

DEBATES

IN THE

LEGISLATIVE COUNCIL OF CEYLON,

On Thursday, August 27, 1925.

Pursuant to notice 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 MR. N. H. M. ABDUL CADER (SECOND MUSLIM
MEMBER).
- 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. W. DURAISWAMY (NORTHERN PROVINCE,
WESTERN DIVISION).
- THE HONOURABLE MR. D. H. KOTALAWALA (PROVINCE OF UVA).
- 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. A. CANAGARATNAM (NORTHERN PROVINCE, SOUTHERN DIVISION).
- 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. S. RAJARATNAM (NORTHERN PROVINCE, CENTRAL DIVISION).
- THE HONOURABLE MR. D. S. SENANAYAKE (NEGOMBO DISTRICT).
- THE HONOURABLE MR. M. M. SUBRAMANIAM (TRINCOMALEE REVENUE 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 BURGER MEMBER).
- THE HONOURABLE SIR J. THOMSON BROOM, K.T. (EUROPEAN URBAN MEMBER).
- THE HONOURABLE MR. W. A. DE SILVA (CENTRAL PROVINCE, URBAN).

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

Minutes.

The Minutes of the Meetings of July 30 and 31, 1925, were confirmed.

Announcement.

THE HON. THE ACTING COLONIAL SECRETARY:—His Excellency the Officer Administering the Government wishes me to announce that he proposes to appoint a Committee to inquire into the question of the indebtedness of the cultivators in rural districts, and to advise how such indebtedness can be mitigated, and what measures can suitably be taken to settle upon Crown land those who are without sufficient land for the support of themselves and their families.

It is proposed that the Committee should be composed of the following Members :—The Hon. the Controller of Revenue (Chairman), the Director of Agriculture, the Director of Irrigation, the Hon. Mr. W. A. de Silva, the Hon. Mr. W. Duraiswamy, the Hon. Mr. A. F. Molamure, and the Hon. Mr. D. S. Senanayake.

Papers laid.

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

Administration Reports, 1924 :—

Part II., Revenue : Reports of the Principal Collector of Customs and the Excise Commissioner.

Part IV., Education, Science, and Art : Report of the Principal, University College.

Sessional Papers, 1925 :—

Supplement to Sessional Paper XVI. of 1925 : Estimates of Expenditure and Revenue of the Ceylon Government Railway for the Financial Year 1925-26.

XXIV.—Report of the Committee on Public Accounts.

XXV.—Administration Report of the Chairman of the Municipal Council of Galle for the Year 1924.

XXVI.—Clearing and Repairing Canals in Rural Areas.

Message of His Excellency the Officer Administering the Government dated August 21, 1925.

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 Municipal town of Colombo.

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 Municipal town of Colombo.

By-laws made by the Ratnapura Urban District Council, under sections 164 and 168 (8) (c) of "The Local Government Ordinance, No. 11 of 1920," prohibiting the use of certain roads by motor buses and lorries.

By-laws made by His Excellency the Officer Administering the Government in Executive Council, under section 18 of "The Vehicles Ordinance, No. 4 of 1916," for the Municipal town of Kandy.

By-laws made by the Chilaw Urban District Council, under sections 164 and 168 (8) (c) of "The Local Government Ordinance, No. 11 of 1920," regarding motor vehicle stands.

Rule made by His Excellency the Officer Administering the Government in Executive Council, under section 5 of "The Ceylon Railways Ordinance, No. 9 of 1902," regarding warehouse rent.

Rule made by His Excellency the Officer Administering the Government in Executive Council, under section 7 of "The Ceylon Telegraph Ordinance, 1908," as amended by Ordinance No. 10 of 1923.

By-laws made by the District School Committee of the School District of Jaffna, under sections 19 and 20 of "The Rural Schools Ordinance, No. 8 of 1907."

Rules made by His Excellency the Officer Administering the Government in Executive Council, under section 31 of "The Excise Ordinance, No. 8 of 1912," regarding the conduct of voting by ballot for or against the existence of arrack, toddy, and foreign liquor taverns, bar liquor licences for hotels, and places licensed for the sale of beer and porter by retail.

PETITIONS.

Extension of Sanitary Board Limits.

THE HON. MR. T. Y. WRIGHT (European Rural Member) :—I rise, Sir, to present two petitions, both on the same subject ; and it will save time if I refer to them together. There is a suggestion to extend the limits of the Sanitary Board of Panwila, in the

Central Province, for two miles. These petitions are against the extension. The first is from the Superintendent of Galphele estate, who opposes the extension on the upper side of the road, and the second is from all the inhabitants against extension on the lower side of the road.

Petition from Peons of the Excise Department.

THE HON. MR. A. CANAGARATNAM (Northern Province, Southern Division) :—I beg to present a petition, Sir, from certain peons of the Excise Department. They state that they do the same duties as police constables as regards the prevention and detection of offences in their own sphere of work, and they pray that they may be placed on the same footing as constables as regards pension.

NOTICE OF QUESTIONS.

Daily-paid Government Clerks.

