ceylon Relations
of
**THE CEYLON INDIAN
CONGRESS DELEGATION**
in connection with the
Exploratory Conference
between the
Governments of India & Ceylon
November, 1940

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CONTENTS

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Expatriate Conference

Government of India & Ceylon

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1. Introduction 1

2. The Delegation 2

3. The Conference 3

4. The Delegation's Views 4

5. The Conference's Views 5

6. The Delegation's Recommendations 6

7. The Conference's Recommendations 7

8. The Delegation's Views on the Indian National Congress 8

9. The Conference's Views on the Indian National Congress 9

10. The Delegation's Views on the Indian National Congress 10

11. The Conference's Views on the Indian National Congress 11

12. The Delegation's Views on the Indian National Congress 12

13. The Conference's Views on the Indian National Congress 13

CONTENTS

	PAGE
I. INTRODUCTORY :	
Exploratory Conference	1
Causes of Estrangement	1
Estrangement Temporary	1
II. OUTSTANDING MATTERS OF COMMON INTEREST :	
Indo-Ceylon Statistics	1
Outstanding Matters Enumerated ..	3
III. FRANCHISE AND QUESTIONS OF POLITICAL RIGHTS OF INDIANS IN CEYLON :	
Ceylon Virtually Part of India ..	3
Position Admitted	3
Equality of Status Always Held Out ..	4
Present Franchise Position	4
Difficulties of Tests of Domicile and Permanent Settlement	5
Donoughmore Commission Stressed Need for Wide Franchise	5
But Authorities Unsympathetic	6
Fears of Swamping Unfounded	6
Simple Qualification for Franchise Needed ..	6
IV. LABOUR CONDITIONS IN CEYLON :	
Labour Emigration Started 1827	7
Yeoman Service of Indian Labour	7
Labour Welcomed in the Past	7
Large Percentage of Labour Permanently Settled	8
Need for Improvement of Labour Conditions ..	8
The Land Development Ordinance	9
The Village Communities Ordinance	10
Future of Labour	10
India Government's Anxiety Justified	10
V. STATUS OF INDIANS IN CEYLON AND FREEDOM TO ENGAGE IN LEGITIMATE OCCUPATIONS AND EMPLOYMENT :	
Equality of Treatment	11
'Abiding Interest'	11
Retirement of Govt. Daily-paid Workers ..	11
Conclusion	12

	PAGE
VI. QUESTIONS CONNECTED WITH THE HITHERTO UNRESTRICTED RIGHTS OF IMMIGRATION INTO CEYLON :	
Immigration so far Unrestricted ..	12
Terms of Reference of Immigration Commission	12
Sir Edward Jackson's Answers ..	13
The Indian Point of View ..	13
VII. THE RECENT BAN IMPOSED BY THE GOVERNMENT OF INDIA ON EMIGRATION TO CEYLON OF UNSKILLED LABOUR :	
Ban Justified	15
Comments on the Ban ..	15
The Controller of Labour on the Ban ..	15
Should the Ban be Lifted ? ..	16
VIII. INDO-CEYLON TRADE RELATIONS AND POSSIBILITIES OF EXPANSION OF TRADE :	
The Issues from the Ceylonese Point of View	16
Balance of Trade	16
Coconut Products	17
Present Preferences	17
Unilateral Action to be Avoided ..	17
IX. THE ANGLE OF VIEW THAT IS BROUGHT TO BEAR IN CEYLON ON QUESTIONS AFFECTING INDIANS AND INDO-CEYLON MATTERS :	
Importance of the Point of View ..	17
Ceylonese Attitude During the Last Ten Years	18
The Future	18

I.—INTRODUCTORY

Exploratory Conference

The announcement that the Government of Ceylon had arranged an exploratory conference with the Government of India gave satisfaction in Ceylon, for, the announcement brought with it a promise that the latter-day development of unnatural tension in the relations between the two countries would soon cease and that the old cordiality and mutual goodwill would be re-established. In this hope, the Ceylon Indian Congress decided to send a delegation to India to place before the Government and People of India the salient features of the situation as it affects Indians in Ceylon and to assist in the restoration of cordial relationship between the two countries.

Causes of Estrangement

2. It is perhaps as unnecessary as it may be futile to analyse the causes that have been responsible for the feeling of estrangement between the two countries. The economic unsettlement which has been causing so much turmoil all the world over has probably had its repercussions in Ceylon. A rising sense of nationalism in Ceylon could not perhaps be kept within bounds and has assumed a tendency to be aggressive. Or, it may be that with the advent of democracy and the grant of universal franchise under the Donoughmore recommendations ten years back, the old-time political leadership in Ceylon, which shrank from causing injustice to minority interests, lost its sensitiveness. Or, again, the development of the two countries, politically and economically, on lines not altogether parallel, may have rendered Ceylon separationist in policy and estranged in outlook and may have been responsible for a rather subversive policy in matters of common interest to Ceylon and India.

Estrangement Temporary

3. Whatever the reasons, considering that the background for all Indo-Ceylon relations has been a common culture, civilisation and close proximity, it is difficult to believe that any estrangement of feeling between the countries can be anything but purely temporary. There is no doubt that a frank discussion of the outstanding difficulties and an exploration of the avenues of understanding and goodwill would pave the way to a satisfactory and permanent settlement of the problems confronting the two countries.

II.—OUTSTANDING MATTERS OF COMMON INTEREST TO INDIA AND CEYLON

Indo-Ceylon Statistics

4. The total area of Ceylon is 25,332 square miles. Her population at the end of 1938 was estimated at 5,864,000. **Only less than 2/5ths of the area of Ceylon is cultivated and developed.** The following figures relating to Ceylon and Indians in Ceylon are set out as being likely to be useful:

(i) Total Population: 1931 Census (including military and shipping population of 5,677)	5,312,548
Estimated as at the end of 1938	5,864,000

(ii) Population (exclusive of military and shipping) according to races—1931**Census—**

Europeans	..	..	9,153
Burghers and Eurasians	..	..	32,315
Sinhalese	..	..	3,473,030
Tamils (including Indian Tamils)	..	..	1,417,477
Moors	..	..	325,913
Malays	..	..	15,977
Others	..	..	33,006

Total .. 5,306,871

(iii) Population (exclusive of military and shipping) according to religion—1931**Census—**

