

DEBATES

IN THE

LEGISLATIVE COUNCIL OF CEYLON,

On Thursday, July 30, 1925.

Pursuant to adjournment the Honourable the Members of the Legislative Council met at the Council Chamber at 2.30 P.M. this day.

PRESENT :

- THE HONOURABLE SIR JAMES PEIRIS, KT. (COLOMBO TOWN, SOUTH),
VICE-PRESIDENT.
- THE HONOURABLE COLONEL H. W. HIGGINSON, C.B., D.S.O., A.D.C.,
OFFICER COMMANDING THE TROOPS.
- THE HONOURABLE MR. E. B. ALEXANDER, C.M.G., ACTING COLONIAL
SECRETARY.
- THE HONOURABLE MR. L. H. ELPHINSTONE, K.C., ATTORNEY-GENERAL.
- THE HONOURABLE MR. H. W. CODRINGTON, ACTING CONTROLLER OF
REVENUE.
- THE HONOURABLE MR. W. W. WOODS, TREASURER.
- THE HONOURABLE MR. F. A. STOCKDALE, C.B.E., DIRECTOR OF
AGRICULTURE.
- THE HONOURABLE SIR PONNAMBALAM RAMANATHAN, KT., K.C.,
C.M.G. (NORTHERN PROVINCE, NORTHERN DIVISION).
- THE HONOURABLE MR. L. MACRAE, DIRECTOR OF EDUCATION.
- THE HONOURABLE MR. T. Y. WRIGHT (EUROPEAN RURAL MEMBER).
- THE HONOURABLE MR. H. A. LOOS (NOMINATED UNOFFICIAL MEMBER).
- THE HONOURABLE MR. E. W. PERERA (KALUTARA REVENUE DISTRICT).
- THE HONOURABLE MR. E. R. TAMBIMUTTU (BATTICALOA REVENUE
DISTRICT).
- THE HONOURABLE MR. A. C. G. WIJEYEKOON (NOMINATED UNOFFICIAL
MEMBER).
- THE HONOURABLE MR. E. J. HAYWARD, C.B.E., V.D. (COMMERCIAL
MEMBER).
- THE HONOURABLE MR. W. L. KINDERSLEY, GOVERNMENT AGENT,
CENTRAL PROVINCE.
- THE HONOURABLE MR. C. W. W. KANNANGARA (SOUTHERN PROVINCE,
WESTERN DIVISION).
- THE HONOURABLE MR. N. J. MARTIN (SECOND BURGHIER MEMBER).
- THE HONOURABLE MR. J. STRACHAN, DIRECTOR OF PUBLIC WORKS.
- THE HONOURABLE MR. W. T. SOUTHORN, PRINCIPAL COLLECTOR OF
CUSTOMS.
- THE HONOURABLE MR. M. T. AKBAR, K.C., SOLICITOR-GENERAL.
- THE HONOURABLE MR. K. BALASINGHAM (NOMINATED UNOFFICIAL
MEMBER).
- THE HONOURABLE DR. J. F. E. BRIDGER, PRINCIPAL CIVIL MEDICAL
OFFICER.

- THE HONOURABLE MR. C. E. VICTOR COREA (COLOMBO TOWN, NORTH)
- THE HONOURABLE MR. C. H. Z. FERNANDO (NORTH-WESTERN PROVINCE, WESTERN DIVISION).
- THE HONOURABLE MR. H. R. FREEMAN (NORTH-CENTRAL PROVINCE).
- THE HONOURABLE MR. T. B. JAYAH (THIRD MUSLIM MEMBER).
- THE HONOURABLE MR. D. B. JAYATILAKA (COLOMBO DISTRICT).
- THE HONOURABLE MR. H. M. MACAN MARKAR (FIRST MUSLIM MEMBER).
- THE HONOURABLE MR. G. E. MADAWALA (NORTH-WESTERN PROVINCE, EASTERN DIVISION).
- THE HONOURABLE MR. A. MAHADEVA (WESTERN PROVINCE, CEYLON TAMIL).
- THE HONOURABLE MR. A. F. MOLAMURE (KEGALLA REVENUE DISTRICT).
- THE HONOURABLE MR. A. H. E. MOLAMURE (RATNAPURA REVENUE DISTRICT).
- THE HONOURABLE MR. F. A. OBEYESEKERE (SOUTHERN PROVINCE, CENTRAL DIVISION).
- THE HONOURABLE MR. I. X. PEREIRA (FIRST INDIAN MEMBER).
- THE HONOURABLE MR. S. RAJARATNAM (NORTHERN PROVINCE, CENTRAL DIVISION).
- THE HONOURABLE MR. D. S. SENANAYAKE (NEGOMBO DISTRICT).
- THE HONOURABLE MR. S. R. MOHAMED SULTAN (SECOND INDIAN MEMBER).
- THE HONOURABLE MR. V. S. DE S. WIKREMANAYAKE (SOUTHERN PROVINCE, SOUTHERN DIVISION).
- THE HONOURABLE MR. G. A. H. WILLE (FIRST BURGHIER MEMBER).
- THE HONOURABLE SIR J. THOMSON BROOM, KT. (EUROPEAN URBAN MEMBER).
- THE HONOURABLE MR. W. A. DE SILVA (CENTRAL PROVINCE, URBAN).
- THE HONOURABLE MR. P. B. RAMBUKWELLE (CENTRAL PROVINCE, RURAL).

MR. J. A. MAYBIN, *Clerk to the Council.*

Minutes.

The Minutes of the Meetings held on July 22, 23, and 24 were confirmed.

Papers laid.

THE HON. THE ACTING COLONIAL SECRETARY :— I lay on the table, Sir, the following papers :—

Minutes of the Meeting of the Standing Committee on Finance held on July 17, 1925, regarding Supplementary Expenditure.

Administration Reports, 1924 :—

Part I., Civil : Report of the Chairman, Board of Immigration and Quarantine.

Part III., Judicial : Report of the Inspector-General of Prisons.

Sessional Papers, 1925 :—

XXIII.—Statement and Accounts of the Widows' and Orphans' Pension Fund for the Year 1924.

By-law made by His Excellency the Officer Administering the Government in Executive Council, under section 18 (2) (j) of "The Vehicles Ordinance, No. 4 of 1916," for the District of Matara.

Rule regarding week-end tickets made by His Excellency the Officer Administering the Government in Executive Council, under section 5 of "The Ceylon Railways Ordinance, 1902," as amended by Ordinances Nos. 6 of 1915 and 16 of 1922.

PETITIONS.

Petition from the Ceylon Labour Union.

THE HON. MR. C. H. Z. FERNANDO (North-Western Province, Western Division):—I beg to present, Sir, a petition from the Ceylon Labour Union forwarded by its Vice-President, Mr. A. E. Goonesinghe. The petition states that since the last strike the Railway workmen have received no redress, and they ask that salaries on an incremental scale be paid to them. They also beg that they may be placed on the fixed list, and that their posts be made pensionable after one year's service. They also ask for sick leave pay and for casual leave of fourteen days.

Petition from Desiccating Millers.

THE HON. MR. C. H. Z. FERNANDO (North-Western Province, Western Division):—I beg also to present, Sir, a petition from the desiccating millers. They say that the industry at present gives employment to over 10,000 men and women, and that the industry is at present in a very bad way, due to the fact that the United States of America, which is a consumer of coconut, has imposed a duty of $8\frac{1}{2}$ per cent. on the Ceylon article in order to encourage the industry in her own Colonies. They also point out the Colonial Treasurer's assurance that when the price of any produce reaches the limit at which it can be turned out at a profit the tax placed on its export would be remitted, and they ask that the tax of $\frac{3}{4}$ cent per pound imposed at present be remitted.

QUESTIONS.

THE HON. THE VICE-PRESIDENT:—I understand that the replies to a number of questions are not yet ready. I will, therefore, call upon only those Members to ask the questions to which replies are ready.

Music in Temples and at Weddings in Matale.

THE HON. MR. S. RAJARATNAM (Northern Province, Central Division):—I rise, Sir, to ask—Is the Government aware that the Assistant Government Agent, Matale, is interfering with the rights of the Hindus in the use of their music in temples and at weddings by restricting the hour of music to 11.30 P.M.? Is the Government aware that a festival in a temple cannot ordinarily be brought to a close before 11.30 P.M., and that the auspicious hour for a wedding, when there should be music, may happen to fall at all hours of the day or night? If the Government thinks that such interference is not right, will the Government be pleased to instruct the different Government Agents and Assistant Government Agents on the point?

THE HON. THE ACTING COLONIAL SECRETARY:—The Government is advised that the Assistant Government Agent, Matale, has not interfered with music in Hindu temples, and that no restriction has been placed by him upon music in any place of worship, Hindu or otherwise.

As regards music at weddings and other private ceremonies in Matale town, it is customary not to allow the beating of tom-tom after 11 P.M. This restriction has been imposed in the interests of the general public in order that they may have their night's rest undisturbed.

Under section 2 of Ordinance No. 14 of 1924, any person feeling aggrieved at the refusal of the Police authorities to issue a licence for music has the right of appeal to the Police Magistrate.

While the Government is desirous that the customs of the different communities in Ceylon should be interfered with as little as possible, yet it must be recognized that in the interests of the general public certain restrictions, as in the case of tom-toming at private ceremonies, are necessary in many localities. The extent of the restriction must be determined by the conditions prevailing in the different localities, and is a matter in which discretion is vested by the existing law in the licensing officers. In view of the divergent conditions existing in the different parts of the Island, Government considers that no general instructions on the point would be appropriate, and that it is advisable to leave the matter in the hands of the officers authorized by law to issue the licences in question, subject to the applicant's right of appeal to the Police Magistrate in any case in which he feels aggrieved by the decision of the licensing officer.

Citronella Oil.

THE HON. MR. V. S. DE S. WIKREMANAYAKE (Southern Province, Southern Division):—I rise, Sir, to ask—(1) What is the approximate extent in citronella in the Matara and Tangalla Districts? (2) About what extent has been planted with citronella in these two districts since January, 1923? (3) What is the total amount of citronella oil exported during 1920 to 1924? (4) About how much of the oil exported has been returned to Ceylon owing to adulteration of the oil? (5) Is not the present low price of citronella oil due to adulteration? (6) As adulteration of citronella oil is very common, would Government be pleased to introduce some legislation with a view to preventing this adulteration?

THE HON. THE ACTING COLONIAL SECRETARY:—(1) Matara District, 21,000 acres; Tangalla District, 11,880 acres.

(2) Matara District, 1,230 acres; Tangalla District, 2,829 acres.

(3) The amount of citronella oil exported during the years 1920 to 1924 was as follows:—

			lb.
1920	..	..	1,022,809
1921	..	..	1,160,555
1922	..	..	1,299,889
1923	..	..	1,121,271
1924	..	..	1,433,381

(4) Figures showing the amount of citronella oil returned to Ceylon owing to adulteration are not available.

(5) The market price of any commodity is governed by such a large number of factors, that it must be a matter of opinion as to whether any one of these is a determining factor in a decrease in price. Government is therefore not prepared to answer on this point, as a question asking for an expression of opinion is not in order. Government is, however, advised that there is a demand for adulterated citronella oil provided the adulteration is not

excessive, and that though the present price of this oil is lower than that obtainable some time ago, it still gives a reasonable return to the producer.

(6) Government does not consider it necessary to introduce legislation to prevent adulteration of citronella oil, as it is advised that shippers can without difficulty detect the adulteration, and the remedy lies in their own hands.

Cart Road from Ragalla to Kurundu-oya.

THE HON. MR. P. B. RAMBUKWELLE (Central Province, Rural):—I rise, Sir, to ask—(1) When was the cart road from Ragalla to Kurundu-oya, in the Nuwara Eliya District, traced? (2) What was the total mileage traced? (3) What is the estimated cost of completing the road? (4) What is the extent of the work done up to date, and at what cost? (5) Has the construction of this road been stopped? If so, why? (6) Is there any likelihood of Government restarting the work shortly? If so, when? (7) Have not representations been made to Government by public bodies and individuals in the district regarding the importance and usefulness of this road?

THE HON. THE ACTING COLONIAL SECRETARY:—(1) A trial trace for the Ragalla-Kurundu-oya road was run in 1908 and a complete survey was made in 1919. A revised trace was investigated in November, 1924.

(2) The total mileage of the original trace was $11\frac{1}{4}$ miles. The revised trace is $10\frac{1}{4}$ miles.

(3) The estimated cost of completing the road originally traced to Public Works Department standard is Rs. 616,400. A reduced estimate of Rs. 300,000 was prepared for an inferior road of 9 feet metalled width with bridges of 10 feet width of roadway. This revised estimate was prepared on the basis that the land required would be given free to Government by the owners. If this trace is adopted, the portion of the trace on which Rs. 10,000 voted in 1920-21 has been spent will have to be abandoned.

(4) The work done to date consists of the cutting of earthwork, culvert, and rubblework on the second mile of the original trace. This work cost Rs. 9,899.61, and the expenditure was met from a vote for Rs. 10,000 in the 1920-21 Estimates.

(5) Since 1920-21 no funds have been voted for further work on this road, and the Consultative Committee on Roads have advised the Government that this road need not be constructed by Government, but should be brought under the Estate Roads Ordinance, No. 12 of 1902.