THE HON. MR. A. MAHADEVA (Western Province, Ceylon Tamil) :—I give notice, Sir, of the following questions :—

1. What is the number of temporary clerks on a daily pay in each of the Government Departments? Of these, how many have put in continuous service of over five years?
2. What reason is there for not including them in the permanent establishment?
3. Is there any difference in the hours of work expected from these temporary clerks as compared with that required of clerks in the regular establishment?

Appeals to the Privy Council.

THE HON. MR. C. E. VICTOR COREA (Colombo Town, North) :—I give notice, Sir, of the following question :—

Will the Government be pleased to state how many appeals have been preferred within the last fifteen years from the Supreme Court of Ceylon to His Majesty's Privy Council, giving the result in each case?

Relief to the Plumbago Industry.

THE HON. MR. C. H. Z. FERNANDO (North-Western Province, Western Division) :—I give notice, Sir, of the following questions :—

1. Will the Government be pleased to circulate to Members of Council, at an early date, the report of the Special Committee appointed to give relief to the plumbago industry; what recommendations of the Committee does the Government propose to give effect to; and if so, when?
2. Has the attention of Government been drawn to the inconvenience caused to exporters by the Customs authorities insisting on the *ad valorem* duty on plumbago being paid based on the F. O. B. cost, and what steps does Government intend to take in this connection?

Clearing and Repairing Canals in Rural Areas.

Will the Government be pleased to place before the Finance Committee, for consideration at its next meeting, the proposals for the expenditure of the vote of Rs. 500,000 out of the surplus balances for clearing and repairing canals in rural areas and contained in Sessional Paper XXVI. of 1925?

NOTICE OF MOTIONS.

Adultery in Ceylon.

THE HON. MR. A. F. MOLAMURE (Kegalla Revenue District) :—
I give notice, Sir, of the following motions :—

1. That in the opinion of this House the Government should take early steps to amend the Ceylon Penal Code on the lines of the Indian Penal Code making adultery a criminal offence in Ceylon.

Allowances to Public Servants.

2. That the Government do appoint a Select Committee of this House to consider the existing practice of giving allowances to public servants apart from their salaries, and to report as to what allowances should or should not be given.

QUESTIONS.

Pasture Reserves in the Central Province.

The following question stood in the name of the Hon. Mr. P. B. Rambukwelle (Central Province, Rural) :—

Will the Government be pleased to state the extent and situation of each land reserved by Government for pasture in the Central Province ?

THE HON. THE ACTING COLONIAL SECRETARY :—A statement giving the information desired by the Honourable Member is tabled.

THE HON. THE ACTING COLONIAL SECRETARY :—The answers to questions Nos. 93 and 99 are not yet ready.

Unqualified Apothecaries in the Medical Department.

In the absence of the Hon. Mr. T. M. Saba Rutnam (Northern Province, Eastern Division), the Hon. Mr. A. Rajaratnam (Northern Province, Central Division) asked :—(a) Will the Government be pleased to furnish a statement showing the names of unqualified apothecaries serving in the Medical Department, and the length of their respective services? (b) Are they paid on the same scale as qualified men? (c) Are not some of these officers in sole charge of dispensaries? (d) How many qualified apothecaries are there on the waiting list? (e) Is it true that unqualified persons are often requisitioned by the Medical Department for acting duty? (f) If the answer to the above be in the affirmative, will the Government be pleased to make more satisfactory arrangements for the future?

THE HON. DR. J. F. E. BRIDGER (Principal Civil Medical Officer) :—(a) It is presumed that the words "unqualified apothecaries" are meant to refer to apothecaries who have not passed the final apothecaries' examination of the Ceylon Medical College or equivalent examination in other countries. A statement of particulars concerning such apothecaries in the medical service is laid on the table.

(b) Of the 20 apothecaries mentioned in the statement, 15 are paid on the same scale as qualified apothecaries; 5 of these 15 are registered medical practitioners; the last 5 apothecaries mentioned in the statement are paid the salaries shown in the footnote to it.

(c) All, except 4, are in charge of dispensaries under the supervision of the Provincial Surgeon.

(d) Six, who will, probably, shortly be absorbed into the department.

(e) Yes, but only when qualified apothecaries are not available.

(f) When a sufficient number of qualified apothecaries is available, unqualified men will not be engaged for acting duty.

A Court of Criminal Appeal.

THE HON. MR. S. RAJARATNAM (Northern Province, Central Division) :—I rise, Sir, to ask—Whether the Government has considered, as it promised, the question of the establishment of a Court of Criminal Appeal, and if so, what is the decision to which it has come ?

THE HON. THE ACTING COLONIAL SECRETARY :—The Government understands that a Sub-Committee of the Bar Council is preparing a report on the advisability or otherwise of establishing a Court of Criminal Appeal. The Government proposes to defer decision on the subject until it has had an opportunity of considering this report.

Lease of Land for Cultivation of Food Products.