Buddhists	..	..	3,267,457
Hindus	..	..	1,158,522
Christians	..	..	523,066
Muslims	..	..	356,888
Others	..	..	938

Total .. 5,306,871

(iv) Indian Population—

Estates (at the end of 1938)	..	682,570
Non-estates (estimated)	..	200,000

(v) Geographical distribution of population exclusive of military and shipping—**Census 1931—**

Western Province	..	..	1,445,034
Central Province	..	..	953,388
Southern Province	..	..	771,204
Northern Province	..	..	398,874
Eastern Province	..	..	212,421
North-Western Province	..	..	546,966
North Central Province	..	..	97,365
Province of Uva	..	..	303,243
Province of Sabaragamuwa	..	..	578,368
Miscellaneous population	..	..	8

Total .. 5,306,871

(vi) Acreages under the chief crops—

Coconuts	..	..	1,100,000
Rice	..	..	800,000
Rubber	..	..	604,111
Tea	..	..	556,650
Chenas, Vegetables, &c.	..	..	140,000
Arecanuts	..	..	69,000
Palmyra	..	..	50,000
Cocoa	..	..	34,000
Citronella	..	..	33,000
Cinnamon	..	..	26,000
Cardamoms	..	..	6,000

Outstanding Matters Enumerated

5. Indian immigration into Ceylon has been of very great antiquity, but all along Indians and Ceylonese have lived together in cordiality and it is only very recently that certain differences have arisen among them creating a set of Indo-Ceylon problems. These constitute the principal matters of common concern to India and Ceylon and they may be enumerated as falling under the following main heads :

- (a) Franchise and questions of political rights of Indians in Ceylon.
- (b) Labour conditions in Ceylon.
- (c) The status of Indians in Ceylon and freedom to engage in legitimate occupations and employment.
- (d) Questions connected with the hitherto unrestricted rights of immigration.
- (e) The recent ban imposed by the Government of India on emigration to Ceylon of unskilled labour.
- (f) Indo-Ceylon trade relations and possibilities of expansion of trade between the two countries.
- (g) The angle of view in Ceylon which is brought to bear on questions affecting Indians in Ceylon and Indo-Ceylon matters.

6. In the following parts of this memorandum some observations are made on each of the above topics.

III.—FRANCHISE AND QUESTIONS OF POLITICAL RIGHTS OF INDIANS IN CEYLON

Ceylon Virtually Part of India

7. Indians have been immigrating into and settling down in Ceylon from such early times that it appears to be largely true to say that Ceylon has been populated and civilised from India. History records that the Sinhalese people derive their origin from Bengal and the Tamils from South India. The history of Ceylon is a record of the successive waves of Indian immigration. Strictly speaking the Sinhalese and Tamils are therefore Indians, a generic description which is usually applied to them when they go abroad. Thus, apart from the geographical propinquity, ethnically and culturally Ceylon is and has ever been part of India. The British administration in India, which had early misgivings about the treatment of Indian nationals in foreign countries if indiscriminate emigration of labour were allowed and therefore prohibited it, did not treat Ceylon as a foreign country. Thus the Indian Act 14 of 1839 which prohibited the emigration of Indians from India, excluded Ceylon from its operation on the ground that "the island of Ceylon, geographically, historically and socially considered, was analogous to the countries subject to the East India Company". (Report of the Ceylon Controller of Immigrant Labour for 1928, page 8.)

Position Admitted

8. When the island of Ceylon passed under British rule she was attached to the Madras Presidency and was governed from Madras. She was later separated from Madras as a matter of administrative convenience. So late as 1920, when there was a food crisis and there was a danger of India cutting off her rice supplies to Ceylon, a deputation representative of all sections of the population waited on Lord Chelmsford, the then Viceroy of India and urged that Ceylon should be treated

neither as a foreign country nor even as on a par with other British possessions such as the Straits Settlements, Mauritius, South Africa or Fiji, but as forming part of India herself.

Equality of Status Always Held Out

9. Quite naturally, therefore, an equality of status to Indians in Ceylon was time and again expressly held out. The information sheets distributed with the approval of the Ceylon Controller of Labour to intending immigrant labourers in South India stated, till very recently, that the labourers will have equal rights with the local population in Ceylon. The Controller of Immigrant Labour, in his Administration Report for 1925 at page 9, para iii, states as follows :

“In addition to the special representations given to the Indians in the Legislative Council, they have in Ceylon all the ordinary legal rights enjoyed by other British subjects and some special privileges as well.....”

The same statement is repeated in successive annual reports of the Controller. (Please see report for 1926, page 13, report for 1927, page 16, report for 1928, page 14 and report for 1929, page 15.) The Ceylon Constitutions of 1920 and 1923 recognised the rights of Indians resident in Ceylon and the legislative position was endorsed and reinforced by the attitude of Ceylonese leaders. In 1927, when a resolution against the grant of franchise to Indians on a footing of equality with the Sinhalese was brought forward in open session of the Ceylon National Congress, it was defeated by an overwhelming majority. Not a single witness who appeared before the Donoughmore Commission in 1927-28, suggested any discrimination between Indians and the rest of the population in the matter of franchise. And when the Legislative Council had the opportunity to discuss the question in 1928, proposals for such discrimination were all thrown out. The result was that till 1930, Indians in Ceylon were in all matters on a footing of absolute equality with the rest of the population.

Present Franchise Position

10. More recent developments, however, starting with the Donoughmore proposals have tended to undermine the political rights of Indians in Ceylon and various arguments have been discovered and advanced why they should not be entitled to an equality of rights with the local people. Under the 1923 Constitution, Indians with six months' residence in the respective electoral districts had, on the same basis as the rest of the population, a vote in territorial electorates as well as the additional right to elect two communal members in an All-Ceylon Indian Electorate. The Donoughmore Commissioners who recommended universal suffrage for Ceylon considered that

the qualification should be one of five years' residence in the island.

The Indians contended that this was hard as they previously required only a six months' residence in the respective electoral districts to put them on an equal footing with other communities. They, however, subsequently acquiesced in five years' residence as a practical test of abiding interest. But political manoeuvres connected with the acceptance of the Donoughmore Constitution resulted in the qualification being further restricted. As the position stands at present, apart from the literacy and property qualifications, the other qualifications are Ceylonese domicile or the production of a certificate of permanent settlement in Ceylon both based on a five years' residence.