(6) The Government has decided not to ask for any further funds on account of this road until it has been brought under the Estate Roads Ordinance, No. 12 of 1902.

(7) Yes.

Crown Land to Landless Villagers.

THE HON. MR. P. B. RAMBUKWELLE (Central Province, Rural):—I rise, Sir, to ask—(a) Under what rules or conditions were landless villagers given Crown land for asweddumization? (b) Has that practice been discontinued? (c) If so, when, and why was it discontinued?

THE HON. THE ACTING COLONIAL SECRETARY :—(1) The Honourable Member probably refers to the Food Production Scheme begun in connection with the rice crisis. The terms appear in Government Circulars Nos. 54 of August 4, 1919, and 36 of April 15, 1920.

(2) and (3) The same practice is flourishing in a modified and regularized form in the Eastern Province. It is in abeyance in other Provinces because the same factors are not present, namely : An increasing agricultural population, large extents of irrigable land available for asweddumization and the establishment of a paddy bank. The Government will be pleased to consider sympathetically any similar schemes for increasing the area under paddy in any part of any other Province where the same factors or any of them occur.

Improvement and Development of Trincomalee District.

In the absence of the Hon. Mr. M. M. Subramaniam (Trincomalee Revenue District), the Hon. Mr. S. Rajaratnam (Northern Province, Central Division) asked—Will the Government be pleased to lay on the table a statement of recommendations made by the Government Agents, Eastern Province, or their Assistants at Trincomalee from time to time during the last ten years, for the improvement and development of the District of Trincomalee, including building works of public importance ?

THE HON. THE ACTING COLONIAL SECRETARY :—A statement giving the desired information has been supplied to the Honourable Member.

Advertising Rights in Railway Station Premises.

THE HON. MR. E. W. PERERA (Kalutara Revenue District) :—I rise, Sir, to ask—(1) Has the Government leased out the rights of advertising in the premises of the railway stations in Ceylon to any private agency ? (2) If so, did the Government call for tenders before the lease was granted ? (3) If no tenders were called for, what was the special reason which prompted the Government to deviate from the usual practice ?

THE HON. THE ACTING COLONIAL SECRETARY :—(1) The answer is in the negative. Tenders are being called for.

(2) and (3) In view of the answer to (1), questions (2) and (3) do not arise.

The Forest Committee.

THE HON. MR. C. E. VICTOR COREA (Colombo Town, North) :—I rise, Sir, to ask—Will the Government be pleased to state when the Forest Committee is likely to make its report ?

THE HON. THE ACTING COLONIAL SECRETARY :—The draft amendments of the Forest Ordinance and of the rules framed under it will shortly be in the hands of the Committee, which will then be in a position to make its report. It is not anticipated that this report will be made much before the end of the year.

Report of Standing Committee on Finance.

THE HON. THE ACTING COLONIAL SECRETARY :—I beg to move, Sir, that the report of the Standing Committee on Finance dated July 17, 1925, be adopted.

THE HON. THE TREASURER seconded, and the motion was agreed to.

PENSIONS.**Pension to Sister of D. William, Assistant Shunter, Ceylon Government Railway.**

THE HON. THE ACTING COLONIAL SECRETARY :—I beg to move, Sir, that in terms of section 31 (ii.) of the Pension Minute, a pension of Rs. 150 per annum, with effect from August 16, 1924, be granted to Deniyage Laisa, sister of D. William, Assistant Shunter, Ceylon Government Railway, who was killed on August 15, 1924, while on duty.

D. William was an assistant shunter in the Railway Department. He was stationed at Bandarawela on August 15, 1924. While coupling up the coaches he was caught between the corridor fittings, and had both his legs run over by the train, which was then being backed for the purpose of coupling. He died as a result of the injuries.

THE HON. THE TREASURER seconded, and the motion was agreed to.

Payments to Widow and Children of S. Seneviratne, Checker, Ceylon Government Railway.

THE HON. THE ACTING COLONIAL SECRETARY :—Sir, I beg to move that in terms of section 31 (i.) of the Pension Minute, the following payments be made to the widow and children of S. Seneviratne, Checker, Ceylon Government Railway, who died on April 2, 1925, of injuries received while on duty :—

To the widow, K. Don Isabella Hamine, a pension of Rs 200 per annum from April 3, 1925.

To the children gratuities as under :—

	Rs.
To the child Sisilawathi, aged 10 years	.. 50
To the child Wimalasena, aged 7 years	.. 80
To the child Promaratne, aged 5 years	.. 100
To the child Kusunawathi, aged 3 years	.. 120
	<hr/> 350

S. Seneviratne was a checker employed in the Railway Department. Whilst he was on duty on March 23 last he had his hand jammed between the buffers of two wagons during shunting operations. He was immediately removed to the hospital for treatment, but expired on April 2, his death being directly attributable to the injury received.

THE HON. THE TREASURER seconded, and the motion was agreed to.

The Supply Bill, 1925-26.

The debate on the Supply Bill, 1925-26, was resumed :—

THE HON. THE TREASURER :—Sir, since the adjournment of the debate on Friday last the Government has had time to reflect upon the important proposals put forward by the Unofficial Members for specified reductions of the Customs duties on imports, for specified reductions of railway passenger fares, and, if I correctly interpreted the Honourable Members' speeches, for reductions in railway goods rates and charges which have not yet been specified. There has not indeed been time, or anything like time, for full consideration of even the specific proposals, but the interval has made it possible for the matter to be submitted to the head of the Government, and for the Government to place before the House considered suggestions for dealing with the most important problems involved in the proposals in question. I have been authorized to communicate these suggestions to the House in the course of my remarks on the second reading of the Bill. I wish, however, just to say one thing by way of preface. The Official Members of this Council never for a moment contemplated brushing aside proposals put forward unanimously, or almost unanimously, by the Unofficial Members. We took it for granted that all such proposals would receive the fullest consideration from Government. It was, however, our duty to our Unofficial colleagues to make it quite plain that we were not in a position to commit the Government.

Now, Sir, the Government is aware that there is a body of opinion in the country which challenges both the volume and the incidence of the taxation imposed under the existing revenue laws of this Colony, and I am authorized to state that if the Government receives an unmistakable indication that it is the opinion of the Unofficial Members of this House that the time has now arrived when the whole question should be examined, it will consent to the appointment of a Commission to consider the matter. That is a course which the Government is prepared to adopt, but there are weighty reasons for not simply adopting the specific proposals which have been so strongly pressed upon the Government by Unofficial Members.

In the forefront I place an objection founded upon principle. The Honourable Member for the Urban Division, Central Province, with a frankness for which I thank him, made it plain that what he was proposing was only the forerunner of other proposals in regard to the Customs tariff, and quite apart from this admission, and quite apart from any intention which may now be in the minds of the present Unofficial Members of this Council, it is obvious that the acceptance of these proposals would go far towards setting up a precedent for future years and establishing the principle of an annual adjustment of the Customs tariff. That is a principle which the Government cannot admit. Our taxes are fixed by permanent revenue laws, and their character is such that they must inevitably be fixed in this way. The idea of making a general Customs tariff like ours—purposely constructed to embrace almost everything that is imported—subject to revision each year is not a practicable idea, for it would involve an annual disturbance of trade which would be productive of great economic mischief. It is not, I submit, a valid argument to say that because it is done in the United Kingdom it could be done here. The United Kingdom tariff is quite a different

type of tariff from ours, and in the United Kingdom the Government enjoys a freedom of action in the matter of the annual adjustment of taxation which this Government would not possess. In the United Kingdom it is the Government which proposes the annual taxes to Parliament, and until the moment for imposing them has almost arrived they are kept secret from everyone. In this way the disturbance of trade is minimised, but it is obvious that the Ceylon Government, which does not command a majority in the Legislative Council, is not in a position to proceed in this way. Every time a change in the Customs tariff was made, whether the proposal emanated from the Official or the Unofficial side, prolonged public discussion would be necessary, and an annual change of the Customs tariff in such circumstances is simply unthinkable.

I now turn to another consideration. The Government is naturally impressed by the fact that the Unofficial Members are almost unanimously satisfied as to the desirability of these specific proposals regarding curry stuffs, dry fish, salt fish, Maldivé fish, and jaggery, but it is the duty of the Government also to satisfy itself on this point, and the Government feels very strongly that the question of removing or reducing the existing Customs duties on these particular commodities should not be separated from the general question of the Customs tariff, and also that it is not a question in which the only consideration involved is the desirability of affording immediate relief to the consumer. Whatever may be the true facts of the question of poverty in this Island, it is not very obvious, in view of the growing volume of imports of almost every kind, why it should be assumed that the Customs duties on imported commodities are a serious burden on the purchasers of those commodities. With the single exception of the duty on sugar, duties on none of the commodities which form the subject of the proposals of the Unofficials were increased in 1922. The duties on curry stuffs, dry fish, salt fish, Maldivé fish, and jaggery were not increased in that year, and it is difficult to understand this sudden outcry about them. It would seem, indeed, that there is no pressing need for immediate relief in regard to these particular commodities at any rate, and that the question of the repeal or reduction of these duties, which may in certain circumstances have a distinct protective value to local industries, might well be the subject of much closer investigation before a decision is arrived at. Finally, the Government is unable to agree that the fact that revenue has expanded more rapidly than expenditure since additional taxes were last imposed, that is, since October 1, 1922, is in itself a sufficient reason for reduction of taxation. Before coming to any such conclusion, we must look, not only at past results since October 1, 1922, but at future possibilities as well. We divide time into financial years, but the gulf which divides one financial year from another exists only in our minds. Much of what is written in the Budget we are now discussing was set down there when previous Budgets were adopted, and what we are doing now will go a long way towards shaping the Budgets of the future. It is idle to recall now the fact that in 1922 we did not expect the new taxes to produce what they have produced, because we have already made this larger yield the foundation of a larger expenditure. If it had not been for this larger yield, we could not have increased our annual expenditure on education from Rs. 4,074,035 in 1921-22 to Rs. 6,534,675 in 1924-25, our expenditure on the Medical Department from Rs. 5,597,350 to Rs. 8,067,540 in the same period, our

expenditure on road maintenance from Rs. 3,853,872 to Rs. 5,343,780. No one believes that we have yet reached the top limit of expenditure under these and many other recurrent services, and I believe that we are now entering upon a period when expenditure will increase more rapidly than revenue. At the moment revenue has outstripped expenditure, but revenue may well be near its summit, while a volume of expenditure has already been set in motion which is only susceptible of limited control. It is easy to talk of slowing down the pace, but I must invite the attention of the House to the fact that we cannot do this by simply cutting extraordinary works out of the Budget. If we were going to be content with a smaller income than the 106 million rupees estimated for next year, we should have to carry out the much more difficult task of pruning the recurrent charges, and surely it would be very much a case of putting the cart before the horse to decide voluntarily to cut down our income before we had made up our minds how we were going to cut down our expenditure.

I come now to the question of railway rates, fares, and charges, which is in a different category from the question of Customs duties, and is not a question of taxation at all. The Government as a seller and individuals as buyers of transportation services stand, in one important particular at least, in the same relation to each other as other sellers and buyers; the Government can only sell its services to the extent to which the buyers require them at the price at which they are offered. The problem of railway rates, fares, and charges is, therefore, partly—indeed largely—a business problem, but it is a business problem complicated by a great many considerations which do not enter into ordinary business relations at all. The Government is no more inclined than its critics merely to turn a blind eye to the entirely new situation created by the rapid development of mechanical road transport, and His Excellency the Officer Administering the Government showed very plainly in his Address to this House how anxious the Government is that this new situation should be dealt with on lines which will be most conducive to the welfare of the country as a whole. The problem is, however, one of great magnitude, and the Government can hardly be blamed if it pauses before taking any decisive step, more especially one that assumes that the problem can be looked at solely from the point of view of the railway, and urges upon the House how necessary it is to be sure of our objective before we begin to move towards it. The Government is, however, very anxious to give the Legislative Council some tangible pledge of its intention to tackle this problem of the railway and to take some immediate step which will tend to the preservation of its passenger traffic. I am therefore authorized to say that the Government is willing to re-introduce as from October 1 next, which is almost the earliest practicable date, the issue of return fares for all distances and all classes at a fare and a half, subject to such limits of period of availability as may be decided upon after consultation with its technical advisers. Upon the basis of the 1923-24 passenger traffic this concession would involve an annual loss of revenue of Rs. 440,000, but, personally, I am inclined to mild optimism in this matter, and I hope that the concession may pay for itself, in part at least, by attracting back to the railway some of the passenger traffic which it has lost as a result of motor bus competition. The proposal put forward by the Honourable the Member for the Urban Division of the Central

Province on behalf of the Unofficial Members was, according to the shorthand writer's notes, to reduce third class fares by 30 per cent., second class fares by 20 per cent., and first class fares by 10 per cent., and he gave the probable cost of this concession as $1\frac{1}{4}$ million of rupees. I calculate, however, on the basis of 1923-24 passenger traffic that its cost would be Rs. 2,600,000, and it would involve a reduction of fares below the pre-war rates. The Honourable Member who formulated this proposal did not himself suggest a reduction of goods rates, but it was, I think, pressed for by other speakers.