THE HON. MR. C. W. W. KANNANGARA (Southern Province, Western Division) :—I rise, Sir, to ask—(a) Did the Government lease to Mr. R. H. Sadrís de Silva of Dangedera, Galle, for a period of three years for the cultivation of food products an extent of about 20 acres of land described as lot 82 in the Food Products Register of Galle and comprising lots 6 and 1 in preliminary plan No. 12,581 ? (b) Did the lessee comply with the terms of the lease to the entire satisfaction of the authorities, being even complimented by the Hon. the Colonial Secretary by his letter No. 7,686/25 dated June 2, 1920, on his efforts towards securing a larger output of foodstuffs in the Colony ? Is it not the fact that he supplied seed paddy free of charge to the Agricultural Department and school gardens during the food crisis ? (c) Is it not the fact that this man spent a sum of over Rs. 1,500 in effecting improvements to these lots by putting up stone fences, drains, roads, and so on, expecting Government to sell the same to him at the expiration of the lease, as they adjoined his estate ? (d) Have high lands in the Galle District leased for cultivation of food products been ever settled on the lessees at the appraised value ? (e) Amongst others, were the following lands in the Galle District settled on food production lessees :—

(1) Lots Nos. 3193, 3196, 3198, 3199 in P. P. 9,710 of the extent of about 6 acres ?

(2) Lots Nos. 1, 2, 4, 5, 6, 8 in P. P. 11,807 of the extent of about 16 acres ?

(3) An extent of 13 acres 3 roods 7 perches in P. P. 12,129 ?

(f) Is there a land sale regulation (No. 35) under which Crown lands which are “partially surrounded by” a cultivated estate of over 100 acres are settled on the owners of such estates without competition ? (g) Is it not the fact that Government has settled

under the said regulation lands bounded by estates on one, two, or three sides? (h) Amongst others, did Government settle the following lots in the Galle District under the said regulations:—

- (1) Lot No. 1 in P. P. 12,380.
- (2) Lot No. 1 in P. P. 12,124.
- (3) Lot No. 5 in P. P. 11,927.
- (4) Lot No. 5 in P. P. 11,457.

(i) If so, on how many sides was each of these lands bounded by cultivated estates of over 100 acres in extent when they were settled? (j) Is it not the fact that the two lots leased to Mr. Sadris de Silva are bounded on the north and east by his cultivated estate of over 100 acres? (k) Is it not the fact that another Crown land of the extent of 7 acres, namely, lot 3 in P. P. 12,581, adjoins the said two lots and is bounded on three sides (west, north, and east) by his estate? (l) If so, did his case not come under the said land sale regulation, and why was he refused the benefit of the said regulation with respect to the three lots? (m) Is it not the fact that owing to the refusal of his claim by Government this man was obliged to bid for and buy at the recent land sale held at the Galle Kachcheri lots 1 and 6 which he had improved at the rate of about Rs. 450 per acre, whereas the appraised value was only Rs. 100 (subsequently raised to Rs. 150)? (n) Is it also not the fact that lot 3 which is bounded on three sides by his estate was after competition with him bought by an outsider for about Rs. 500 an acre? (o) In the special circumstances, will Government not feel justified in cancelling the said sales and settling the said lots on this man at the appraised value?

. . .

THE HON. THE ACTING COLONIAL SECRETARY:—(a) Yes.

(b) The conditions of the lease were carried out. No letter to Mr. de Silva bearing the date and number quoted by the Honourable Member can be traced.

Mr. de Silva supplied, free of cost, to the Department of Agriculture, for distribution to school gardens, two bushels of hill paddy in August, 1920. The Department purchased from him about the same time forty-four bushels of hill paddy at Rs. 7 per bushel.

(c) Government is not aware how much expenditure the lessee incurred on this land. Government is, however, informed that the land was not improved in any way, though, after the lease had expired, Mr. de Silva cleared part of the land for tea cultivation without authority.

(d) Yes.

(e) (1) Yes.

(2) Lots 1, 2, and 8 in preliminary plan No. 11,807 were sold by public auction. Lots 4, 5, and 6 in the same plan, in extent 7 acres 1 perch, were settled on the lessee.

(3) Yes; the lot was 13 acres 2 roods 7 perches in extent.

(f) Yes; such lands may be settled.

(g) Bounded on one side; no case can be traced. Bounded on two or three sides; yes. Each case is judged on its own merits.

(h) Of the lots referred to, only lot 5 in preliminary plan No. 11,927 was settled under the said regulation. Lot 1 in preliminary plan No. 12,124 was leased preferentially for ninety-nine years under Land Sale Regulation 39.

The other two lots quoted were sold by public auction.

(i) Lot 5 in preliminary plan No. 11,927 was surrounded, as described, on the north, west, and south; lot 1 in preliminary plan No. 12,124 on the north, east, and west.

(j) Yes.

(k) Yes, but this is not a separate land. All the lots in the plan form one land, called Galpottelanda.

(l) Lot 3 in preliminary plan No. 12,581 was not an isolated portion of land, but an integral portion of the Crown land (lots 1 to 6) to the south. The three lots taken as one land were clearly not partially surrounded by the applicant's land in the sense intended by the regulation.

(m) Lot 6 only was purchased by Sadrís de Silva at the sale held on June 18, 1925, at an average price of Rs. 421 per acre. Lot 1 was purchased in his own name by Welíwítigoda Harmanis at an average of Rs. 362 per acre.