Difficulties of Tests of Domicile and Permanent Settlement

11. It can easily be imagined that with a large labour population of Indians such as obtains in Ceylon to-day, the difficulties in the way of domicile and permanent settlement tests are many and almost insuperable. In fact, the imposition of such tests is only an indirect method of disfranchising a large section of the Indian community. The uncertainty of the Domicile test is well illustrated by what happened in two consecutive elections. In the first, objection was taken to the registration of 3,000 Indians in the Colombo Central Electoral District and as a result some 2,800 names were expunged from the Register. In the second, the position was reversed—objection was taken to the registration of some 3,000 Indians, but the registration was upheld in nearly 2,850 cases. Dealing with the question of domicile in connection with recent happenings in Rajkot, Mahatma Gandhi says that the term domicile is a risky legal term of little political use and asks "why should not the homely word 'resident' be used?" (page 160, HARIJAN, dated 10th June 1939). In the case of a certificate of permanent settlement, no person who is registered as a voter by reason thereof could claim any rights, privileges or exemptions which under the law of Ceylon are not common to all British subjects resident in the island. The difficulties in the case of estate labour are obvious.

Donoughmore Commission Stressed Need for Wide Franchise

12. Though the Donoughmore Commission considered it desirable that a qualification of five years' residence should be introduced so as to confine the privilege of voting to those who have an abiding interest in the country or who may be regarded as permanently settled, they themselves emphasised the need for a liberal franchise being extended to the Indian labourers. In page 86 of their report they say :—

"Among the Indian immigrants, whose position we examine later, a literacy test would produce a mere handful of electors as by reason of their low birth and lack of opportunity they are very largely illiterate."

"We would hesitate before recommending the imposition of any qualification which would deny to these humble people the political status of their more fortunate fellows and the opportunity of escaping from conditions some of which are incongruous in any country with established democratic institutions."

Again on page 96,

"In view of the economically helpless position of these Indian immigrant workers, their large numbers and their utter lack of organisation it was decided at the last revision of the constitution that two Indian communal representatives should be members of the Legislative Council In considering whether the retention of these two members on a communal basis is desirable or necessary, it has to be remembered that, on the one hand the British Planters naturally tend to regard their relationship with their estate workers primarily from an industrial point of view, while the Ceylonese members of the Legislative Council on the other hand, including a number who are themselves planters do not feel any great responsibility for an element in the population that is largely alien and for this reason not viewed with any enthusiasm. **Another important consideration is that a large section of these immigrant labourers—said to be 40 per cent to 50 per cent—may be regarded as permanent residents of Ceylon and that a substantial number of the estate workers have actually been born in the country.** We believe that with the change in the franchise recommended in an earlier part of this chapter, even when there is a necessary five years' residential qualification, a considerable number of these people will become entitled to a voice in the election of a territorial

representative and in that way should be able to secure perhaps a more effective exposition of their grievances and difficulties in the Legislative Council than under the present arrangement."

It is thus abundantly clear that the Donoughmore Commissioners recommended even the five years' residential qualification with hesitation. They should have been surprised at the lengths to which their proposals have been carried.

But Authorities Unsympathetic

13. It is with regret that the fact has to be recorded that the attitude of the Ceylon Board of Ministers on this very vital question has been most unsympathetic throughout. All possible methods are assiduously explored to shut out the Indians more and more from the electoral roll. It was only very recently the proposal was made that a fee of one rupee should be charged for the grant of every certificate of permanent settlement. On account of an assurance held out in 1930 by Lord Passfield, the then Secretary of State for the Colonies the position has been saved temporarily. The proposal however has only been postponed for a short time. In their memorandum on the Reform of the Constitution, the Ministers described even the existing position of such a limited right to the Indians as a "sore that will never heal". Studious attempts are made to interpret domicile in a very narrow and restricted sense so as to deprive large numbers of Indians of the vote. Loud and persistent propaganda has been carried on that Indians are illegally registered, with the result that the Governor in his Despatch on the Reform of the Constitution undertakes to give careful attention to the question of tightening up procedure in the matter of the registration of Indian voters and lays stress on the alleged need for a redelimitation of the Kandyan areas with a view to prevent their being swamped by the Indian estate votes. The effect of this proposal would be to segregate Indians into island electorates and prevent their absorption into the general community. On the one hand it is argued that Indians do not have a permanent interest in the country. On the other various obstacles are placed in the way of their acquiring such interest.

Fears of Swamping Unfounded

14. Nor is there any foundation in fact for all the talk of swamping by Indian voters. In spite of the fears entertained by legislators in 1928 that Indians would swamp the electorate and may return as many as 30 or 40 members (Hansard 1928, page 1807) and that they may also return European members, the Indians numbering nearly 800,000 returned only two Indian members in each of the two general elections under the Donoughmore Constitution. The total number of elected members is 50 for a total population of roughly 5,900,000. It is very difficult in the face of these figures to understand the hue and cry raised by the Ceylonese politicians. It is no doubt due to this inadequate representation in the State Council and weakness in voting strength that day after day there passes through the State Council a considerable volume of ever growing legislation, social or economic in name, but calculated by administrative effect to handicap and cripple Indian interests.

Simple Qualification for Franchise Needed

15. It would, therefore, appear that this matter of the franchise is one of vital importance to the community. The difficult tests of domicile and permanent settlement are altogether impracticable and are becoming under departmental circulars instruments calculated to deprive large numbers of Indians of the vote. The conditions obtaining in Ceylon demand a simple and easily applicable test and we are unable to contemplate with equanimity the application of any test other than the simple one of five

years' residence. It is unnecessary to emphasise how very important this question of franchise is. The Government of India in their letter to the Secretary of State for India dated 10th February 1920, anent the position of Indians in Tanganyika wrote that **from their experience, they felt constrained to state that if there was no political equality, they feared that even the guarantee of economic equality may prove to be illusory and that experience elsewhere had shown how easy it was to subvert economic equality by administrative action.**

IV.—LABOUR CONDITIONS IN CEYLON

Labour Immigration Started 1827

16. While Indian immigration into Ceylon has been of great antiquity, the present tide of immigration started about 1827 in response to the need for labour in the agricultural and economic development of Ceylon. The part played by Indian labour in developing the Island's resources has been described in glowing terms by Sir Edward Jackson in his Report on Immigration (Sessional Paper 111 of 1933) and in what follows in the next paragraph (and even elsewhere) his language has been largely borrowed and the reference to pages is to pages of his report.