Now, Sir, I think the Government is entitled to ask the House not to press for any declaration of policy at the present moment in regard to passenger fares or goods rates beyond what I have already said in regard to its willingness to re-introduce return fares at a fare and a half. At the present moment the Government is awaiting the recommendations of the Railway Advisory Board—a body created for the special purpose of advising Government in matters pertaining to the railway. This Board has been engaged during the past few months in reviewing, in consultation with the General Manager, the whole question of railway fares, rates, and charges, and the Honourable Member for the Colombo District and the Honourable the First Burgher Member, who happen, like myself, to be members of the Board, can tell the House that it has already reached certain definite conclusions—including the desirability of re-introducing return fares at a fare and a half—and that its recommendations will be in the hands of Government within a few days. As I am now speaking on behalf of the Government I do not think the House will expect me to say more. The Government will give these recommendations its most careful consideration, but as I have already pointed out, the Government is confronted with a problem which includes, but also goes far beyond, the problem of the railway, and it earnestly desires that for the present it should be free to propound to the Council a comprehensive policy unfettered by commitments in regard to details.

I now turn to several criticisms of a general character which have been passed on Government finance and financial methods during the debate, and I will start with the criticism offered by the Honourable Member for the Colombo District to the effect that the Budget shows too large an expenditure on the machinery of Government. Unfortunately the Honourable Member, if he will pardon my saying so, has quoted rather irrelevant figures. He added together the total Personal Emolument votes, the votes for travelling allowances, the vote for pensions, the vote for passages, and the vote for labour in the Survey Department, found the total of these items to amount to 47 per cent. of the total expenditure, and appeared to be quite satisfied that in this way he had proved up to the hilt his first contention that Government spent too much on the machinery of Government. Unless the Honourable Member attaches a meaning to the words "machinery of Government" quite different from what I understand them to mean, he has included many millions of expenditure which have nothing to do with the machinery of Government, for example, the salaries, travelling allowances, pensions, and so on, of Railway Officers, Medical Officers, University Professors, and Teachers, and he has excluded much expenditure under "Other Charges," which certainly is part of the expenditure on the machinery of Government. So far as the cost of the machinery of the Government is concerned, I

think I may fairly claim that I really have no argument to answer. As regards the fact that 47 per cent. of the total expenditure of the Colony is expenditure on what the Honourable Member described as personal payments, I really do not think that it is possible to fix on any percentage and say that anything above it is excessive. The percentage varies enormously in different departments. In the Education Department, if we include grants to assisted schools, which go mainly to meet the salaries of teachers, the percentage is 86 per cent. In the Legal Department it is 70 per cent. In the Irrigation Department it is 34 per cent. In the Public Works Department it is only 10 per cent. If there was any fixed percentage with which public expenditure should conform, the Education Department and the Legal Department would be most open to criticism, the Irrigation Department much less so, and my honourable friend the Director of Public Works would appear as the embodiment of virtue. Of course, these percentages are really no indication of relative efficiency or inefficiency. The cost of any department's establishment ought to bear the lowest possible ratio to the work which it does, but all work does not emerge as expenditure. The trial of a case in courts or the teaching of a class in school may involve as much work as the supervision of operations now going on on the Galle Face in connection with the new Council Chamber, but if the work is expressed in terms of expenditure, the work in the court and the work in the school will be given a very low value compared with the work on Galle Face, and consequently the percentage of personal emoluments will be very high in the first two cases and very low in the third case. The idea underlying this criticism is, of course, borrowed from commerce. In an engineering shop, for example, it is no doubt possible to work fairly closely to some definite ratio of overhead charges to wages, but no one would dream of combining the ratio suitable for a coconut estate, a bank, and a motor garage and using the result for any practical purpose. The operations of Government are extremely diversified. Many of them require the services of salaried persons to a very much greater degree than they require labour or materials, while others require labour and material to a much greater degree than they require the services of salaried persons. The ratio which expenditure on salaried persons bears to total expenditure must depend mainly upon the extent to which expenditure upon the former class of operations predominates over expenditure in the other class. The key to the question of establishments is, I fear, not to be found in simple arithmetic, but only in the close study of the activities of each department.

The Honourable Member for the Southern Division of the Southern Province criticised the provision in the Budget for some twenty bungalows and quarters for officers in the Irrigation Department. It will, of course, be open to him in Select Committee to challenge the necessity for any of these buildings, but if he is satisfied that proper quarters for these officers are not to be had except by building them, I think it must be agreed that they ought to be built. Irrigation surveys and investigations, maintenance and construction of irrigation works, and the distribution of water cannot be carried out without having the proper irrigation officers of various grades on the spot to do the work, and if you are going to have them on the spot, you simply must have them properly housed. It is not only a duty, it is good policy, and if the Honourable Member will

just note carefully the places at which these bungalows and quarters are to be built, I do not think that he will find it in his heart to press for the rejection of many of them. My honourable friend the Member for the Western Division, Northern Province, laid many stripes upon the financial advisers of Government, who, as the Honourable Member put it, had landed the country in this dreadful state of having a surplus of nearly 24 millions of rupees in its Treasury. Now, Sir, I do not want to weary the House by repeating the oft told tale of the Colony's financial fortunes in recent years, but I will just refer to the most important year, 1922-23, when, according to my honourable friend, the financial advisers failed so egregiously. He reminded us that we over-estimated expenditure by $5\frac{1}{2}$ millions of rupees, and under-estimated revenue by 5 millions of rupees, and in consequence the surplus increased from $13\frac{1}{2}$ millions to $21\frac{1}{2}$ millions rupees instead of being reduced, as it would have been if our forecasts had been right, to 11 million rupees. The financial advisers of the Government, Sir, are not in the happy position of other fortune tellers who can predict a brilliant future without any great risk of being confronted by the event. We are always confronted by the event, and by the easy wisdom which comes after it. We know that if the event proves better than the prophecy we shall be chastised with whips, but we also know that if the prophecy proves better than the event we shall be chastised with scorpions. So we are naturally prone to caution. And when the Estimates for 1922-23 were being prepared there was much to make us cautious. Prices were then still very high, the new Salaries Scheme was still in the making, and its initial cost could only be computed roughly, and I say we did the right thing in making sure that we did not under-estimate it. Here were two uncertain factors in our expenditure. The initial cost of the Salaries Scheme as finally settled more than six months after the Estimates were framed proved to be some 13 lakhs less than we expected, and 1922-23 was a year of falling prices. That is the main explanation of the over-estimate of expenditure. My honourable friend the Principal Collector of Customs has already explained the under-estimate of the revenue. It was based quite properly on the trade figures available for the three preceding years, which were falling figures, and many of our critics warned us that the new duties would check imports. No man alive knew that we were at the turn of the tide, and an optimistic estimate at that time would have been evidence only of recklessness. Our estimates of revenue for the next year have been framed in a spirit of cautious optimism, and the only criticism of them has been the genial prophecy of the Honourable Member for the Urban Division, Central Province, that they will be exceeded by 10 millions. He has the advantage of not having to give details. We have to say exactly where the revenue which we estimated is coming from, and if the Honourable Members will look at page 2 of the Estimates and compare our estimate with the actual revenue of 1923-24, they will see that we are budgetting for an increase of Rs. 3,636,885 over that year in spite of the fact that the 1923-24 revenue included under the head "Miscellaneous" a windfall of Rs. 1,260,000 from enemy property. Of course we may get more than 106 million rupees. Land sales, for example, may again reach the extraordinary figures of this year, and there may be other windfalls. Even since the adjustment a rumour—it is no more than that at present—has reached me that the revenue of this Colony may in the near

future benefit to the extent of 18 lakhs of rupees as estate duty on the Ceylon property of someone who I gather had never been himself in Ceylon. If that windfall materializes, it will mean that this single estate has produced more than we derived from all estates in 1923-24. I say, however, that 106 million rupees is as much as we now can rely on. As regards the estimate of expenditure I shall only make one remark. The idea that they are deliberately padded in order to justify the revenue we have collected and the surplus we have accumulated is fantastical. The Honourable the Commercial Member advised that we should increase the fixed reserve of 10 million rupees, which, of course, is part of our accumulated surpluses. I did not notice that the Honourable Member's advice was received with any wild enthusiasm. I am afraid good advice rarely is. Almost in the same breath the Honourable Member declared that surpluses are bad finance. How you are to increase your reserve without surplus of revenue over expenditure is a secret which I trust the Honourable Member will reveal to us in Select Committee. In conclusion I should like to point out that the present surplus, about which so much has been said, is no more than it was fourteen years ago, when the annual revenue was only half of what it is to-day. The excess over ten millions rupees will, I am convinced, prove to be only too temporary, and the whole of the surplus is less than three months' revenue. There are many other points to which I should have liked to refer, but I do not wish to provoke a question from my honourable friend for the North-Central Province about the length of Official speeches. Some of these points will, I have no doubt, be dealt with by my honourable friend the Colonial Secretary, and there will doubtless be sharp exchanges of argument in Select Committee. There at least I think all danger of our turning into a mutual admiration society vanishes. I should, however, like to say this now. The Honourable Member for Colombo District justly observed that Unofficial Members could only criticise upon the facts available, and that we, Official Members, held the keys to all the facts about the working of public departments. That is an advantage which must always rest with the Official side under every form of Government, but it is not our intention or our wish that it shall be an unfair advantage. We shall put all the cards on the table, and to the best of our ability lay bare all the facts of every situation whether they tell for the Official view or against it.

THE HON. MR. E. R. TAMBIMUTTU (Batticaloa Revenue District) :—It has ever been, Sir, the custom of Government, whenever they are in a plight to put forward the Honourable the Treasurer to create a sort of confusion so that there may be a safe retreat behind him. The Honourable the Treasurer is like the cuttle fish, which when pursued eject an inky substance and disappear, and I am reminded of that fish in the Honourable the Treasurer's treatment of matters relating to high finance. He creates a confusion in the course of his speeches, and usually sits down with applause. Now, Sir, we are concerned with matters which are simple in themselves, and all the talk about the various matters referred to can well be laid outside this discussion.

With regard to the question of taxation, I would remind the Honourable the Treasurer, that if he cares to read the debate on a motion I brought in this House for the reduction of taxation, he will

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find that his speech to-day is in no way an improvement on the speech he made on that occasion. The two speeches are very similar. On that occasion, Sir, we asked that a Committee should be appointed. That was in June, 1924. I suggested that a Select Committee of this House or a Commission may be appointed, and you will pardon me, Sir, if I refer in brief to that debate. My object in asking for a Commission was, as I said then, that we wished to include gentlemen like Sir James Broom, who was not then in Council. I will not think of such a Commission now because Sir James Broom is with us in Council. At that debate, Sir, the Honourable the Treasurer made a lengthy speech, and Honourable Members will see how similar to that speech are the remarks that we heard to-day. The Honourable the Treasurer on that occasion pointed out that he would only emphasize practical considerations, because it was not by finely spun economic theories—which my honourable friend has spun out to-day—that anything could be done. Then he went on to say that he had no doubt that the territorial methods would have their uses. With considerable sarcasm he had hoped on that occasion that if the University of Ceylon was to be a success—

THE HON. THE TREASURER :—No, Sir. Not sarcastic at all.

THE HON. MR. E. R. TAMBIMUTTU (Batticaloa Revenue District) :—I am glad to hear that there was no sarcasm in those words.

THE HON. THE TREASURER :—None at all.

THE HON. MR. E. R. TAMBIMUTTU (Batticaloa Revenue District) :—Well, Sir, continuing he said that if the University was to be the success they hoped it would be, it should open to some of its most brilliant graduates a very wide field of useful labour in the direction of Ceylon economics.

I think, Sir, these words practically described in short the attitude assumed by the Honourable the Treasurer. I should now like to join issue with him on the question we have raised in general. All along in the course of that debate we made it clear to Government that we wanted the taxes to be reduced. We objected on principle to the food tax which is weighing on the poor. We did not endorse the policy of the Government in raising money by levying taxes on the food of the poor. That point had been made clear by speaker after speaker who took part in the debate. It was also suggested then that before the Budget was introduced the Government should take steps to remit these taxes. Then at the Budget debate last year speaker after speaker referred to the need for the reduction of taxation. No doubt the abolition of the poll tax was emphasized. I am quite certain that this question of reducing the taxation on the food of the people was also pressed by almost every Unofficial Member. But last year the Budget was an urgent Budget, and we, the Unofficials, had no time to meet together and discuss ways and means of reducing taxation. At that debate I told the Government, Sir, that they were losing a grand opportunity for gracefully reducing this taxation on the food of the people, and that the time would come when they would be compelled to do so.

I have something to say, Sir, on the financial policy of the Government, but I shall do so after I have dealt with this question of

taxation. Now, what is it, Sir, that this House almost unanimously asks for? It asks the Government, in its abundance and with its surplus, to forego the paltry sums they are recovering from the taxes laid for a long time on the food of the poor people. It is a paltry sum when compared with the large surpluses Government derives. But what is the reply of Government? They say "Give us the opportunity to find out ourselves whether this remission of taxation is necessary." But, Sir, what are we here for? Are they going to find out for themselves whether the taxes are burdening the poor? From whom are they going to find it out? Are they going to find it out from the Government Agents, who are called the "real representatives" of the people? I say, Sir, that this House unitedly says that these taxes are burdening the poor, and I think it is idle to ask that further time be given to investigate by means of a Commission or a Committee whether there is need for the reduction we have requested to be made in these taxes. I say that this Council would not give up their demand for the reduction of taxation even if it leads to further difficulties.