(n) Yes; for Rs. 307 per acre by A. L. N. M. Saheed.

(o) Government sees no reason why the sale should be cancelled.

THE HON. THE ACTING COLONIAL SECRETARY :—The answers to questions Nos. 114 and 123 are not yet ready.

Paddy Lands in the Hambantota District.

THE HON. MR. V. S. DE S. WIKREMANAYAKE (Southern Province, Southern Division) :—I rise, Sir, to ask—(a) What is the total extent of paddy lands in the Hambantota District? (b) What is the approximate area of lands brought under paddy cultivation since 1920 in the Hambantota District?

THE HON. THE ACTING COLONIAL SECRETARY :—(a) The total extent of paddy lands in the Hambantota District is 29,278 acres 1 rood 35 perches approximately.

(b) An area of about 3,842 acres 1 rood 35 perches has been brought under paddy cultivation in the Hambantota District since 1920.

Fluid Rubber Latex.

THE HON. THE ACTING COLONIAL SECRETARY :—The answer to question No. 128 is not yet ready.

THE HON. MR. H. R. FREEMAN (North-Central Province) :—Why is the answer not ready? The question has been on the list for about six weeks.

THE HON. THE ACTING COLONIAL SECRETARY :—I have already informed the Honourable Member that the report from the Imperial Institute was sent to this Government under confidential cover by the Secretary of State, and that without the sanction of the Secretary of State I shall be unable to lay it on the table. There is nothing secret about the matter, but we are bound by the regulations to treat the matter confidentially. However, I believe a despatch has been sent to the Secretary of State asking for permission to lay the report on the table.

Difference in Cost between Neo Salvarsan and Boots Stabilasan.

THE HON. MR. H. R. FREEMAN (North-Central Province) :—I rise, Sir, to ask—Will the Government be pleased to say what is the difference in cost between Neo Salvarsan and Boots Stabilasan? If the former is more effective in the treatment of parangi, can it alone be used for parangi?

THE HON. DR. J. F. E. BRIDGER (Principal Civil Medical Officer) :—Neo Salvarsan is 90 cents a bulb cheaper than Boots Stabilasan. It is not yet possible definitely to affirm that one preparation is more effective than the other in the treatment of parangi.

Both preparations are being used, as stocks of both are available.

THE HON. THE ACTING COLONIAL SECRETARY :—The answer to question No. 131 is not yet ready.

Scholarships for Ceylonese to study Sanitation in America.

THE HON. MR. M. M. SUBRAMANIAM (Trincomalee Revenue District) :—I rise, Sir, to ask—Will the Government be pleased to state whether it is proposed to select medical officers in the Anti-malarial Department who have gained experience therein for the scholarships for Ceylonese to study sanitation in America?

THE HON. THE ACTING COLONIAL SECRETARY :—It is presumed that the question refers to the six scholarships recently granted, half by the Rockefeller Foundation and half by Government. The object for which these scholarships were granted was the strengthening of the Sanitary Branch of the Medical Department. The Principal Civil Medical Officer, in consultation with the Acting Sanitary Commissioner, selected the six officers who appeared to them most suitable with that end in view. None of the officers selected for these six scholarships have been engaged in anti-malarial work. Dr. Rustomjee, who has been engaged in anti-malarial work, has, however, been granted another Rockefeller Foundation Scholarship—in no way connected with the six referred to—with the special object of study in malaria research in the United States of America.

Remuneration to Udaiyars in the Eastern Province.

THE HON. MR. M. M. SUBRAMANIAM (Trincomalee Revenue District) :—I rise, Sir, to ask—In view of the responsible work done by the Udaiyars in the Eastern Province, especially in the recovery of water rates and other taxes, without any travelling allowance, will the Government be pleased to give them a reasonable remuneration for their services, the paltry pay they now receive being less than that of an ordinary cooly?

THE HON. THE ACTING COLONIAL SECRETARY :—Government does not propose to increase the remuneration granted to Udaiyars of the Eastern Province, which is the same as that granted to Udaiyars in the Northern and North-Western Provinces and to Korals in the Central and North-Central Provinces.

As regards the collection of arrears of water rate, the Honourable Member is apparently unaware that a commission is paid for the performance of this duty.

THE HON. THE ACTING COLONIAL SECRETARY :—The answer to question No. 140 is not yet ready.

Certificates of Quiet Possession.

THE HON. MR. H. R. FREEMAN (North-Central Province) :—I rise, Sir, to ask—(a) Arising out of the debate of July 23, will the Government be pleased to say how many certificates of quiet possession are shown in the certificate register in the Kurunegala Kachcheri as having been issued between the years 1890 and 1905 to people who may be fairly described as capitalists, and what is the total acreage? (b) Are not some of the certificates for lands from 100 to 300 acres or more in extent?