Yeoman Service of Indian Labour

17. The immigrant Indian worker has over a period extending to more than a hundred years rendered yeoman service to the Island. The set of workers called the "Pioneer Force" formed in 1821 and recruited all through in India attained a strength of 4,000 in 1867 and continued in dwindling numbers till the end of the last decade. To this force many of the chief public works in the island are due. These include the roads from Colombo to Kandy, Kandy to Trincomalee, Colombo to Galle and many others; the bridges at Gampola, Katugastota and Kalutara, and the Victoria Bridge and others; several sections of the railway, some tanks and the Puttalam and Kalutara canals (p.13). And after the Pioneer Force had lost its importance, the Public Works Department continued to rely very largely on Indian labour, and at the time of the Report on Immigration there were nearly 4,135 Indians as against 7,540 Ceylonese (p.14). The immigrant worker took upon himself all the heavy and tedious jobs, went to the most inaccessible places and risked his health. As regards estate labour, it required no small effort and expenditure to establish an efficient organisation for the importation of Indian labour and **if Indian labour had not been available, nothing resembling the manifold advantages which have accrued to the island from production first of coffee and later of tea and rubber could possibly have been gained** (p.24). "At the present time the production, manufacture, and handling of the principal export crops of the Island could not be carried on without them; nor could the varied work of the reception and despatch of the great volume of traffic passing inwards and outwards through Colombo's port. Their still essential place in the work of Municipalities, of the Railway, of the Public Works and other departments of the Government and of engineering and other private undertakings, has already been shown in earlier parts of this report." (p.32). Sir Edward Jackson has recorded that he found in the majority of witnesses (who appeared before him) including those who favoured a restriction of immigration, a complete readiness to recognise the great contribution that Indians had made to the development of Ceylon (p.31).

Labour Welcomed in the Past

18. Sufficient has been said to show that Indian immigration into Ceylon started because of the indispensable need felt in Ceylon for labour for developing her Agriculture and Public Works. To supply this need estate labourers and urban workers came into Ceylon and were welcomed.

But for the persistent later-day assertions that the Indian workers have flooded the Ceylon Market though they were not wanted, it should be unnecessary to emphasise that they did not come uninvited and that they came only because there was a demand for their services. Reference has already been made to the Pioneer Force. Till very recent times the Government of Ceylon recruited labourers in India for their own purposes and Departments like the Ceylon Railways had special leave regulations for the facility of their Indian labour forces. Labour for certain special work—like work in the salterns—has always been and is still obtained solely from India. In spite of the Government's present avowed policy of displacing all possible Indian labour, a certain number of Indian workers are even to this day considered indispensable in most departments employing large labour forces. The evidence placed before Sir Edward Jackson and his report are a flat contradiction of the position that Indian labourers ever came unwanted. There still exists a vast organisation with ramifications extending up to Chingleput and Vellore in South India, built up at considerable expenditure and with no small effort, for the purpose of recruiting and despatching labour for the tea and rubber estates. As recently as 1921 when the Government of India reviewed their policy regarding the emigration of unskilled Indian labour the Government of Ceylon voted a sum of Rs. 7,000 and sent a deputation to plead that Ceylon should be exempted from the prohibition placed on assisted unskilled labour. It would appear to require a certain amount of assurance to assert in the face of such facts that the labourers ever came unwanted.

Large Percentage of Labour Permanently Settled

19. It is admitted on all hands that a very large percentage of the labourers who came to Ceylon have settled down in Ceylon. Sir Edward Jackson considered that it was somewhat difficult to make a correct estimate of the number of workers so settled. The difficulty arises from the fact that some portion of the Indian population, originally immigrants, have severed their connection with India and have permanently settled in Ceylon. Other Indians have lived and worked in Ceylon for so many years that, in spite of periodical visits to India and a probable intention to return, it would seem strange to regard them as immigrants in the ordinary sense of the term. But there is a much larger population permanently settled among the estate workers than among the non-estate workers. Figures were taken from 95 estates in eighteen different districts and the proportion permanently settled was estimated to be between 70 and 80 per cent. At the time of the Special Commission on the Ceylon Constitution in 1928 an estimate was given to the Commissioners placing the proportion of Indian estate labourers permanently settled at between 40 and 50 per cent of the whole. **"If an estimate of 60 per cent is taken for purposes of illustration, it will be seen that at the end of 1936 there were in the Island approximately 400,000 Indian estate workers who had become part of the permanent population of the Island."** (Page 26 of Sir Edward Jackson's report).

Need for Improvement of Labour Conditions

20. After the lapse of a century what is the position of these labourers who came in response to a pressing demand, who made so valuable a contribution to the progress of the Island, and a large percentage of whom have made Ceylon their home? In the early years, the penal clauses in the terms of employment of estate labour made their condition little better than slavery. These clauses were, however, repealed and various pieces of special legislation like the Minimum Wages Ordinance, Medical Wants Ordinance were passed. In spite of these and in spite of the protection extended to the labourers by the Government of India and

the Controller of Labour in Ceylon, their position has remained far from satisfactory. On page 95 of their Report, the Donoughmore Commissioners state that "the conditions of Indian labour in Ceylon are still capable of improvement and must be bettered before they can be described as satisfactory." Their wages are inadequate, housing conditions bad and education facilities absolutely meagre. Wages are still computed on the basis of the Ranganathan budget which applied to conditions of living in 1925. The advent of war has enormously increased the prosperity of the tea and rubber industries. It has also greatly increased the cost of living, but there has been nothing like any corresponding increase in the wages of workers. Though the minimum wages were based on the expectation that each worker would get work for six days in the week, this is hardly ever the case, though this fact was not admitted at all till recently.

With the rise of the Ceylon Indian Congress and the imposition of the ban on emigration by the Government of India, the estate workers who were hitherto entirely unorganised have been awakened to some sense of the importance of their own position. Their attempts to form themselves into trade unions have naturally brought on them the displeasure of the planters. The more vocal of the workers are singled out and served with notice to quit. If the labourer whose only home other than the lines is the street is bewildered and does not know where to go, he is promptly hauled up before the police court and prosecuted for criminal trespass. This has lately become the common method of discouraging the labourers' attempts at organising themselves. The efforts to remedy this crying injustice under which a person all along in occupation of a line room becomes a criminal trespasser as soon as notice to quit has been served on him have so far not been fruitful.