Then, Sir, as regards the railway, last year when the Budget was proposed the Honourable the Colonial Secretary assured us that a Committee was sitting, that there was to be a separate budget for the railway, and that there was going to be this commercialization of the railway. We thought, Sir, that with the commercialization of the railway things would be better, but I find that it means, as at present we are informed, increased salaries to certain members of the staff. The Colonial Secretary gave us that assurance regarding the railway about a year ago. To-day we are told that they want further time to consider the reduction of railway rates. Of course, we know that the railway rates stand on a different basis. Railway rates cannot be reduced except by the decision of the Governor in Executive Council. But we are united to-day in asking that steps be taken to reduce those rates; and a proportion of reduction has been suggested by the Honourable Member representing the Central Province Urban Area. It has to be remembered, Sir, that in the neighbouring continent the third class passenger pays only one-sixth of the first class fare. I think, at least for the sake of self-preservation, we are bound to reduce our rates, as otherwise the whole passenger traffic in the Government Railway may tumble down one of these days as a result of the competition with the buses.

To come back to the question of food taxes. Sir, it only amounts to Rs. 2,500,000. It might seem that the reduction of the tax on sugar is not a real want. It may be asked whether the poor man actually wants sugar, and whether he cannot do without it. We know, Sir, that sugar enters a great deal into the diet of invalids, children, and other persons, and the excise policy of Government has made it difficult for them to obtain jaggery, the substitute they have been in the habit of using for ages. They say that jaggery cannot be used now as it costs more. The reason is not far to seek. To tap a kital tree for toddy a man has to dance attendance at the walauwa of the Mudaliyar to get a writing from him, then go to the Kachcheri, and from there to the Excise Office, and all along I believe, Sir, a little palm oil has to be used before he can actually get the sweet toddy from the palm. The process costs so much that the consumer has to pay a good deal more than he pays for the sugar. We are asking, Sir, for only a minimum reduction in taxation. The Government is willing to appoint a Committee to go

into the question of the incidence of taxation. I think we will all welcome a Select Committee of this House. But that must be after they have reduced these taxes.

When my honourable friend the Treasurer was indulging in a certain amount of exultation as to the prospect of a revenue of about Rs. 2,000,000 accruing from the demise of a wealthy gentleman, I was reminded, Sir, of the question of death duties which are now oppressive. This is a question which requires investigation. We know that estate duties were increased at a time when we wanted extra money to pay off our obligations towards meeting the expenses of the war. Those extraordinary circumstances are no longer in existence, and I am not sure whether this House is prepared to tolerate these high exactions from the estate of every man who happens to leave something behind. I may tell the Council that if this rate of exaction is maintained, perhaps in three or four generations our landed gentry will be left without property. And, Sir, what about the unfortunate widows referred to by the Honourable the First Burgher Member? Those widows on the little savings left to them have to pay death duties. So we welcome, Sir, a Commission or Committee of Inquiry to go into the whole question of taxation, but, as I have said, these taxes on the poor must first be abolished. I have listened very carefully, Sir, to the arguments of the Treasurer when he stated that the Government was not prepared to accept our demand. I have already mentioned that the argument he put forward was that these proposals have been sprung upon the Government. It is idle to say that, Sir. Then, Sir, speaking on the last occasion as regards our suggestion for a re-adjustment of the Customs tariff, he said that the fine machinery of Government might get out of gear if we happen to put our finger into it. No doubt in this respect the United Kingdom is different from Ceylon. But the Government of the United Kingdom is—and rightly so—a Government by the people of the people; and if our Government are prepared to make the Government our Government, they will have no difficulty. Then we will follow them, and they may boldly put forward schemes of their own. If they reduce these taxes the whole House will follow them. But they say that they are not prepared to accept our proposal. Does the Honourable the Treasurer forget that even in the House of Commons it has been possible to approve reduction of taxation? I have already dealt, Sir, with the argument that the Government must have time to consult public opinion and satisfy itself as to the necessity for this reduction of the taxes on the foodstuffs of the people.

Then, the Honourable the Treasurer further argued that it was not particularly obvious to him that the burden of these taxes is oppressive. I have always looked with misgivings, Sir, upon the change made with regard to the manner in which the appointment of the Treasurer of the Colony was made. There was a time when there were the offices of Auditor-General and the Treasurer. They were distinctly separate appointments. But later it was made possible for the Colonial Auditor to become the Treasurer of the Colony. I say, Sir, that it is most unfortunate that this should have happened, because the Treasurer should be a gentleman who had served in the Island for a length of time and is well acquainted with all the offices, as well as the activities and conditions of the people. He should be able to bring a large and wide sympathy to bear on the questions that come before him. I do not deny, Sir, that our present Treasurer

has got a fund of sympathy, but he has been brought up in that hard school of calculation from his earliest stage. From school he walked into the office of some audit branch in England. He has risen no doubt very high in the branch of work in which he has specialized. But he has been all along attached to the desk of calculation and to the study of financial orders, and he is for ever bound by those rules and regulations. I do not think he has any hobby in life, and much less, time to look about him and to see what the condition of Ceylon is.

I might illustrate my point, Sir, with a little story which is a recent one. There was a very distinguished officer of Government who in a career of thirty-three years had taken only twenty-three days' leave, and he was seconded for some duty. The duty he was performing was dependent on a certain fund. The fund became exhausted, and the only way of getting rid of that officer or of closing that fund was to get him to retire at once, of course, on pension on the old salary. He was asked to retire, but his three months' leave was refused; and he retired. When this was brought to the notice of the Governor, His Excellency thought that there was some hardship on this man who had taken only twenty-three days' leave during thirty-three years' service. If he had his three months' leave prior to retirement, he would have come under the special provision of the Pension Minute and his pension would have trebled. The matter was referred to the Treasurer. He looked into the rules and regulations and said that nothing could be done, and that officer who had served the Government for such a long period had to go without the advantage availed of by other members of the Government Service. It must be a stony heart that could have refused the reasonable request of such a man. So, I say, Sir, that the Honourable the Treasurer cannot really see these matters from our point of view, though no doubt he makes an effective spokesman for the Government. I think, Sir, he himself at quieter moments must be feeling that perhaps some of us are right when we ask for certain little concessions which in our opinion are bound to benefit the country. I will not deal with the other arguments used by the Honourable the Treasurer.

I wish to say a word, Sir, on that pleasing subject of surplus balances. The House will remember that when we first began to talk of surplus balances the then Treasurer of the Colony said that it was a sort of holy subject, that we had nothing to do with it, that we did not understand it, and that we had no power to deal with it. He said that the surplus balances could be invested by the Government with the sanction of the Secretary of State for the Colonies. But we pursued the question, and this House will remember that after two years the proposal was made—which we were bound to accept—that Government would keep back 10 millions of the surplus and bring the rest on to the Budget every year. But what did Government do the next year? They kept by the money saying that they could not find out what the surplus would be and that the money would be brought into the Budget later. Well, we know what confusion and difficulty there was when it came to allotting that surplus when the Government proposed to allocate large sums to pay the war debts and to form the University Endowment Fund. We did not object to those, Sir, because they are laudable objects. But what we wanted was that this surplus should provide for works held over for several years

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for want of funds. Those are not matters regarding which the Government is entitled to curtail expenditure. I am thankful to the Honourable the Treasurer for the statement that for fourteen years they have been having these surplus balances almost regularly.

THE HON. THE TREASURER :—I do not wish to interrupt the Honourable Member, but I did not say that we had that balance for fourteen years. I said the balance was the same fourteen years ago.

THE HON. MR. E. R. TAMBIMUTTU (Batticaloa Revenue District) :—Well, we had a similar balance fourteen years ago. I know that since the time we came into this Council the surplus balances have been increasing, amounting to over ten or sixteen millions.

THE HON. THE ACTING COLONIAL SECRETARY :—That I know to be wrong.

THE HON. MR. E. R. TAMBIMUTTU (Batticaloa Revenue District) :—What I want to protest, against, Sir, is this reserve of 10 millions. I think my honourable friend Colonel Hayward mentioned last time that it is a good thing to lay by a reserve for a wet day. I think the Honourable the Treasurer told us to-day that Government is in a different position from a commercial institution. But I ask, Sir, what right has Government to take the money the people have voted for their wants and which Government was unable to spend ?

With regard to the building of up-country hospitals, the Principal Civil Medical Officer said that there was a surplus or balance of 4½ lakhs in the Medical Wants Fund, and that, therefore, the needs of hospitals up-country were provided for. But might I not use the same argument and say that Government has for the last so many years so much surplus, that is moneys we have voted, and that we are entitled to ask that they be spent for our needs ? I should like to say that there is a difference shown with regard to up-country and low-country districts in the matter of hospitals. But, Sir, suffering humanity is common to all districts. I would appeal to this House that hospitals should be provided irrespective of the sources from which funds come in.

To come back to the question of surpluses, I say that Government has no right to keep back this 10 millions for an emergency. What can be a greater calamity, Sir, than that the country should be suffering for the want of hospitals and medical services ? And still the Government is clinging on to the 10 millions in the expectation of an evil day. The Honourable the Treasurer when he spoke on the motion on taxation moved by me in Council in June, 1922, said that the people expected Government to attend them at their birth and at their graves. Well, Sir, if Government attends at the birth of people, I may say that thousands, nay millions, of lives born and lost would have been saved for this country. I do not believe, Sir, that I have at any rate risen to such eminence as to warrant the attendance of the Treasurer at my funeral. But may I say that the Government are hastening many to their graves by withholding hospitals and other needs and not finding money for them, while at the same time keeping back this Rs. 10,000,000 ?

The Honourable the Treasurer's remarks on the reserve is based on the statement of Lord Elgin in 1906, that we should build a reserve. I think my honourable friend forgot to mention that the theory of Lord Elgin had been exploded long ago, and that Lord Crewe in a subsequent memorandum decided that there should be no reserve. The House will also remember the following passage read by my honourable friend the Member for the Southern Division of the Southern Province: "In 1866 Lord Carnarvon informed Governor Robinson that it was needless to require the Ceylon Government to accumulate surplus balances, and that the local Legislature should be allowed at once to devote any surplus either to the remission of taxes which press upon an enterprise or industry or to the more rapid construction of such public works as are calculated to develop the resources of the Island, or in any other way calculated to produce immediate advantage to downtrodden individuals."

I wish to refer to what Lord Elgin said. He said that it would be a good thing if we could put by Rs. 2,000,000. That amount was not to be deposited in bank as a fixed deposit, but was to be invested in certain securities. This is what the then Honourable the Treasurer, the predecessor of our present Treasurer, said in 1921 (1921 Hansard, page 290):—

It has been suggested again that we should meet our deficit from the surplus balances that remain. It may be within the memory of some Honourable Members here that in 1906 Lord Elgin, who was then the Secretary of State, made some very pertinent remarks in connection with the using of our surplus balances to make up a deficiency in revenue. This is what he said: "The economic conditions in Ceylon, satisfactory as they are at present, are not such as to remove the necessity for foresight and prudence. Signs are not wanting that its staple industry will be exposed to competition of increasing severity as the years go by, and though the recent history of the Colony has been one uninterrupted progress, the experience of the past forbids us to feel any certainty that it may not hereafter be liable to sharp vicissitudes of fortune"

Those words of Lord Elgin spoken in 1906 referred to a set of circumstances existing at the time, and in 1921 Government proposed going on the argument of Lord Elgin to hold back ten millions till that doom came upon Government. Government seems to have entirely forgotten that in 1909 Lord Crewe, when he was Secretary of State, said that the proposal to create a reserve fund may be abandoned. His Excellency Sir Henry McCallum in his Address to the Legislative Council on November 10, 1909, said as follows:—

I am glad to be able to inform you that as a result of the strong representations made by me, which I was able to supplement in person, the Secretary of State has agreed that in view of the variety of flourishing industries now in existence in Ceylon, the proposal to create a reserve fund may be abandoned.

That was in 1909; but now the Honourable the Treasurer goes back to the dictum of 1906 in support of the Government claim that Rs. 10,000,000 should be put by. I ask then whether there is any need for that in view of the fact that our industries are in a flourishing condition. I ask, Sir, is this Rs. 10,000,000 going to save Ceylon? Are we not in a position to raise enough money if the rainy day comes? Since 1921 Government has the power of raising money by the issue of Treasury Bills; and I say, Sir, that the Rs. 10,000,000 should not be kept back. On what policy should Government hold up such railway works as the Batticaloa-Nintavur extension, or even the Tangalla extension, while keeping back these

ten millions, and going to the market to borrow at very exorbitant rates? The Hydro-Electric Scheme is, I believe, now financed from the general revenue, but I suppose it is intended some time later to raise a loan at about 6 per cent. interest, while keeping back this ten millions earning 3 or 4 per cent. interest from the bank. So I protest against the surplus balance being reserved for an evil day. I have heard the argument repeated that we are unable to foretell what our revenue would be and that these surpluses must occur. What is the duty of a financier, Sir? He must be able to forecast and say within a small degree of error what the revenue would be.