THE HON. THE ACTING COLONIAL SECRETARY :—In the years 1890 to 1905 782 certificates of quiet possession were issued from the Kurunegala Kachcheri. It is difficult to state with accuracy how many of these were issued to applicants who might be described as capitalists. The following figures may, however, give the Honourable Member the information which he desires :—Of the 782 certificates issued, 1 was for 312 acres; 2 were for over 200, but under 300 acres; 5 were for over 100, but under 200 acres; and 3 were for over 50, but under 100 acres.

Buffaloes run over on the Maho-Batticaloa Railway.

THE HON. MR. H. R. FREEMAN (North-Central Province) :—I rise, Sir, to ask—(a) Arising out of the debate of July 23, will the Government be pleased to say how many buffaloes have been reported run over on the Maho-Batticaloa Railway since its opening to Kekirawa? (b) Is not this described as a food production railway, and (c) do not the trains run during daylight, and is there need for hurry in the jungle, or could drivers be instructed to pull up for buffaloes seen lying on the line, and to go slower round curves?

THE HON. THE ACTING COLONIAL SECRETARY :—(a) One.
(b) One of the objects aimed at in constructing this railway was the encouragement of food production.
(c) Trains are being run only during daylight. The average speed is 15 miles per hour. Drivers are expected to reduce speed and stop, if necessary, on sighting an obstruction.

Dismissal of a Sub-Overseer.

THE HON. MR. C. E. VICTOR COREA (Colombo Town, North) :—I rise, Sir, to ask—Will the Government be pleased to table the papers connected with the dismissal of Sub-Overseer Godagama Kuruppu Don Lewis of the Badulla Jail, and the order not to re-employ him in any Government department?

THE HON. THE ACTING COLONIAL SECRETARY :—A report by the Inspector-General of Prisons dated February 16, 1920, on the dismissal of G. K. Don Lewis is tabled.

THE HON. THE ACTING COLONIAL SECRETARY :—The answer to question No. 145 is not yet ready.

Village Tribunals in Trincomalee Town.

THE HON. MR. M. M. SUBRAMANIAM (Trincomalee Revenue District) :—I rise, Sir, to ask—In view of the importance of the town, will the Government be pleased to abolish the Village Tribunals exercising jurisdiction over the Local Board area of the town of Trincomalee ?

THE HON. THE ACTING COLONIAL SECRETARY :—Government was advised, when the question of establishing this court was under consideration, that it would supply a long-felt want, as it would give the poorer classes residing within the Local Board limits facilities for settling by judicial means petty disputes which did not justify the expenses involved in taking them before a higher court. It is only about a year ago that Government decided to establish the court. Government is advised that no alteration in local conditions has since taken place which would justify the abolition of the court. As Village Tribunals have jurisdiction in certain other Local Board towns, including the town of Batticaloa, Government does not consider that the importance of the town of Trincomalee is in any way lowered by the establishment of a Village Tribunal having jurisdiction over the Local Board area.

THE HON. THE ACTING COLONIAL SECRETARY :—The answer to question No. 147 is not yet ready.

Liquor Shop for the Sale of Beer and Stout in Kotahena.

THE HON. MR. C. H. Z. FERNANDO (North-Western Province, Western Division) :—I rise, Sir, to ask—(1) Is the Government aware that an application has been received by the Hon. the Government Agent, Western Province, for the opening of a liquor shop for the sale of Nuwara Eliya beer and stout in Kotahena ? (2) In view of the fact that Local Option rules will shortly be considered in the Legislative Council, will Government direct the licensing authority to withhold action in this connection until the rules are passed ? (3) Has the licensing authority taken steps to ascertain the wishes of the people in this connection, and, if so, how ?

THE HON. THE ACTING COLONIAL SECRETARY :—(1) Government is informed that an application for a beer and porter tavern licence in Kotahena has been made to the Government Agent, and that due notice of this application has been published in the local press. This application was supported by certain Roman Catholic clergy of Kotahena, the trustees of the Hindu temple, the Secretary of the Kotahena Catholic Young Men's Association, and about 900 residents.

(2) The proposed Local Option rules contain a provision that in any area where as a result of a Local Option poll licences of any

description have been abolished, the licensing authority shall not, except as the result of a successful ballot for the regranting of such licences, issue any new licence of that description.

Government is advised that no licences have been abolished in Kotahena as the result of a Local Option poll. As the question of granting or refusing the application under reference is not touched by the proposed rules, in the opinion of Government it is not necessary to delay consideration of the application.

(3) The applicant has taken the steps required by Excise Notification No. 75 published in the *Government Gazette* dated June 28, 1918. Any objections received will be given full consideration by the licensing authority.

Teachers' Pension Scheme.

THE HON. MR. S. RAJARATNAM (Northern Province, Central Division) :—I rise, Sir, to ask—Will the Government be pleased to state whether the Teachers' Pension Scheme is ready, and if not, when it is likely to be ready?