As the Donoughmore Commissioners have pointed out the Indian labourers are nobody's care—neither of the planter employers nor of the Ceylonese politicians. The result is that attempts at ameliorating their condition receive no enthusiasm. The present Board of Ministers cannot lay claim to any beneficial legislation in regard to estate labour. Agitation has been carried on that provision should be made to prevent married couples being obliged to share a room with other adults and to prevent husband and wife being separated and employed on different estates. Even such simple improvements get no attention. It has to be observed with regret that any talk that the ban imposed by the Government of India has caused hardship by separating wife from husband and husband from wife, comes with ill grace from those who have not over a long period of years done anything to remove such hardship within Ceylon.

The Land Development Ordinance

21. Far from ameliorative legislation being taken up with any enthusiasm, there has lately manifested itself a tendency to deprive the labourers of all opportunities to settle themselves in Ceylon. A glaring instance is the Land Development Ordinance No. 19 of 1935 which provides for the mapping out of Crown Lands and their alienation to and colonization by peasants and middle class Ceylonese. The Ordinance defines a Ceylonese as "a person of either sex domiciled in this Island and possessing a Ceylon domicile of origin." The difficulty in the case of a labourer in showing that his father's domicile was Ceylon is more easily imagined than described. It is difficult in the circumstances to deny that the object behind the Ordinance was to exclude all classes of settled Indians from obtaining the benefits of this Ordinance. In actual fact Indians have so far been completely excluded. When the immense contribution of Indian immigrant labour in the matter of land development in Ceylon is considered, this deliberate exclusion becomes poignant.

The Village Communities Ordinance

22. The recent amendments to the Village Communities Ordinance of 1924, provided for the inclusion of estates in village areas and for the levy of land tax on estates. In the language of the Minister of Local Administration, it was hoped by means of the Ordinance "to lay a foundation-stone for the effective and efficient local self-Government structure of the country." It was originally sought to exclude Indian estate labour from the village franchise but later, at the interference of the Secretary of State for the Colonies, it has been provided that no labourer or Kangan, resident on estates, shall be entitled to vote. The interference of the Secretary of State for Colonies removed the discrimination in name, but not in fact. For, while some 15 or 20 thousand Sinhalese may have been disfranchised, some 400 thousand Indian labourers have been deprived of the vote. This is not all. The Sinhalese labourers can, as Sir Baron Jayatilaka, the leader of the State Council indicated, still exercise the vote in the villages from which they hail. While the Report on Immigration (of Sir Edward Jackson) as well as the various reports of the Controller of Labour show that a large percentage of estate labour is permanently settled in Ceylon, this fact is ignored when it is a question of political or civic franchise.

Future of Labour

23. The Land Development Ordinance and the Village Communities Ordinance are indications of the rapid development of a policy of isolating Indians, in the light of which the question of the future of Indian labourers becomes a matter of grave concern. Are they to be condemned to continue as labourers from generation to generation? Are they and their children to have all other avenues in Ceylon closed to them? That such a position is impossible is recognised by the Controller of Labour, who, on page 11 of his Report for 1939, says: "The education imparted to the estate labour force has produced a type of worker who will not be content to pursue that routine form of occupation which his parents have hitherto followed. The only employment open to the son of a labourer is that hitherto pursued by his parents. Avenues of promotion must be secured to him whereby his legitimate aspirations could be fulfilled and not diverted into channels of discontent and possible unhealthy agitation." Though the Controller's main concern is with the avoidance of unrest on estates, the need for opening out other avenues becomes even more imperative looked at from the human point of view. 'Avenues of promotion' are alone not sufficient. There ought to be equal opportunities for the settled labour population—it may be borne in mind that a large percentage of the labour population is settled—for occupation and colonisation of land. India would refuse to look at the position that her sons immigrating into Ceylon are to continue generation after generation as menial workers and hewers of wood and drawers of water with all opportunities of advancement closed to them statutorily and administratively. On the other hand, given facilities for Tamil labour to settle on land, a colony would soon be founded which would itself supply all necessary Tamil estate labour in the future.

India Government's Anxiety Justified

24. What has been said above demonstrates that the anxiety all along evinced by the Government of India to protect the interests of the Indian immigrant labourers was fully justified. Their last step in this direction was the stoppage of all emigration to Ceylon of unskilled labour and in the light of what has been said above, the ban on emigration should continue not only until outstanding matters like the

franchise, civic rights and equal opportunities are put on a proper basis but also until conditions of labour in Ceylon are improved to a satisfactory extent.

V.—THE STATUS OF INDIANS IN CEYLON AND FREEDOM
TO ENGAGE IN LEGITIMATE OCCUPATIONS
AND EMPLOYMENT

Equality of Treatment

25. The chief reason why political franchise on a rational practical basis is of such vital importance is that, as has been so well urged in 1921 by the Government of India, political franchise is an essential safeguard for the honour, status and rights of a people. In considering the status and rights of Indians in Ceylon, it is necessary for the purpose of clarifying the issues to make a distinction between the Indians already resident in Ceylon and those who may hereafter migrate. As far as the Indians who are already in Ceylon are concerned, it is necessary that their right and liberty to carry on any trade and engage in any occupation should be fully recognised. Although there is yet no international convention on the subject, the trend of world public opinion and the views of the International Organisations clearly indicate that even foreigners authorised to enter and reside in a country, should be entitled to employment on the same conditions as nationals except where admission to the territory or residence was subject to precise stipulation to the contrary. (Cf. Draft Convention for 1939, International Labour Conference in Report iii, on Recruiting, Placing and Conditions of Labour of Migrant Workers). This right is based on grounds of equity which nationalism cannot ignore. Even if it should be necessary to place any limitations on such rights, it should naturally be after mutual consultation and by agreement between the countries concerned.