There are many other things I wish to refer to, but they can be dealt with in the Committee stage, and I do not want to go into details. Of course we should not forego the right we have to speak on the second reading of the Supply Bill, when, as a Member observed, we can travel from Peru to China. But I may say that we might confine ourselves to this Island, say, from Walasmulla to Mullaittivu. I hope the Officials, as the Honourable the Attorney-General was, were greatly edified by the debate.

I do not want to inflict a long harangue about the needs of my district. But I trust that Government will see the justice of our modest demand for the reduction of certain taxes. We are united as regards that demand. We appreciate the Government offer to appoint a Commission, but, Sir, the reduction of taxes must precede that Commission, and not follow it.

THE HON. MR. N. J. MARTIN (Second Burgher Member):—I shall be very brief, Sir, and not go into particulars and details that might well be left to the Committee stage of the Bill. There is no intention whatever on the part of the Unofficial Members of Council to embarrass the Government in this matter of taxation; but Honourable Members will remember that last year, standing in my place here, I suggested to the Honourable the Colonial Secretary to so amend the Budget as to meet with the wishes of the Unofficial Members. But the Honourable the Colonial Secretary was not inclined to do so, and the Budget was put through almost as presented. I feel that on this occasion the Unofficials, who have met more than once in conference and have arrived at certain decisions with regard to the reduction of taxation, feel that their requests have so far fallen on deaf ears; and it is for that reason there is a unanimity of opinion now that the two small reductions asked for, namely, the remission of the tax on the poor man's food and the reduction of the railway rates, should be accepted by Government before the Budget is put through. If there is no intention on the part of the Government to accede to them, I fear that there will be trouble in passing the Budget. After having heard what my Unofficial colleagues had to say, I think that that is what will happen, and I hope that the Government will gracefully accede to the wish of the Unofficial Members.

There can be no difficulty at all with regard to the reduction of the railway rates. The rates were raised not so long ago, and there is no reason at all why they should continue at the present high figure; besides, there is the important fact that buses have taken away large sums which should have come to Government revenue. I might inform this House that between Chilaw and Colombo there are 139 buses plying, destroying the road, and taking away revenue from Government.

It was a great surprise, Sir, for me to hear to-day that the proposed remission in the food taxes had been sprung on the Government. This remission has been repeatedly asked for by the Unofficial Members of this Council. Member after Member has asked that taxation should be reduced, but the appeal has hitherto fallen on deaf ears. This year, however, I feel that the Government will have to yield to the Unofficial wish.

THE HON. MR. H. R. FREEMAN (North-Central Province) :— I did not intend to take part in this debate, but after the target offered by the Principal Collector of Customs, I must say something or abdicate. I hope to keep within the fifteen-minute limit. The Principal Collector of Customs generalized. He said : People have never been so well fed and clothed as they are at the present moment in Ceylon. Now, Sir, this is not at all true of the North-Central Province, which is the largest Province in Ceylon, and in which I believe my honourable friend served. He ought, therefore, to know something about it, and I will say why that statement is not true of the North-Central Province. From the time of King Nissanka Malla in the twelfth century till 1893 high land on which fine grain and vegetables are grown was free from tax. This king, according to an inscription at Polonnaruwa, “relinquished the tax on dry grain produced on chenas, the cultivation of which is attended with distress, and ordained that such taxes should cease for evermore.” This is the translation of the inscription. In 1893 a rent of one rupee per acre was imposed, as will be seen from the Manual of the North-Central Province, by Mr. R. W. Ievers, page 116. This book gives a full account of the life of the Province, its agricultural products, namely, paddy produced in fields and in chenas, fine grain and vegetables, and export trade in gingelly by barter.

In 1899 Government waived the tax, and chenas were again free from tax. In that year the then Government Agent wrote in his Administration Report that if chena cultivation was stopped for those having very little paddy land, Government would have to feed the people or they would starve. That is exactly what has happened in the Province between the years 1921 and 1924 ; and the peasantry, that is those not under the big irrigation works, have now been given taxpayers' money as relief. We have recently voted relief funds.

Since 1899 the history of the Province is as follows :—The Land Settlement Department, acting under the Waste Land Ordinance, came into the Province and reduced the allowable acreage for chenas from three acres—which was fixed by Executive Council rule—to half an acre ; they advised that outside that half acre a rent of Rs. 5 to Rs. 7.50 should be recovered from the peasantry ; they also advised the confiscation and destruction of crops so that the villagers may not grow fine grain for sale. One of the results of this is that Rs. 3,000,000 worth of chillies usually grown on chenas has to be imported by the Principal Collector of Customs, while all the time the country is shouting for food to be produced in the jungle regions. In 1912 the Government Agent carried out the suggestion of the Land Settlement Department, had chena fences broken down and cattle turned in, and also set fire to the chena crops.

THE HON. MR. E. W. PERERA (Kalutara Revenue District) :— Name.

THE HON. MR. H. R. FREEMAN (North-Central Province) :— He also fined villages hundreds of rupees per village. The people could not pay the fine. They went to jail and died in jail, while the villages are abandoned and have been sold or mortgaged. Honourable Members can imagine how these effects are lasting to the present day. It is common knowledge that the Land Settlement Department did much the same thing in the Giruwa pattu of the Hambantota District, where they cut down the plantations of settlers. Those people were put out of their lands because they could not pay what they were called upon to pay for settlement, and they became outcasts and went away to Sabaragamuwa. In 1913 or 1914 the same Government Agent of the North-Central Province drafted an Ordinance against chena clearers to fine them automatically Rs. 100 to Rs. 500 per acre—I am speaking from memory. The Ordinance was drafted on the lines of the Habitual Criminals Ordinance. The draft Ordinance came into my hands when I had charge of the Western Province, and I was happily able to kill it.

In the war years I had charge of the North-Central Province. I went all over the Province and gave all sorts of facilities for cultivation and filled up the Province with food. In the Census Report of 1921—that was after I left—the Province was described as “the granary of the Island.” The death-rate in 1917 was 27·6 per thousand—that is the lowest on record since figures were kept in 1881. The Government Agent who had charge from 1921 to 1924 did the exact opposite. He was an anti-kurakkan man and an anti-gingelly man, and he thereby emptied the barns and raised the death-rate to 58·5 in 1923—that is more than double that of 1917. The infantile mortality in 1923 was 438 in a thousand births as against 194 in one thousand in 1917. Villagers were also during those four years fined about Rs. 50,000 in trying to get food supplies, and reduced to great misery.

I have with me two medical reports on fourteen typical villages showing the results of four years of misrule. I will read one of the reports. It is from the District Medical Officer of Anuradhapura to the Provincial Surgeon, North-Central Province, and is dated January 1, 1925. It runs as follows :—

I visited the villages of Diulwewa, Kudakamumulla, Punchikulam, and Chembukulama. In the first village there were about ten houses and fifteen inhabitants; almost all were sickly. Everyone of them had an enlarged spleen, some had parangi, and a few were suffering from scabies; there was a child four months old emaciated and only skin and bones. The mother too was poor in health and had no milk, nor was there any cow's milk available, and the parents said that they were too poor to buy any patent foods. We went into every house and found all the barns empty, except one which had about six measures of paddy. There was no produce of any kind—vegetables as well as cereals—in the whole village. In the second village there were more houses and people. Here too almost everyone had an enlarged spleen, and some had parangi. There was a child which was emaciated, rickety, and pitiful to look at. The barns were empty. The universal cry of this village was also that they were starving. In the third village, too, the people were suffering from fever and parangi. There was a child only nine days old which had lost its mother and was being fed on mashed rice. No cow's milk was available, and the people said that they were too poor to go in for patent foods for this infant. There were many who said they had not anything to eat for days, and they went to some other villages and begged their meals. In the fourth village which we reached at about 9 p.m. through mud, through paddy fields, and water there was again the same chorus of starvation and illness. Their barns too were empty; their cattle too were few, and none had milk. If I am to suggest any relief, I would say that as a temporary relief all these and

similar villages should be given a good supply of rice and curry stuffs for the grown-ups and patent food like Allenbury's or Glaxo for the children as soon as possible. Most of the children I saw were emaciated, and three infants had no milk of any kind.

The other report on nine villages says that the people are ill-nourished, due to a scarcity of food, and they are also stricken with malarial cachexia, parangi, and scabies. The report adds that the condition and health of these villages is due to two causes, namely, want of food supply and want of suitable clothing.

This fairly disposes of the argument of the Principal Collector of Customs about food and clothing, and of his statement that people who live in jungle villages and eat their home-grown food spend an infinitesimal amount on duty on imported articles. But these people—I am not generalizing outside the North-Central Province—are not allowed to grow their own food. They have had to live on debt and on imported stuff from the bazaars.

A word about my neighbours, the Trincomalee District and the Vavuniya District and Mannar. I know that those people are in difficulties, and I know that there too it is the case that they cannot get sufficient permits for cultivating Crown land which is their source of food supply.

And I would like to have a word with my friend and ally the Director of Agriculture. The matter has been on my mind for some time, and I said something about it in a letter to the Press when he was absent in England. In the Wembley Exhibition Handbook he writes: "This primitive system of agriculture . . . is now allowed only in those areas where such a system . . . is necessary to save the people from starvation." The Director of Agriculture has a very generous mind; he is very unofficial in many ways, and I want to ask him whether a somewhat higher poverty line than starvation cannot be aimed at? The Government too on one occasion informed me that the situation was being watched against any danger "of actual starvation." The standard does not appear to me to be high enough, nor is it up to that of the Address to this Council by His Excellency the Officer Administering the Government, which was a delightful document. Happily, however, since December last the North-Central Province has had a very sympathetic Government Agent, Mr. Bartlett, and it has had the good fortune of a visit from His Excellency the Officer Administering the Government, and things are on the mend. The wrongs of years cannot be put right in a few months, but we three hope to fill up the Province with food again.

A last word to my old friend and colleague the Principal Collector of Customs. It is very nice to see his smiling face. He is clearly not a Scotchman, but he is like a former Principal Collector of Customs under whom I had the good fortune to serve as Landing Surveyor in the Colombo Customs, and who was a Scotchman. They both want to see the revenue of the Customs going up—up—up.

THE HON. THE VICE-PRESIDENT :—Council will now adjourn for tea.

After the tea interval—

THE HON. MR. F. A. OBEYESEKERE (Southern Province, Central Division) :—If you will permit me, Sir, before continuing the debate on the Budget I should like to say something with which

I am certain my Official and Unofficial colleagues will associate themselves. We recently heard of a very serious accident to His Excellency the Officer Administering the Government, and I am sure every Honourable Member of this House will associate himself with me when I say that we are very happy indeed to learn that the accident has not been fraught with very serious consequences. We hope that His Excellency the Officer Administering the Government will come back from his compulsory rest able to assist the Unofficial Members of Council in the fight that they intend to put up against Official incapacity in the matter of giving help to the poorest people of this Island.

In dealing with the Budget, I should first like to deal with the remarks of the Honourable the Treasurer. He told us that the Officials hold the keys of the administration, and that it might be an advantage that it should be so. He also told us that he was prepared on behalf of Government to lay the Official cards on the table. What evidence have we had till now that such intention ruled the Government mind? We have in the present administration elected representatives of the Legislature in the arcana of Government Councils. We have to-day Honourable Members of this Council who have seats in the Executive Council; but have these Honourable Members been consulted with regard to one iota of this Budget? Is that how the administration lays its cards on the table? One of the Government spokesmen has told us that there is no poverty or distress among the people. From where did the Government come by that information? I would advise my Official brothers in this Chamber and outside to bring a different mind to bear on questions like this. We are not here for the good of our health. We, the Unofficials, have sought places in this Chamber in order to establish that contact with our Official brothers that our country has for a long time tried to establish.

Now that there are Elected Members in this Chamber representing territorial districts, I think that it is the duty of the Officials to accept what is indicated to them by us as being the true state of affairs. I have said that I hope that all the Official cards will be placed upon the table; I hope that this will be the case, not only with this Budget, but also with all future Budgets. I further hope that in future, before the Official mind gets solidified into a mass of concrete matter, the opportunity will be taken of consulting the Unofficial mind. The time has come when some procedure will have to be fashioned for this in order to prevent that solidifying process taking place.

The Honourable the Treasurer told us that it was not the intention of the Government to brush aside Unofficial representations. He knew what we were asking of the Government in connection with the present Budget proposals. We sought through our spokesmen, the Honourable Member for the Central Province, Urban, and the Honourable Member for the Colombo District, to indicate to Government that we would demand a remission or reduction of taxation in regard to railway rates and foodstuffs—the latter being taxes on the poorest of the poor. We were prepared when we asked for the remission of taxation to indicate to our Official brethren what were the items of expenditure we wished to remove to enable such remission in taxation to take place; so that when the Honourable the Treasurer says that we are putting the cart before the horse there is no such indication in this proposal of ours. We

were fully alive to the fact that expenditure would have to be reduced. We put our heads together in Unofficial conferences, and we came to a conclusion—excepting the Planting Member—regarding the items of expenditure that we would cut out of the Budget. We then came to Council with our proposals ready; we specified them and indicated that they would involve a reduction in revenue of nearly Rs. 4,000,000. I venture to submit that we are not putting the cart before the horse, but that we have taken the necessary practical steps by which to approach this Council with regard to our proposals and to inform the Officials that we are prepared to take all the necessary steps in order to give effect to our proposals.