THE HON. MR. L. MACRAE (Director of Education) :—Before Government could sanction any pension scheme for teachers, it would have to be satisfied that the scheme was equitable to the teachers and managers of the schools affected, that the cost of the scheme could be assessed, and that the financial liability thrown on Government was such as Government could reasonably assume. Government had to postpone consideration of the schemes presented to it (in the past) for sanction, as it found that the cost of these schemes, the latest of which was that set out in Sessional Paper XVII. of 1923, could not be assessed owing to the lack of uniformity in the salaries granted to teachers in the different assisted schools. One of the main difficulties will be removed when the new incremental salary scales are in force in assisted schools. Government will then have steps taken to assess the cost of the pension scheme set out in Sessional Paper XVII. of 1923, and will, thereafter, have the scheme examined in detail. Government regrets that it is not possible to state when these investigations will be completed.

The Land Policy of the Government.

THE HON. MR. G. E. MADAWALA (North-Western Province, Eastern Division) :—I rise, Sir, to ask—In view of the statements made by the Honourable the Colonial Secretary at the last Budget debate in regard to the land policy of the Government—(a) Will the Government be pleased to instruct its officers not to prosecute villagers (not those described as land sharks) for clearing and possessing land generally known as paraveni chena lands under the provisions of the Forest Ordinance, and to withdraw all existing prosecutions pending settlement? (b) Will the Government draw up and adopt a scheme for the purpose of making free grants of lands to landless villagers whenever application is made in that behalf subject to such terms in respect of alienation, cultivation, and so on, as the Government may impose?

THE HON. THE ACTING COLONIAL SECRETARY :—(a) The Government is desirous that *bona fide* villagers should not be discouraged in any way from permanently improving on their own

account land claimed by them as paraveni chena land pending settlement, but it must be left to the discretion of the Government Agent to treat each claim on its merits.

(b) The Government is appointing a Committee to advise as to the steps which should be taken for the resettlement of landless villagers upon the land.

THE HON. THE ACTING COLONIAL SECRETARY :—The answer to question No. 151 is not yet ready.

Presidents, Village Tribunal, Kurunegala.

THE HON. MR. G. E. MADAWALA (North-Western Province, Eastern Division) :—I rise, Sir, to ask—Arising out of the answer to my question No. 89, will Government be pleased to furnish a list of officers who were applicants for the post therein referred to and who have acted as Presidents, Village Tribunal, in the Kurunegala District, and the number of times and period during which they have so acted, without being appointed to permanent posts, and whether the Government does not consider the experience so gained as judicial experience necessary to qualify them for permanent posts?

THE HON. THE ACTING COLONIAL SECRETARY :—Five of the unsuccessful candidates had acted in the Kurunegala District as Presidents of Village Tribunals.

The number of occasions on which they acted varied from twenty-nine in the case of one applicant to one in the case of another.

Government is not prepared to answer the last part of the question, as it calls for an expression of opinion.

THE HON. THE ACTING COLONIAL SECRETARY :—The answer to question No. 153 is not ready.

Dress in Government Departments and Colleges.

THE HON. MR. S. RAJARATNAM (Northern Province, Central Division) :—I rise, Sir, to ask—Will the Government be pleased, with a view to promoting thrift, to issue a circular, to all Government departments and colleges, stating that it has no objection to officers and students attending offices and colleges dressed in verty (dhotie), shirt, and shawl?

THE HON. THE ACTING COLONIAL SECRETARY :—The fact that Government has no objection is well known, and the issue of a circular would, therefore, be superfluous.

THE HON. THE ACTING COLONIAL SECRETARY :—The answers to the remaining questions are not yet ready.

The Ceylon Telegraph Ordinance.

THE HON. THE ACTING COLONIAL SECRETARY :—I beg, Sir, to move—That the rule made by His Excellency the Officer Administering the Government in Executive Council, in exercise of the powers vested in him by section 7 of "The Ceylon Telegraph

Ordinance, 1908," as amended by Ordinance No. 10 of 1923, and published by notification dated August 5, 1925, in *Government Gazette* No. 7,477 of August 7, 1925, be confirmed.

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

Pensions.

THE HON. THE ACTING COLONIAL SECRETARY :—I beg, Sir, to move—That in terms of section 31 (i.) of the Pension Minute, a pension of Rs. 150 per annum be awarded, with effect from October 27, 1924, to W. A. Alice Nona, widow of the late Punchi Appu, Patrol, Railway Department, who was run over by a train and killed on October 26, 1924, while on duty.

I regret, Sir, to state that Patrol Punchi Appu while on duty on October 26, 1924, was run over and killed by the 7.45 P.M. train from Colombo Fort to Ratnapura at 58 miles 40 chains.

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

THE HON. THE ACTING COLONIAL SECRETARY :—I beg, Sir, to move—That in terms of section 31 (i.) of the Pension Minute, the following payments be made to the widow and posthumous child of Appuhamy, Mahout, Irrigation Department, who was killed on November 20, 1924, whilst on duty :—To the widow, Ukku Menika, a pension of Rs. 150 per annum, with effect from November 21, 1924. To the posthumous child, Pinghamy, a gratuity of Rs. 150.

I regret, Sir, to state that the deceased mahout met with his death on November 20, 1924. He was killed by an elephant used by the department whilst it was in a state of must. Finding all attempts to chain the elephant unsuccessful, he drove it on to swampy ground hoping to get off its back and escape, but failed.