'Abiding Interest'

26. In any such discussions or arguments, care would be taken to safeguard the rights of immigrants who have an abiding interest in the country of adoption. In Ceylon, a somewhat bewildering variety of definitions have lately been given of who is a Ceylonese according to the demands of each particular occasion. To point to a few, a particular definition was adopted when the recent policy of retirement of daily-paid workers under Government was enunciated; the Land Development Ordinance contains a different definition; and an altogether different idea prevails where the question of entrance to the Ceylon Civil Service is concerned. The need for a simple definition appears to be imperative even if only to make clear where exactly the Indian stands. And here again, the proximity between the two countries has created a peculiar set of conditions which renders any test of abiding interest other than that of a given period of residence extremely illusory and impracticable. The title to franchise carries with it all other rights of citizenship and therefore any person registered as a voter should be entitled to equal rights and opportunities with the rest of the population.

Retirement of Government Daily-paid Workers

27. The retirement policy of the Government of Ceylon under which a number of daily-paid workers under Government with varying periods of service were compulsorily retired, was a flagrant case of setting at naught acquired rights and was illustrative at once of a number of difficulties that Indians in Ceylon have had recently to face. The policy was based on an alleged failure of executive officers to carry out the terms of a resolution of the State Council in March 1933, which stated that no new appointment of non-Ceylonese should be made to the Public

Service thereafter except on terms and conditions to be determined in each case by resolution of the Council. (Please see introductory part of Report of the Retirement Officer, Sessional Paper XVIII of 1940). First, there was no definition of the term of non-Ceylonese in this resolution. Second, it appears to require a stretch of imagination to classify the employment of the daily-paid workers as appointments to the Public Service of Ceylon. Third, the fact that the retirement policy applied to workers of even 15 years standing and over showed how very nebulous the question of the status of Indians is. Fourth, the measure of relief of local unemployment expected to be secured and actually secured by the policy was trifling. (Please *vide* Sessional Paper XVIII of 1940.) Lastly, the policy demonstrated that even existing Indian interests in Ceylon cannot be considered to be wholly free from encroachment and this caused a very wide-spread uneasiness. "The Indians appeared to regard this action as indicating an anti-Indian bias on the part of the Ceylon Government which might result in the enactment of further measures against the Indian workers in this country." (Report of the Controller of Labour for 1939, page 9.) In fact, in his circular dated 31st August 1939, the Chief Secretary requested public servants associated with semi-public bodies to initiate and support schemes of dismissing and repatriating Indians on the same basis as Government's. Government has also lately adopted the policy of insisting that a very large percentage of labourers employed by contractors under Government Departments should be Ceylonese. That, in spite of the representations made both in Ceylon and from India that the retirement measures proposed were flagrantly discriminatory in nature and retrospective in effect, the Government of Ceylon persisted in the policy, has created a feeling that some sort of understanding has become very necessary against other similar encroachments on existing rights, and to ensure the peaceful pursuit by Indians in Ceylon of legitimate occupations and employment.

Conclusion

28. Instances of legislative and administrative action directed against Indian interests could be multiplied. But what has been said above, establishes the need that exists for a clear enunciation of policy that rights of Indians in Ceylon would be assured and for laying down at the same time the requirements that would entitle the immigrant Indians to claim equality of rights with the rest of the population.

VI.—QUESTIONS CONNECTED WITH THE HITHERTO UNRESTRICTED RIGHTS OF IMMIGRATION INTO CEYLON.

Immigration so far Unrestricted

29. As there was occasion to remark before, Indian immigration into Ceylon is of very great antiquity. All along immigration has been entirely free from restriction. In fact a great deal of money and energy was spent in encouraging immigration. Latterly however there has been a persistent agitation for restriction of immigration and as a result Sir Edward Jackson was appointed sole commissioner in 1936 by the Ceylon Government (with the advice and consent of the Board of Ministers) to enquire into and report on the subject.

Terms of Reference of Immigration Commission

30. Under its terms of reference, the Immigration Commission was required to consider the following questions:

- (a) The extent of immigration from India of skilled and unskilled workers and whether it is increasing or decreasing.

- (b) Whether such immigration has caused or is likely to cause unemployment or other economic injury to the permanent population.
- (c) Whether any restriction or control beyond that already existing should be imposed on such immigration and if so what form such restriction or control should take.

Sir Edward Jackson's Answers

31. Answering the first question, Sir Edward Jackson says: "This question is one of actual fact and in so far as figures are available, it is answered by the tables and graphs given in the appendices to this Report.

"Allowing for all possible inaccuracies in the division of the numbers leaving the Island between estate labourers and others, these figures establish the broad truth of the proposition that, in all fields of employment in which Indians customarily occupy themselves in Ceylon, when work is available the immigrant comes to share in it, and when it is not he returns to his home. In times of prosperity, the curve of immigration rises and in times of depression it falls and the curve of emigration goes up. It will, I think be safe to say, that as long as it is necessary for Ceylon to rely on the immigrant workers, and as long as she can get them from the great neighbouring continent, the rise and fall of immigration will follow the same rule, however the total numbers may be affected by increased employment of Ceylonese. The great advantages of this fact for the Island were fully recognised by all the witnesses."

Answering the second question, Sir Edward Jackson says "With regard to the past, I feel no doubt that is broadly true to say that immigrant workers came to Ceylon for work for which Ceylonese were not available, and for which in the circumstances of the time, they could not have been made available by any action which employers could reasonably have been expected to take. So far from causing economic injury to the permanent population, immigrant workers made possible an economic and general advance which could not have taken place without them and in the benefits of which the great majority of the population, directly or indirectly, share to-day."

After considering all the arguments raised in favour of the theory that the immigrant worker has deprived the Ceylonese of employment Sir Edward has come to the conclusion that the problem as he sees it is very definitely not one of preventing the immigrant worker from driving the Ceylonese out of work but a problem of how to enable the Ceylonese worker to replace the immigrant in work which the immigrant has made his own, because in the past there was no one else to do it. The main difficulty of this problem lies less in the presence of the immigrant worker than in the Ceylonese themselves.

On the question of restriction, Sir Edward Jackson has found that no case exists for restriction of immigration, that the tendency of workers to come into Ceylon when there is work and to go out when there is none operates as a form of natural restriction, and that in the circumstances of the case, it is neither necessary nor possible to evolve any other scheme of restriction.