The Honourable the Treasurer almost resented the suggestion which was laid at the door of the Government that the Officials were in the habit of padding the Estimates. I do not know whether this charge is a conscious or an unconscious act, but this much we know in spite of what the Honourable the Acting Colonial Secretary told us the other day. In July of this year the Budget proposals were brought into this Chamber. As early as June, 1924, the incidence of malaria in the Mahara jail was 9·3—a considerable reduction of nearly 20 per cent. from the previous figures. How came it that when the Budget proposals were brought into this Chamber as late as July, 1925, the fact that the incidence of malaria had been reduced to 9·3 was not known to those who framed the Budget proposals? We were told that the fact was only brought to their notice after the Budget proposals were framed. There must be something wrong in the State of Denmark!

I made a complaint on a previous occasion that the Administration Reports of the various Government Agents were not in the hands of Territorial Members when the Budget is introduced. I also asked a question concerning the matter; and I have now to thank the Honourable the Acting Colonial Secretary for acceding to my request to put those reports—in some shape—into our hands before we came to deal with the Budget proposals. But in spite of the fact that there was much matter in the reports for us to deal with, by set scheme we decided not to put territorial needs before Council when we were asking for the remission of taxation. This fact was known to all my Unofficial brethren when the debate on the Budget was started. If the fact was not mentioned in open Council, I am sorry for the omission; but the fact was known to the Member who represents the Urban Division of the Central Province and also to the Member for the Colombo District. If, therefore, my Official brethren were misled in any respect owing to this omission, I hope that they will forgive us. But I should like them to know to-day that when the Budget is being considered in detail, whatever claims we may put forward on behalf of our respective districts, our minimum demands with regard to taxation must be accepted by Government.

Whatever the charge against the Government of padding the Estimates may amount to, we find that an undigested scheme for Rs. 3,000,000 which had found its way into the Budget has now dissipated into thin air. I beg of the Government to take early steps to remedy this state of affairs. We have to think in millions, and, when an incident like this occurs, we are forced to the conclusion that sufficient consideration has not been given to the vital needs of the various districts and departments of Government.

Now, the Unofficial Members in their proposals with regard to taxation ask for a reduction of something like Rs. 4,000,000. What are we offered to-day? The Honourable the Treasurer offers us a reduction of Rs. 440,000 on account of return fares on all classes and from all distances. We are asking for bread for the poorest of the poor but what have we been given? A reduction of Rs. 440,000, when Rs. 800,000 is provided for one new building, and Rs. 3,000,000 was asked for a new jail at Ragama owing to the presence of malaria.

Mr. H. L. De Mel pointed out in 1922 that there was then private competition with the railway, and that the custom of the railway would suffer. We have waited three years and more, but only to find that the Railway Advisory Board is still considering the matter. Are we to be satisfied with such a reduction as is proposed by the Government at such a time as this, especially after the warning that was given to the Government? It was also pointed out to us by the Honourable the Treasurer that the reduction in passenger rates would mean a far larger amount than that mentioned by the Honourable Member for the Central Province Urban Electorate; that the amount of loss according to the Government estimate would be Rs. 2,600,000, this exclusive of the loss on goods rates. Well, the percentage of reduction proposed by us, namely, 30 per cent. on third class tickets, 20 per cent. on second class tickets, and 10 per cent. on first class tickets, might be reduced.

The argument was adduced that one of the reasons why Government may not entertain our proposals is that it will create a dangerous precedent. It might prove to be that the following year, the Unofficial Members, having tasted blood, might again ask for further remission of taxation. Surely the Unofficials are not all irresponsible people; surely they might be credited with the capacity for weighing proposals. That statement of the Honourable the Treasurer is similar to his statement, that with regard to the general principles of remitting taxation the Government is quite agreeable to appointing a Commission to inquire into all the aspects of this question. The attitude that Government takes in these matters is known in history. Whenever the Government hopes to shelve a question which the people of the country consider to be urgent, it reserves it for a Commission. We, Unofficial Members of this Council, will resolutely oppose the reference of this subject of the remission of taxation to anything but a Select Committee of this House.

His Excellency the Officer Administering the Government told us the other day that henceforth the Government of this country consists of the union between the Officials and the Unofficials in this Chamber. When we heard those words we expected that they were going to be shortly translated into action. We hope that those words will be remembered and translated into action when Budget proposals are considered, and that the proposal for considering the remission of taxation will not be relegated to a Commission to be appointed by the Governor, but that the desire of the Unofficials that the matter should be considered by a Committee or Commission of this House will be acceded to.

Now, Sir, we were told that taxation in England is different to what it is in Ceylon; that in England they have a big monopoly of right conduct, and that they are able to preserve a dead secrecy

which we in this country may not. I challenge that statement ; and I am constrained to say that it is nothing short of an insult.

THE HON. THE TREASURER :—I must protest against that, Sir. There was no suggestion whatever in my remarks that secrecy could not be kept by the Ceylonese Members of Council.

THE HON. MR. F. A. OBEYESEKERE (Southern Province, Central Division) :—I will withdraw the words if I have misheard the Honourable the Treasurer. I thought he said that dead secrecy was possible in England ; that it was not possible here and therefore was likely to lead to disturbance of trade.

THE HON. THE TREASURER :—I said that in England dead secrecy is preserved because the matter does not go beyond the Government.

THE HON. MR. F. A. OBEYESEKERE (Southern Province, Central Division) :—The Government as now constituted is a union of the Unofficial Members of Council with the Official. Therefore it is the Government that has to consider the proposals.

THE HON. THE VICE-PRESIDENT :—The Honourable Member has misunderstood the position. The position taken up by the Honourable the Treasurer was that in England the Government at the very last moment divulges the new taxation.

THE HON. THE TREASURER :—I can assure the Honourable Member that no reflection was intended on anyone.

THE HON. THE ACTING COLONIAL SECRETARY :—I wish to associate myself with the Honourable the Treasurer's remark.

THE HON. MR. F. A. OBEYESEKERE (Southern Province, Central Division) :—I will refresh the mind of the Honourable the Treasurer. I have taken down his words : " The position here is different to the position in England for these and other reasons, for there dead secrecy can be obtained ; otherwise there is a disturbance of trade."

THE HON. THE TREASURER :—Those are not the words I used.

THE HON. MR. F. A. OBEYESEKERE (Southern Province, Central Division) :—And " that dead secrecy is lost because there will be prolonged discussion if the Unofficials are to be consulted." Why cannot a procedure be arranged for enabling the Executive Council to be consulted, because in the words of His Excellency the Officer Administering the Government, the Government of this country is now constituted by the union of Officials and Unofficials. If there is any truth in those words, it behoves Government to take early steps to translate them into action.

Then, Sir, we were told something lugubrious by the Honourable the Treasurer, that owing to the death of somebody who had never even visited this Island this country will have an accretion to its revenue of Rs. 1,700,000.

THE HON. THE TREASURER :—I said "might," not "will."

THE HON. MR. F. A. OBEYESEKERE (Southern Province, Central Division) :—We live in hope. Whatever the hope of the Honourable the Treasurer is, it is scarcely a matter that will weigh with us when we are considering proposals of taxation.

I will now deal with the reference made to precedent. It was a precedent which prevented His Excellency the Officer Administering the Government from acceding to our request, when the Government came before the Unofficials for a vote of Rs. 1,500,000 for the Ceylon University, that the Government should be satisfied with our promise to vote that amount if and when it was really wanted. It was only after long discussion in Finance Committee that we were able to make him budge from precedent, and convince him that our promise would avail the Government, and that if we undertook to vote that money if and when the money was sought from us, the Government should be satisfied. What is considered as dangerous in our present proposals will not prove dangerous if the Government will only regard our proposals as the minimum demand, and one which is not going to embarrass either the Government or the Administration.

The Honourable Member for the Colombo District made a very important point when he submitted that so many million rupees worth of raw products were being exported from this country, but that only Rs. 3,000,000 went forth in the form of manufactured goods. His figures were questioned. In case those figures are challenged to-day, I have with me the Blue Books for 1922 and 1923 to convince any official of Government that the facts and figures submitted by the Honourable Member for the Colombo District are correct and cannot be challenged. I therefore ask the Government to carefully ponder over the point made by the Honourable Member for the Colombo District and to take steps, after adequate consideration, to adjust the serious wrong that this country suffers from. We do not want millions of pounds of our rubber to be exported in their crude form and to later have to pay heavy prices for goods manufactured out of them. I strongly support, on that point, the Honourable Member for the Colombo District.

The Principal Collector of Customs tried to convince the Unofficials that the Government were full of sympathy for the people, but that they only joined issue with us in regard to our conclusions and premises. There are a variety of ways in which that sympathy can be translated into action. What we Territorial Members say is that there is a lot of sympathy in the heart of the Government, but somehow or other it does not reach the people. We would wish to benefit by that sympathy.

Coming to parochial matters, but without asking anything on behalf of my particular district, I wish to state that longstanding grievances, even in the Matara District, go without redress, and as a result of this cultivation suffers. As was pointed out by another Honourable Member, money was voted by us for the

clearing of elas and channels, but our intentions are frustrated. We are now told that this work is part and parcel of a bigger scheme of flood protection. Cultivators are as a consequence delayed in bringing their fields under cultivation. We should have a scheme of works of development that will continue for three, four, or five years. Hambantota and Matara are among the sufferers from the neglect of the repair of elas and the clearing of channels. This has been brought before me time and again, and I would not be doing my duty if I did not protest that when money is voted it should enure to the people's benefit.

In regard to the statement that it is the amount of trade that indicates expanding prosperity, that goods cannot come into the country without money, and that the producer pays for labour, that point has, I think, been already combatted. The Honourable Member for the North-Central Province, to whom not only his constituency but also the whole Island owes a deep debt of gratitude for showing us that British officials in this country can be as sympathetic as the people themselves, has proved that the statement is mere fiction. The Honourable Member must have convinced everybody that poverty exists and that misery exists, and that the Government only comes forward to help when the point of starvation is reached. I support the Honourable Member's request that the standard be altered.

The Principal Collector of Customs also told us that it is when revenue falls that Government must ascertain whether the rates are too high. Mr. De Mel warned the Government in 1922 that mechanical transport was coming into competition with the railway. How is it that when railway custom began to fall three years ago, this maxim was not adhered to by the Government? They are still waiting for the recommendations of the Railway Advisory Board.

We were also told that it does not seem to be correct that there is unemployment in the country, or that the people in the rural areas are in adversity or need, and that we had only to look at the number—150,000 of coolies imported from the neighbouring continent. We are asked to infer that because 150,000 coolies are imported, no unemployment exists in this country. Coolies are imported for a variety of reasons. They have been so imported for over a generation. They are imported because the Sinhalese labourer, when his paddy has to be harvested or his field has to be ploughed, does not provide labour to rubber and tea plantations. That labour the Tamil cooly is able to give. I am surprised that anybody who pretends to know the conditions of this country should have made use of that argument. There is unemployment in this country, and there is poverty among the rural population.

We were further told that if the Government began to consider all the needs put forward by all the various Members even Rs. 40,000,000 would not be enough. I think I have already dealt with that point, and indicated that those are the needs we shall ever be putting before Government, and that it is up to Government to see that they enter upon a programme of works of development to occupy themselves for four or five years. We hope that in that time the works indicated by the Territorial Members will be taken up.

Sir, His Excellency the Officer Administering the Government, when he delivered to us that admirable Address on July 3, indicated certain guiding principles by which the Government would be guided when it differentiated between urgent works and less urgent works in regard to Budget proposals. He gave us what will be the "pilot stars" that will guide the Government in making its selection of necessary works. I think that this Council owes a debt of gratitude to His Excellency the Officer Administering the Government for his admirable Address and for the many pilot stars which he indicated therein; but I would fail in my duty if I did not point out that though many of these pilot stars if followed would enure to the benefit of the people of the country, luminous clouds very often obscure the vision of Officials in selecting works.

I have in my mind this big question which has arisen in the Official mind to-day of the competing claims between Government roads and Government railways. This is what His Excellency the Officer Administering the Government told us in his Address:—

The difference between a Government road and a Government railway is this. The former is built, maintained, and improved at the expense of the general taxpayers, but it is exploited in the main by private individuals, private companies, and private estates. The latter is likewise built, maintained, and improved at the expense of the general taxpayers, but it is also exploited for their benefit. All the earnings of a State railway go to the State Treasury, but a public road earns no revenue except such as accrues indirectly from taxes on vehicles and animals, and even these taxes not frequently go to local authorities and not to the central Government. It is, therefore, a matter for careful examination how far it may be sound policy to invest the taxpayers' money in railways, while at the same time spending their money on roads which may prevent the railway investment from being profitable. We cannot yet tell whether the future rests with rail transport or with road transport.