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

THE HON. THE ACTING COLONIAL SECRETARY :—I beg, Sir, to move—That in terms of section 31 (i.) of the Pension Minute, a pension of Rs. 150 per annum be granted, with effect from December 30, 1924, to the widow of Ramen Nair, Attendant, Medical Department, who died as a result of illness contracted whilst on duty.

Ramen Nair, who was an attendant at the Ratnapura hospital, died of typhoid fever after serving about four and a half years. The medical officer in charge states that there were several cases of typhoid in the hospital at the time, and he believes that the attendant contracted typhoid from one or other of the patients.

THE HON. THE TREASURER seconded.

THE HON. MR. E. J. HAYWARD, C.B.E., V.D. (Commercial Member) :—I notice, Sir, that in these three cases death occurred in October, November, and December, 1924, and the applications for gratuities, therefore, date back to a long time. I should like to ask why there is this long delay, and whether the pensions are retrospective.

THE HON. THE ACTING COLONIAL SECRETARY :—The pensions are retrospective, but I cannot tell the Honourable Member offhand why there has been a delay. I can inquire into the matter.

The motion was agreed to.

Ferry Toll at Egoda Uyana.

THE HON. THE ACTING COLONIAL SECRETARY :—I beg, Sir, to move—That from and after January 1, 1926, a ferry toll be established at Egoda Uyana on the bank of the Panadure-ganga and on the approach road to the proposed railway station at Egoda Uyana branching off from the Colombo-Galle main road at or near the 14½ milepost in Salpiti korale of the Colombo District, Western Province.

The object, Sir, is to link up the new halting station with the road communications on the opposite side of the lagoon. The road communications have been made, and all that is now necessary is to establish the toll.

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

Supplementary Expenditure.

THE HON. THE ACTING COLONIAL SECRETARY :—I beg, Sir, to move—That the items No. 189 to No. 226 of supplementary expenditure annexed to the Message of His Excellency the Officer Administering the Government dated August 21, 1925, be referred to the Finance Committee.

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

Amendment of the Road Ordinance.

THE HON. THE ATTORNEY-GENERAL :—I rise, Sir, to move the first reading of “ An Ordinance to amend the Road Ordinance, 1861, and the Road Ordinance, 1861, Amendment Ordinance, 1884.” The object of this Ordinance is to provide that in future all poll tax shall be devoted exclusively to minor roads and resthouses. For some years past it has been the practice to allocate one-half of the poll tax to principal thoroughfares, one-sixth to resthouses, the remaining one-third only being available for minor roads. It has also been the practice to some extent to make good the loss to the Road Committees by the voting of an annual sum from general revenue for principal thoroughfares ; in other words, Government have been receiving the poll tax with one hand and paying back part of it with the other. It will be much more simple if the whole of the poll tax is received and expended by the Road Committees. The actual proportion as to how much is to be expended on minor roads and how much on resthouses will, under this Ordinance, depend upon the decision of the Provincial Road Committees. I move that the Ordinance be read a first time.

THE HON. MR. M. T. AKBAR, K.C. (Solicitor-General), seconded, and the motion was agreed to.

THE HON. MR. H. R. FREEMAN (North-Central Province) :—May I ask whether the Committee appointed last year in connection with the poll tax is ever going to report.

THE HON. THE TREASURER :—Yes, Sir. The question is a difficult one.

The Bill was read a first time.

THE HON. THE ATTORNEY-GENERAL :—I give notice, Sir, that at the next meeting of Council I shall move the second reading of the Bill.

The Ceylon Railways Ordinance.

THE HON. THE ATTORNEY-GENERAL :—I beg to move, Sir, the first reading of “An Ordinance to amend the Ceylon Railways Ordinance, 1902.” This Ordinance amends the schedule to the Railways Ordinance, and the object of the amendment is this. As Honourable Members are aware, the Railway Advisory Board has for some time past been considering the alteration of fares and freights, and they have now reported to the Government, I understand. To give effect to the revision of the rates recommended by this Board, it is necessary that the schedule should be amended, the reason being this. The existing schedule imposes certain maximum and minimum rates according to six classes of various descriptions of goods, and the Railway Advisory Board recommend that in future there should be thirteen classes, the object being that the rates can be better graded. It is therefore necessary to amend the schedule accordingly. I may say that whatever action is taken by Government on this report of the Advisory Board will have to be made in the form of a rule by the Governor in Executive Council, and that rule will have to be laid before the Legislative Council, so that the Legislative Council by passing this Ordinance do not at all bind themselves to accept the alterations in the rates. I beg to move that the Ordinance be read a first time.

THE HON. MR. M. T. AKBAR, K.C. (Solicitor-General), seconded, and the motion was agreed to.

The Bill was read a first time.

THE HON. THE ATTORNEY-GENERAL :—I give notice, Sir, that at the next meeting of Council I shall move the second reading of the Bill.

The Supply Bill, 1925-26.

THE HON. THE ACTING COLONIAL SECRETARY :—I beg, Sir, to present the report of the Select Committee on the Bill intituled “An Ordinance for making provision for the Public Service for the Financial Year 1925-26,” and I move that Council do resolve itself into a Committee of the whole House to consider the Bill, and, for the sake of convenience, that the schedule be first read item by item.