The Indian Point of View

32. Naturally Sir Edward Jackson's Report and findings did not find favour with Ceylonese politicians and the cry for restriction of Indian Immigration has been assiduously kept up. Though various reports regarding the proposal of the Board of Ministers have time and again appeared in the press nothing authentic has seen the light of day. The

Indian point of view on the subject has been fully set out in the Memorandum dated 30th November 1936 of the Ceylon Indian Association submitted to the Immigration Commission and may be summarised in a few paragraphs :—

- (i) Sir Edward Jackson's findings on the subject as set out above have been arrived at after a great deal of sifting of evidence and are absolutely sound. No need for any restriction of immigration has been established nor has any workable scheme been discovered so far. On the other hand the fact that immigration has so far been adjusting itself to the demands of the labour market has actually been demonstrated as a result of the Emigration Ban imposed by the Government of India. "The action of the Government of India has produced repercussions the effect of which it is impossible to exaggerate. A reluctance to return to India has developed and a surplus of labour on estates has resulted. **In normal times the surplus would have been adjusted by the departure to India of labourers who could not find employment in this country.** When required the demands of the Ceylon estates on South India would have been easily met by the despatch of these workers through the services of the Ceylon Labour Commission." (Report of the Controller of Labour for 1939—page 9). Again on page 23 of the same Report the Controller says "Owing to the labour being static and without the **safety valve** of returning to India when they wished, this has resulted in a surplus of workers unwilling to go to India owing to the restriction of their freedom and has led to increasing distress and unemployment." The reason for the reluctance to return to India if it exists is obvious. To these men Ceylon is the sole venue of livelihood and country of abiding interest.
- (ii) If the idea is that estate labour should be allowed freedom of immigration and that restrictions should be placed on other classes of immigrants, it is an intolerable position. Apart from the fact that Ceylon cannot be allowed to pick and choose in the matter, India cannot countenance the policy of sending estate labourers only to a country where her other sons are denied admittance. Already the Ceylonese who pride themselves on being a population of peasant proprietors look down on the Indian estate workers and call them "Ramasamies and Meenatchies". This feeling is considered to be one of the contributory causes for the reluctance of Sinhalese to work on estates with Indians. The position can be easily imagined if 'Ramasamies and Meenatchies' should be the only Indians who are allowed to go to Ceylon. The reasonableness of the attitude that Ceylon cannot pick and choose is admitted by the Ceylonese themselves. Sir Baron Jayatilaka said in the State Council in 1931 "It is utterly impossible to exclude Indians from this country. Certain essential services require outside labour and are we going to say to the Indians **'We require so many men for such a work and nobody else. Would you send them round?'** It would be utterly impossible." (Hansard 1931—Page 861).

From India's point of view, it is in fact emigration for estate labour which requires very careful regulation. This

labour is recruited and assisted and is obliged to work under isolated conditions and this requires a careful watch that emigration is not excessively stimulated and that conditions of employment are maintained upto standard. The Government of India has recognised the need for this supervision over the whole century over which the present tide of emigration has lasted.

- (iii) Whatever may be the final outcome of the intention to restrict immigration, it is essential that any scheme of control should secure that immigrants to Ceylon are as heretofore composed of members of varied strata in society so that the Indian population in Ceylon may be able to maintain an adequate level of social and economic standard. **It is hoped that no proposals would be made likely to be looked upon by Indians as humiliating to their sense of national self-respect.**

VII.—THE RECENT BAN IMPOSED BY THE GOVERNMENT OF INDIA ON EMIGRATION TO CEYLON OF UNSKILLED LABOUR.

Ban Justified

33. In the light of the treatment accorded to the daily-paid workers under Government, the stoppage of all emigration of unskilled workers to Ceylon ordered by the Government of India in August 1939 was fully justified as a measure intended to secure that India's sons would not be exposed to similar hardships in the future. While there was no question of any retaliatory action being taken by India, it was clear that unilateral action by Ceylon in matters vitally affecting Indian interests created a problem that required to be solved.

Comments on the Ban

34. The ban came in for different kinds of comment in Ceylon. The planting community considered the ban ill-advised but blamed the Board of Ministers as having been the cause of it by their misguided policy of dismissal of Indian workers. The nationalist press tried to look on it as well-meant action on the part of the Government of India, but misguided in view of the inconvenience likely to be caused to Indian labourers themselves and in view of the fact that the Ceylonese had never objected to the presence of estate labourers in Ceylon. As time passed stress was laid on the hardships caused to the labourers in that it often separated the members of a family, one from the other, and on this and other scores it was expected that the Government of India would feel compelled to relax the ban.

The Controller of Labour on the Ban

35. In his administration report for 1939 the Controller of Labour has devoted considerable attention to this question. On page 9 he says "The action of the Indian Government has produced repercussions the effect of which it is impossible to exaggerate." Discussing the condition of the labourers who were at Mandapam preparatory to their departure to Ceylon and who were obliged to go back to their villages he says "In realising that most of these labourers consisted of those who had spent many years of their lives in Ceylon and were returning to their accustomed life and conditions, one is forced to the conclusion that a complete disregard of the ordinary feelings of humanity was evinced by those responsible." Yet, it was an exactly similar type of labourers who had spent many years in Ceylon and who had got accustomed to life and

conditions in Ceylon who were forcibly retired and sent back to their Indian villages by the Government of Ceylon. In describing the hardships to which the labourers are put under the ban the Controller vividly pictures how owing to the nearness of the two countries even labourers "born and bred in Ceylon without being remotely acquainted with village life, work and interests" still have various connections with India. It illustrates the extreme unreasonableness of imposing on these people tests of domicile and domicile of origin. As regards the hardships caused by the ban, it is certainly most unfortunate that any occasion for the ban should ever have arisen.

Should the Ban be Lifted

36. If Ceylonese politicians should ask for the lifting of the ban, their attitude would be difficult to understand. For, if on the one hand, they should want the ban to be lifted and on the other, they desire to impose restrictions of their own on immigration it can only mean this—that the idea is to allow estate labour free and control other forms of immigration. And this proposal has already been examined. There is no doubt that hardship has been caused to the labourers. Much more hardship was caused when daily paid workers, with three, four and five years of service under the Government of Ceylon and with much longer residence in Ceylon were dismissed and sent home with a Railway warrant and one month's salary. There is nothing to prevent any special cases of hardship being considered and dealt with reasonably and in fact this is being done.

37. The Ceylon Indian Congress at its recent session at Gampola passed a resolution that the ban on emigration should not be lifted. And indeed no justification for such lifting could be found so long as there is no satisfactory understanding about the safeguarding of the political and economic rights of Indians already in Ceylon, the status and rights of immigrants and the terms of future immigration.