The Government seems to have a doubt as to what its clear duty is. With regard to this expression of opinion, Sir, I desire to point out that it is not a pilot star; it is a jack-o'-lantern, a will-o'-the-wisp, and that it is leading Government into a bog of doubt. If they are in doubt, let me inform the Government of a motion introduced into this Council by the General European Member in 1906. I am prepared to admit that in 1906 the question of mechanical transport was not involved in the question, but in spite of that the policy which Government should follow was indicated. The motion which the General European Member brought into Council was "That in the opinion of the Council there can be no finality for railway extension in Ceylon until every revenue station is connected with the Island system, each station to be considered on its own merits at the proper time." There is a pilot star for the Government to fix its gaze on. The Honourable the General European Member also said in the course of his remarks:—

I mention the mistake of the past as warning to the Colonial Office for the future. They have been asking in that quarter, when and where is finality to be attained? In reply the home authorities should distinctly understand that there ought henceforward to be no intermission, but continuous railway construction in Ceylon, until every planting division and every revenue station of importance is connected with the Island locomotive system. And full warning of such a policy has been given already.

That motion was withdrawn till the Council heard the further views of the Secretary of State. I too trust that there will be no finality in railway construction, but that the advice of a railway Governor of ours, Sir West Ridgeway, will be followed, and that

there will be no finality to railway extension till every revenue station is linked up with the Island system. Sir West Ridgeway remarked that "The policy which I should like to see adopted as regards railways is to construct as rapidly as possible every railway which is necessary for the development of the resources of the country and which can be proved to be remunerative. A work may be indirectly remunerative by developing the country, improving the lot of the people, increasing their prosperity, and therefore the revenue." "If we decide on railway extension, my advice is—Push on as quickly as possible and do not allow the grass to grow under our feet. If we come to a conclusion that certain railways are necessary, then they should be constructed as quickly as possible. I am not in favour of piecemeal construction spread over a long period of years."

I might just mention that the extension to Tangalla will, admittedly, be remunerative, and therefore I ask that the policy enunciated here by Sir West Ridgeway should not be overlooked. I say that if the pilot star held before the Government mind is that "there can be no finality for railway extension in Ceylon until every revenue station is connected with the Island system," we shall then see that the Government really have a pilot star that they should follow.

The matter is a very simple one. I know that it is a fact that the public resent having to go two miles to catch a train. We want more halts on the Ceylon Government Railway, and we want some connecting link between Colombo and Kandy and Galle and Matara main roads and the railway stations. If these were provided, I am sure that, despite the reduction of passenger fares and freights, the income of the Colony will not suffer.

Another pilot star was given to us in His Excellency the Officer Administering the Government's Address when His Excellency referred to hospitals. We were told that "Prevention is better than cure." That is a very strange doctrine. It sounds almost a truism—"Prevention is better than cure." It is a truism provided that there is a sufficiency of hospitals for the sick, provided that there are maternity wards and doctors to attend to patients, and provided that the hospitals now in existence are not overcrowded. This maxim "Prevention is better than cure" must be tested. If the provisions I have indicated are there, then I will accept the maxim; but I say, as the Hon. Mr. Ferguson said in regard to railways, that "There must be no finality to hospital construction till the Government is in a position to say that no man need die in our rural districts for lack of hospitals or medical facilities at hospitals." Then the time will have arrived to practise this doctrine "Prevention is better than cure." But let us remember the other maxim that "They that are whole need no physician, but they that are sick." "Prevention is better than cure"—but what about the tens of thousands in all our rural districts who are sick and go without facilities of hospitals and medical aid?

Now, if the Government is sincere in its professions, how is it that Tangalla has not received a water supply for which it has been agitating for twenty years? If "Prevention is better than cure," the Principal Civil Medical Officer surely knows that wholesome water will prevent disease.

Again, with regard to irrigation, I do not ask that Government should do more than spend the moneys already granted by the Finance Committee on the works for which they were granted.

I can indicate to Government rural districts—whether in Matara or elsewhere—where there is great necessity for the disbursement of large sums of money on irrigation. I have had experience of the lack of co-ordination between the Agricultural Department and the Irrigation Department, of which the Member for Colombo District complained. In the Matara District, the other day when His Excellency the Officer Administering the Government visited the place, I learnt that nearly a hundred men were being prosecuted in the Village Tribunal. I went to the place and inquired of the villagers what the trouble was, and was told that in regard to flood breaches to a wide 4 to 6 foot bund there were some very long-standing repairs that had not been attended to, that they were arrears, the result of years of neglect. The villagers had begged the Mudaliyars and others to have them attended to to enable their children to attend school. What was the answer they received? “If in two days you do not put your labour together and have the work attended to you will be prosecuted.” The work was necessary work, and the chief headman only desired to have the work done somehow with the only means at their disposal. I represented the matter to the Assistant Government Agent, and his sympathy was so great, his consideration for the people was so marked, that he went to the spot with a guide and a map—not with the headman—and later ordered the prosecution of the villagers to be stayed. The prosecution came about as the result of want of co-ordination between the Village Committee and the Irrigation Department, for the work was required, not to help the fields, but to maintain a village road. The work should have been done, not by the cultivators, who had paid all their dues, but by the Village Committee. Incidentally I might mention that it will be good for the country if there are more experts like Mr. Harward, to whom the gratitude of this country is due. I only hope that Government will launch a big and continuous scheme of irrigation for the whole country, and I can assure the Government that when they come to us in connection with this we shall not hesitate to pass the vote.

His Excellency the Officer Administering the Government in his Address also referred to the coconut research scheme. The public has not been informed why the scheme has been shelved. Last year I indicated my attitude with regard to the matter, when I said that every Member would rise in his seat and ask for certain outstanding grievances to be first redressed. That was the ground on which I opposed the expenditure of money on the coccaut research scheme. Later on we studied the scheme a little more carefully, and found that the Director of Agriculture, who had come to us fresh from Jamaica or Trinidad, had already put his agricultural soul into a very valuable document known as Sessional Paper I. of 1918. This is an important document which those dealing with the coconut research scheme should study. When we found that the principles indicated in that Sessional Paper were entirely different to the principles embodied in the scheme brought before Council last year, is it any wonder that we hesitated and refused to accept the proposal?

In the Sessional Paper it was indicated how the different products—coconut, cotton, tea, paddy, and so on—should all have experiments carried on in various climates and in various soils. The country was to be divided into agricultural divisions, and about twenty or thirty officers were to be employed in each division. That was the

original scheme. The present scheme is entirely different. Here we are asked to invest in one plot of land in one particular district and with no more employment for Ceylonese than, at the most, five posts, apart from the labour employed. The scheme submitted put coconut research activities into a separate compartment entirely removed from the Department of Agriculture, in which department we had been taught to look for more extensive employment of Ceylonese. But that scheme robbed Ceylonese of the promotion and perquisites due to those in the department. That was a very serious blot in the proposal. We wanted the benefits of the coconut research scheme to reach everybody in this Island. I will admit that the Director of Agriculture is doing invaluable work for the good of agriculture, but the complaint is that the money spent on the Agricultural Department is spent in order to maintain a white elephant which does nothing for the benefit of the country. It therefore behoves the Agricultural Department to take early steps to translate some of their activities so that they may be of benefit to the village population.

The Director of Agriculture in his Sessional Paper I. of 1918 quoted the following remark of Lord Curzon :—

It is felt that the State should go sufficiently far in the conduct of new industries, or in the investigations of branches of old ones, to show that they can be developed or improved at a reasonable profit, sufficient to make it worth while for the pioneer to invest his capital. In fact, it is recognized that it is the duty of the State to take the initiative in promoting new industries or to grant scientific aid to existing ones.

He further stated that “it is quite true that the Indian peasant, perhaps the Guzerat peasant in particular, knows as well as any peasant in the world how to make the most of the soil and of the fruits of the tillage. In his way he is a hereditary expert.” If the Guzerat peasant is a hereditary expert, our peasants are hereditary experts. He also outlined how “each Province will then have its own Director of Agriculture and its own expert staff, and in each distinctive agricultural tract there will be an experimental farm under a trained agriculturist. Everywhere the object was to be the same, namely, to bring the staff into touch with the cultivator, so that knowledge may pass up and down between them.

“The criticism levelled against our Agricultural Department is that contact is not established between the villager and the staff. I have discussed this question at length with several revenue officers, and they agreed that the more intimate the contact between cultivators and agricultural officers, the more rapid will be the desired improvements. I have considered the requirements of the several districts, and have arrived at the conclusion that the Colony could be divided into six agricultural divisions.

“But something further is required to meet the needs of those who are eventually to take charge of their own lands, or who will look for employment upon estates. Technical schools should be established for teaching agriculture, and to these should be attached farms on which the usual agricultural practices of the district can be carried on. I have already given evidence on this subject before the Local Government Commission, and believe that the establishment of Provincial schools is most desirable. The agricultural conditions in the Northern Province differ from those in the South, and these again differ from the conditions of the North-Western or Central.

“If these Provincial schools are established, they should have their own lands attached to them, and they should endeavour to teach the agriculture of the Provinces in which they are placed and the principles underlying these practices, and to indicate possible improvements.

“The Weligama or Hakmana Experiment Station would deal with several crops; that at Hambantota directed towards the cultivation of cotton and dry grains; whilst a paddy experiment station at Tissa is required for the provision of selected seeds for the extensive paddy areas.

“The demand for instruction in an agricultural school by residents of the Southern Province is indicated by the number of requests for admission into the present school at Peradeniya. A farm school in the Southern Province is necessary, and its need is emphasized by the fact that much of labour employed upon tea and rubber estates in this Province is local. Provision of a school with sufficient land for practical field work, and in close proximity to an experiment station, with permanent and other crops, would eventually be productive of agricultural improvement in the Province.”

When a coconut research scheme is brought before us, observing the valuable principles indicated in Sessional Paper of 1918, we in this Council will welcome it, especially as it will give more extensive employment to Ceylonese in the Department of Agriculture.

I would wish to endorse the request for early attention to the needs of labour put forward by the Honourable Member for Chilaw. I think that the time has come when, apart from the question of unemployment, labour should be dealt with in the manner indicated by him. I have been in touch with the Survey Department, and I know some of the grievances of its employees. It is a great grievance that those engaged in skilled labour, and who were on the monthly paid list, should be now put on the daily paid list, and be deprived of all the perquisites of those on the monthly paid list. I ask, What is the principle that guides Government in regard to skilled workmen in the technical branches of Government? That question requires early attention.

Now, in order to help the Unofficial Members of this Council, if the Government intends to lay all its cards on the table, its first duty is to make early publication of the evidence contained in the report of the Public Accounts' Committee. Unless we are put in possession of the evidence contained in that report, I do not think that we will be able to understand all that is involved in the administration of Government departments. I do not think that I am asking too much when I ask that Government should put that document in the hands of Unofficial Members of Council.

I also support the scheme for placing in future—after 1927—the pay of all officials on a Ceylon currency basis, and I accept the proposal to grant overseas allowances to such officials as we require from abroad. The Retrenchment Commission indicated that the cost of establishments was too high, and one Honourable Member during this debate showed that the amount of money spent on running a Colony like this was out of all proportion to the income of the Colony. We have not heard of any other Colony where the cost of administration bears such a high proportion to the revenue. Steps should be taken from now, in the case of all new appointments, to give notice that this will be the basis for pay in future.

With regard to the estate duty, I think that this House will accept what has been told us by the Honourable the First Burgher Member. I myself feel that the duty must be overhauled even in regard to the rate which is now levied on the rich. It is a fact that very few people can, on the present rates, avoid getting into debt, and selling their lands to pay the duty. I do agree with the Honourable the First Burgher Member that a large remission in the estate duty should be made; that widows and orphans should not be made to pay as much as they are now expected to; and that the lowest amount on which duty should be levied should be Rs. 3,000 or Rs. 5,000.

With regard to the headman system, His Excellency the Officer Administering the Government has indicated that at an early date some modification will take place. The headman system has been, in some respects, the bane of this country. I am not one of those who say that it is not necessary. At the Colonial Office in 1920 I indicated my views that the system is still necessary. But why put up with all the irregularities with which individuals practise it. These are known to practitioners in rural areas. I indicated that we should ask Government to punish any officer, from the highest to the lowest, when we have sufficient evidence that they have misconducted themselves in their duty. We were, therefore, not surprised the other day to hear that the Inspector-General of Police had rewarded a headman for his conduct of an inquiry for which, in the light of present events, we would sooner punish than reward him. I hope that the Government will give its careful consideration to this matter.

Can the Government escape the charge that I make, that in the past it has shown a shocking lack of a sense of proportion in the selection of departments for spending our revenue on? Why is so much money being spent on the Police Department to-day as compared with the time of Sir Henry Blake? I will be the first to admit that good work has been done by Mr. Dowbiggin and his force, but what I say is that the money spent on the Police Department is more than the fair share of the Colony's revenue. When the scheme for a Police Training School at Havelock Town was launched, as a set-off against the inordinate expenditure involved there was flourished before us the prospect of reimbursing ourselves with the very valuable site occupied by the old "school" in the Pettah. I am sure that that possibility weighed with the Councillors, who agreed to the change. That valuable asset should be credited to the revenues of the Colony, and not put to any use not commensurate with its value.