VIII.—INDO-CEYLON TRADE RELATIONS AND POSSIBILITIES OF EXPANSION OF TRADE BETWEEN THE TWO COUNTRIES

The Issues from the Ceylonese Point of View

38. Some understanding on fundamental questions like those of immigration, of political, civic and other rights of Indians in Ceylon, and the safeguarding of existing rights is of course necessary as a preliminary to trade negotiations and it is appreciated that no details regarding trade matters may come in for discussion in the exploratory conference. The issues on this subject therefore are given here in bare outline. From the Ceylonese point of view the objects to be attained from a trade arrangement with India are a revision of import duties and tariff valuations on Ceylon exports, especially coconut products, preference for her exports to India, a most favoured nation treatment which would enable Ceylon to increase India's intake of her goods and help her to reduce her unfavourable balance of trade with India. It may be said at once that Indians in Ceylon entirely sympathise with these desires and would welcome any steps that may be taken by the Government and People of India to help Ceylon's trade with India.

Balance of Trade

39. While it is easy to appreciate Ceylon's point of view in the matter of Indo-Ceylon trade it is not always quite as easy to appreciate some of the arguments used. Year after year the fact of Ceylon's unfavourable balance of trade is the subject of comment in Ceylon. But

what are the reasons for this position? India produces all the articles that Ceylon produces and many more that she does not produce but requires for consumption. The variety of goods imported by Ceylon from India is so numerous that it is often said that Ceylon is clothed and fed by India. It is no wonder then that India's balance of trade is favourable. With the advent of war and increase in India's industrial output, the balance of trade is likely to grow even more favourable to India. The charge is often levelled against India that she does not show proper appreciation of the advantages she enjoys and that it behoves her to extend greater facilities to Ceylon. It may not be out of place to point out that the other countries from which Ceylon imports rice, grains and curry stuffs, consume even less of Ceylon goods than India does. But apart from all this, Ceylon is India's nearest neighbour (in fact an integral part of India) and other things being satisfied it is only fair that she should have reasonable trade facilities subject only to India's own requirements in the matter.

Coconut Products

40. So far as the question of giving greater facilities to Ceylon copra and coconut products is concerned the main difficulties are the demands of the Indian coconut industry itself. It is to be hoped that the efforts Ceylon is making to organise the sales side of the industry in co-operation with Indian producers would result in all round prosperity for the industry.

Present Preferences

41. It is perhaps necessary to point out that as the position obtains to-day India does give greater preference to Ceylon than Ceylon does to India. In 1939 for instance the total domestic exports from Ceylon to India amounted to Rs. 10,702,861. India gave preference to Ceylon in respect of Rs. 10,221,314 out of this amount or on nearly 95 per cent in value of the imports into India. Indian merchandise imported into Ceylon amounted to Rs. 52,154,808 and of this Ceylon gave preference in respect of goods worth only Rs. 16,692,232. In other words only 33% in value of imports from India obtained any preference.

Unilateral Action to be Avoided

42. In conclusion, it is necessary that both countries should try to avoid unilateral action in trade as in political matters and that no steps affecting each other's interests should be taken without consultation and discussion.

IX.—THE ANGLE OF VIEW THAT IS BROUGHT TO BEAR IN CEYLON ON QUESTIONS AFFECTING INDIANS IN CEYLON AND INDO-CEYLON MATTERS.

Importance of the Point of View

43. Though a subject like this, included as one of the matters of common interest to India and Ceylon, sounds somewhat peculiar, we have no doubt that it is the point of view from which Indo-Ceylon problems are looked at that is most important. A correct angle helps in developing a sense of proportion, moderation in thought and language and a proper appreciation of the implications of each problem. And a problem approached in this spirit is easy of solution especially when the parties to it are such close neighbours like Indians and Ceylonese, bound by innumerable ethnical, cultural, political and historical ties. Such an attitude of mind is of course necessary in both parties to a difference,

and it is the duty of Indians to assimilate themselves to the conditions and circumstances of the country which they have adopted and in which they live, and to think in terms of the country of their adoption. That Ceylon Indians have to a large extent developed this habit appears to be clear from the fact that they have during the last ten years submitted themselves to a whole volume of legislation in Ceylon, social and beneficial to the country looked at from one point of view and frankly discriminatory looked at from another. It may also be emphasised that they have always shared in the growth of the national movement in Ceylon and co-operated with the indigenous population in their political aspirations.

Ceylonese Attitude During the Last Ten Years

44. On the Ceylonese side, it appears difficult to deny that the spirit of tolerant accommodation has daily been growing weaker and weaker. Probably because India is a vast continent most problems connected with Indians in Ceylon appear to assume 'swamping' proportions. Though Sir Edward Jackson has established that Indians go to Ceylon only when there is work and not in search of work in markets which they have reason to believe are already full, and though he has found that any considerable increase in the employment of Ceylonese in work which Indians had previously done, would produce a corresponding reduction in immigration without the intervention of any control, Indian immigration is still thought of in terms of swamping. The same fears of swamping are perhaps responsible for the attempts to restrict the Indian franchise and for the exclusion of the estate worker from the village franchise, while the lack of a sense of proportion was manifest in the way the question of the Government daily-paid workers was handled. If a catalogue is not made of the many questions relating to Indians which during the last decade have been handled to the detriment of Indians in Ceylon, it is not for lack of material. Time and again during this period every class of Indians in Ceylon—teachers and medical men, rural workers and urban workers, estate workers and kanganies, bankers and insurance men and of course men in business—have felt the repercussions of this attitude. An array of writings in the press and speeches from platforms could be led in evidence to prove the attitude towards Indian problems. Men of even ministerial rank, speaking both inside and outside the State Council, have frequently lent themselves to very exaggerated language.

The Future

45. As the successful solution of any problem demands goodwill on both sides, we hope that in future there will be a studied development of moderation, tolerance and breadth of vision. World conditions to-day are again bringing to the forefront the traditional and natural ties between the two countries making clear to both parties the urgent need which exists for taking stock of the present situation and rectifying mistakes. And it is hoped that the fullest opportunities would be provided for the development of a genuine and lasting understanding between the two peoples.

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Colombo, the 20th October, 1940.



PRINTED AT
THE NATIONAL PRESS,
KASTURI BUILDINGS,
MOUNT ROAD, MADRAS.