Finally, Sir, in the Mataṛa District we have the same problem with regard to Anglo-vernacular schools that has already been referred to. On that point we have had the benefit of the experience of two Kandyan Members holding different views. In the division of the Southern Province which I represent there are centres, like Dikwella and Kamburupitiya, which ask that the vernacular schools should be enlarged and converted into Anglo-vernacular schools. In this matter I say that the wishes of the district should be consulted. The children should not be spoon-fed with what the Department of Education thinks fit for them. But a sort of local option should be permitted the districts, enabling them to decide on their respective needs.

There are other matters, Sir, such as temperance, on which I would have wished to touch, but having taken up so much time of the Council, I shall conclude with expressing my hope that on the subject of the remission of taxation the Government will yield to the wish of Unofficial Members.

THE HON. MR. I. X. PEREIRA (First Indian Member):—After the lengthy speech of the previous speaker, I am sure that the House will welcome a short one. A speaker the other day said that ground from Peru to China had been covered, but it appears as if the Honourable Member who has just sat down had concentrated attention to some place in the Southern Province.

In that inspiring Address which His Excellency the Officer Administering the Government delivered to us, he laid stress on the human factor as the fundamental factor in all legislation and good Government. Those words are still ringing in our ears. But after hearing the speech of the Honourable the Treasurer, it looks as if those weighty words had been thrown to the wind and the woods. We have been asked to drop the present proposal for the remission of taxation on certain articles on the ground that it is the intention of Government to appoint a Commission to go into the whole question of the incidence of taxation. That was very welcome news indeed. That all-important question of taxation should now be considered as having passed the stage of academical discussion and must be earnestly and seriously tackled. What we Unofficials with one voice demand is not very much after all. In any scheme of equitable taxation an effort should be made to take away all possible taxes on food and derive our revenue from other sources. When a Commission is appointed, the best talents of the country will be consulted, searching inquiries will be made, and sweeping changes effected. In contrast to that, all that we ask is that a paltry sum of Rs. 2,500,000 should be given up for the benefit of the poorer members of the population. We ask that the poorer section of the population should be given a little bit of the milk of human kindness. We are not asking plenty of it; we will be satisfied if they are given a streak of it. We Unofficials know the people and live with the people, and we are aware that it is an undeniable fact that the people of this country are in a state of chronic distress.

It was suggested by the Honourable the Commercial Member that Government should out of its present abundance lay aside something for a rainy day. In the case of the labouring classes, however, both Ceylonese and Indian, though their wants are few and meagre, they are unable to make both ends meet. They practically live from hand to mouth, and are not able to lay by anything at all. Those who happen to get somewhat better wages are in the grip of the demon of the drink habit. Though I am not a prohibitionist, I should like to see facilities for obtaining alcoholic liquor made as difficult as possible, and the cost of living made cheaper by the reduction or remission of taxation on the necessaries of life. I know that there are some Honourable Members of this Council who hold the belief that the benefit of a reduction in the import duties on foodstuffs will not accrue to the benefit of the general public. It may be that the distributor may gain at the expense of the contributor, in view of the fact that a large proportion of the consuming public is unlettered and ignorant, and I daresay that the full benefit may not filter down to the poorer section; but I hardly think that

it can be suggested that because some people may not get the advantage of lower prices that the prices should not be lowered at all.

This brings me to the subject of co-operative credit societies, which I would like to see established in large numbers throughout the length and breadth of Ceylon. By a system of co-operative control and trading, it might be possible to see that every consumer gets his opportunity for buying at the most favourable price, and in that way the benefit of reduced prices would be eventually widespread. Co-operative credit organizations are easily workable in well-defined areas, such as estates and groups of estates, and I trust that Government will take steps to see that co-operative credit societies are started on estates for the benefit of the estate population, and also extend their number to villages and urban areas. Knowing that the revenue of the Colony is contributed by the people, the Government should exact as little as possible from the public, and only to the extent of paying for the work that has got to be done.

I do not know whether the Principal Collector of Customs is aware that there is serious distress in some sections of the trade of the Colony. The piece goods business is almost at a standstill, and I think I may forecast that in the next few months there will be a considerable decrease in the import duties. Is this progress, and is this prosperity? While on the subject of trade difficulties, I might say that the time has come to revise the system of credit as practised in this country. The system of credit is very unsatisfactory both to the small agriculturist and the trader. Improved facilities should be given for financing both agriculture and trade, so that the parties directly concerned might get the fullest possible benefit. It is a complex problem, in the solution of which I trust that the Chamber of Commerce and the heads of responsible mercantile concerns—European, Ceylonese, and Indian—will be consulted. Reference was made to whips and scorpions, but to my mind Ceylon is a land flowing with milk and honey, and I think that, with its natural resources, developed on correct lines, it will provide the inhabitants of the land with maximum comforts on a minimum of taxation.

I would also like to support the remarks made by my honourable friend the Member for the North-Western Province, Western Division, that more representation should be given on the Port Commission. The Port Commission, I believe, consists of fifteen members, of whom there is only one Ceylonese. I ask, is this fair in view of the fact that a large proportion of the revenue of the port is contributed by Ceylonese and Indian firms? Likewise I would suggest larger representation of Indian interests on the Board of Immigrant Labour and the Medical Wants Committee. On the former there is one Ceylonese and one Indian, and in the latter none at all. I ask for this larger representation, not with a view to being given the opportunity to criticise the actions of those well-conducted and able bodies, but rather to collaborate with the present members in making the boards more useful and more efficient.

I would urge on Honourable Members of this House consideration of the injustice done to the Indians and the humiliation cast on the Indians in Ceylon by their exclusion from the Civil Service of this country. India, in her philosophic broad-mindedness, has thrown open the doors of her Civil Service to Ceylonese. She already has a larger number of Ceylonese in her more remunerative service than

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there are Indians in the Ceylon Civil Service. I am aware of the difficulties connected with this question, but I trust that a solution will soon be found.

One of the subjects which I mentioned on the debate on the last Supply Bill is the hardship that Indian passengers are put to by the quarantine regulations. I understand that these regulations work pretty smoothly on the Talaimannar route, thanks to the tact and sympathy of the medical officers attached to the Mandapam Camp. All is not well there too, and I therefore look forward this year to the grievances of Indian passengers being redressed. The lot of the passengers coming by the Tuticorin route is more pitiable. In this connection I have to thank the Principal Collector of Customs for the slight improvements he has made, especially in appointing lady vaccinators. The changes, I have no doubt, are the result of the sympathetic consideration given to the matter by the Hon. Mr. Southorn. Recently I received a sympathetic reply from him to a letter of mine, but sympathy alone, I submit, can afford little consolation.

I admit that the quarantine regulations are necessary for the public health of Ceylon, but they can be so arranged that in the working the least amount of annoyance and hardship will be caused to passengers. I am informed that no racial discrimination is made in the regulations; but, unfortunately, the regulations and instructions are interpreted by the officers who deal with these matters, and I know of many instances where European first class passengers have been allowed to land without let or hindrance, and Indian first class passengers have been asked to report themselves to the Port Surgeon for ten or twelve days. Similar things are done with regard to second and third class passengers. People come to me almost daily—some of them respectable merchants, for whose veracity I can vouch—and relate the hardships to which they have been subjected before landing in Colombo. I believe that the presence of a sympathetic medical officer, who understands the customs and habits of the Indians, will go a long way towards ameliorating the condition of things.

In the Administration Report of the Immigration and Quarantine Department for 1924 I find the following observation in page 12 :—

Detention of Miscellaneous Passengers in Camp.—Quite a large number of these are allowed to go through to Ceylon provided they can give definite addresses in Ceylon and provided they can be depended on to report themselves in Ceylon and *this system appears to work satisfactorily*, although we do get occasional "Failures to Report." Some of these cases of "Failures to Report" are from a class of people who go to Ceylon on short visits and return to India after two or three days' stay there.

And again in the Visitors' Book at Mandapam Camp, Mr. Ranganathan, the agent in Ceylon to the Government of India, in writing about the camp, tells us "that the success of the camp is due less to the lakhs of rupees spent on it than to the continuous ministrations of the three good doctors working here now."

Here again we find the applicability of the statement of our Acting Governor that the human factor is the most important factor. If the rules can be enforced at Mandapam without undue hardship, I fail to understand why they cannot be enforced without hardship at the port of Colombo. I should like to see the local Port Surgeon's Office manned by sympathetic and competent officers, who are humane, who will interpret the rules and regulations with discretion, and spare passengers the hardships which they now endure.

Further, I should like to tell this House about the system of dieting at Mandapam. The cost of dieting a cooly is Rs. 3.50 for seven days, the amount being shared by the estate and Government. Government contributes Rs. 1.67, and Rs. 1.83 comes out of the Immigration Fund. I ask why the entire cost of dieting should not be met by the Immigration Fund, which is a large one. I see no reason why the Ceylonese taxpayer should be made to pay for the dieting of estate labourers. The amount spent by Government for the part cost of dieting of labourers during the year 1924 amounted to Rs. 171,259. Besides, this will lead to a juster incidence of taxation, for it stands to reason that the Ceylonese taxpayer should not be burdened with the expense of feeding an estate labourer since it is the private employer who benefits.

I cannot but make reference to the immigrant labour question in Ceylon. I am thankful to the Government and to the planting community for the improvements that have been effected in the status and condition of the Indian labourer by recent legislation. But these improvements are only temporary. The whole question of Indian immigrant labour should be tackled, so that the labourer and his family may be given the full benefit of proper medical aid, sanitary dwellings, adequate remuneration, and facilities for the education of children. I do not want to go into detail in regard to the wants of Indian labourers in Ceylon. I would rather reserve those details for a later occasion. But I must mention this, that I was very much pained on reading in the Indian papers that a deputation from Ceylon had waited on the Government of Madras with a view to putting off the fixation of a standard wage. On this question as well as on the general question of Indian immigrant labour, I am aware that the Indian Government holds strong views; and though I am an Indian, I must say that I do not wish to see this fair country, to which I am so much attached and owe so much, to be always sitting and whining at the door of the Indian Government to get off as cheaply as possible. It would be more dignified and becoming our self-respect to put our house in order, so that Ceylon might appear attractive to the Indian labourer and the Indian Government can have no cause for complaint against us.

Before concluding, I should like to refer to the statement made by my honourable friend the Member for the Colombo District regarding the thousand non-Ceylonese employed in the railway workshops. The Honourable Member requested Government not to give to others work that could be done by Ceylonese workmen. Indians most cordially reciprocate the feelings of friendship and kinship entertained towards them by the people of this Island. But I would ask the House to view that question dispassionately. It is admitted that wages are higher in workshops and factories in towns than on estates. I am also informed that in the hydro-electric works no Indian labourer is allowed to work. I am speaking subject to correction.

THE HON. MR. J. STRACHAN (Director of Public Works):—
The Honourable Member is quite wrong.

THE HON. MR. I. X. PEREIRA (First Indian Member):—My information is that they are precluded from working there because higher wages are paid than on surrounding estates. I may be wrong,

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but that is the information I received a few days ago. While we are creating all sorts of devices for attracting labourers into this country, I ask is it fair to restrict labourers to less remunerative works ?

THE HON. THE ACTING COLONIAL SECRETARY :—Indian labourers are not excluded from the Public Works Department and other departments. The cry has always been that the Public Works Department are crimping labourers from estates.

THE HON. MR. I. X. PEREIRA (First Indian Member) :—I ask that, especially in view of the cordial relations that exist between India and Ceylon, and the close historical, geographical, and ethnological ties that bind them together, sympathetic consideration be given to all that concerns the welfare of the Indians in Ceylon, so that the whole of Ceylon, of which the Indian community forms an important unit, may attain harmonious progress.

Adjournment.

THE HON. MR. T. B. JAYAH (Third Muslim Member) rose to speak.

THE HON. THE VICE-PRESIDENT :—Before the Honourable Member speaks I should like to get the sense of the House as regards how long we shall sit. It is now twelve minutes to seven.

THE HON. SIR PONNAMBALAM RAMANATHAN, Kt., K.C., C.M.G. (Northern Province, Northern Division) :—We ought to adjourn at seven. We have done a good day's work.

THE HON. THE ACTING COLONIAL SECRETARY :—The difficulty is with regard to the Select Committee programme. I do not know how many more Unofficial Members intend speaking.

THE HON. THE VICE-PRESIDENT :—I believe there are about four more, and then there will be the Official reply. I wish we could come to some understanding about adjournment. Am I to understand that we are going to adjourn at seven and assemble again to-day, or adjourn till to-morrow ? As far as I am concerned I cannot come back.

THE HON. SIR PONNAMBALAM RAMANATHAN, Kt., K.C., C.M.G. (Northern Province, Northern Division) :—Adjourn till to-morrow.

THE HON. THE ACTING COLONIAL SECRETARY :—If it is the wish of the Unofficial Members that we should sit at 2.30 P.M. to-morrow I have no objection.

THE HON. THE VICE-PRESIDENT :—Is there any objection to sitting in the morning ?

THE HON. MR. E. W. PERERA (Kalutara Revenue District) :—
We would rather not.

THE HON. MR. T. B. JAYAH (Third Muslim Member) :—If we
are to adjourn, why not do so now? I will take more than ten
minutes.

THE HON. THE VICE-PRESIDENT :—Council will now adjourn
till 2.30 P.M. to-morrow.

Council adjourned accordingly.