THE HON. MR. W. A. DE SILVA (Central Province, Urban) :—I rise to a point of order, Sir. The report of the Select Committee is not before us.

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THE HON. THE ACTING COLONIAL SECRETARY :—We had such a long memorandum from the Honourable Member for the North-Central Province that it has taken the printers a long time to print it.

THE HON. MR. H. R. FREEMAN (North-Central Province) :—It consists of only two and a half pages.

THE HON. THE ACTING COLONIAL SECRETARY :—It has to be remembered that the Printing Office is far away from here. I apologize to you, Sir, and to the House.

THE HON. MR. H. R. FREEMAN (North-Central Province) :—I think I ought to apologize to the House.

THE HON. THE ACTING COLONIAL SECRETARY :—With the permission of the House I will take up the next motion.

The Public Works Loan Ordinance.

THE HON. THE ACTING COLONIAL SECRETARY :—I beg to move, Sir, that in terms of section 2 of “The Public Works Loan Ordinance, No. 6 of 1921,” this Council approves of the transfer from item 10 of the schedule thereto the sum of Rs. 1,374,536 to item 9 “Batticaloa-Maho and Trincomalee Light Railway.” And of the further expenditure from item 10 of the sum of Rs. 525,000 on the following works :—

	Rs.
Post Office development of Government exchanges and additional trunk and junction lines ..	400,000
Dredging the Colombo Harbour ..	125,000
	525,000

THE HON. THE TREASURER seconded.

THE HON. MR. D. S. SENANAYAKE (Negombo District) :—I should like to say something, Sir, with regard to this motion. One of the items in it is provision for the extension of the railway from Maho to Trincomalee and Batticaloa. In Select Committee we consented to allow this vote to stand on condition that we received an amended estimate from the Construction Engineer, and that that report would be referred to a Committee of this House. I should like to know whether the Government is willing to appoint such a Committee.

THE HON. THE ACTING COLONIAL SECRETARY :—I have no objection to that at all.

THE HON. MR. D. S. SENANAYAKE (Negombo District) :—Honourable Members will remember that when this extension was undertaken the estimated cost was given as Rs. 9,000,000. Year by year that estimate has been exceeded. From Rs. 9,000,000 it rose to Rs. 14,000,000, then to Rs. 16,000,000, then to Rs. 18,000,000, and from that to Rs. 19,000,000. Last year I put the question whether that was the last vote that was going to be asked for, and

the Chief Construction Engineer distinctly told us in Select Committee that that would be the last. But, subsequently, he wanted another half a lakh, and when asked whether that would be the last time he came to us, he said "Yes." He came again, and, although the estimates contained what was said to be the final estimate, he said he wanted a further amount. We then decided that he should furnish us with a final estimate and that that estimate should be gone into thoroughly by a Committee.

The work was started without any estimate or plans, and no one appears to be responsible for any of the estimates subsequently put forward. I remember reading some time ago an explanation given by the Chief Construction Engineer, in which he said that although the Government came to the Legislative Council and asked for a vote of Rs. 9,000,000 to carry out this work, that was no estimate at all. He was summoned to Queen's House one morning and asked how much the extension of the railway from Maho to Trincomalee and Batticaloa would cost. He replied that the line to Jaffna had cost about Rs. 56,000 per mile, and he therefore thought that perhaps the line to Trincomalee would cost the same. He, therefore, estimated it at that, and added the cost of the rolling stock and land. On that estimate the Government appears to have come to this Council and got a vote of Rs. 9,000,000.

The Construction Engineer was asked to make surveys, but he was not to undertake any construction until the plans and estimates had been prepared. He, however, started work even before a trace was made. After eighteen months estimates were prepared, but before that had been done work had been started in ten sections, the trace not having even then been completed. This is a very unsatisfactory state of affairs, and it is necessary that a Committee should go thoroughly into the matter. Unless the Government is willing to appoint a Committee, I certainly will oppose this motion.

THE HON. THE ACTING COLONIAL SECRETARY:—As I have already said, the Government is prepared to go into the matter of the estimate. The Acting Chief Construction Engineer informed the Select Committee that he thought another five lakhs would be required to complete the work. He is practically certain of his figures as far as quantities go, but he thinks that the rates that were estimated for were rather on the low side. I will not go into details, because the Chief Construction Engineer had a good deal to say in defence of the department. That matter can be further gone into by the Select Committee.

THE HON. MR. D. S. SENANAYAKE (Negombo District):—I believe that a Commission was agreed upon in Select Committee. But I shall be satisfied with a Select Committee.

THE HON. THE TREASURER:—I think it should be a Select Committee, because the work it has to do is to consider an estimate.

THE HON. SIR PONNAMBALAM RAMANATHAN, KT., K.C., C.M.G. (Northern Province, Northern Division):—We shall not oppose the vote if the inquiry results satisfactorily. Is there any urgency with regard to the vote?

THE HON. THE TREASURER :—There is urgency. The present sanctioned estimate is rapidly approaching exhaustion. It would be highly uneconomical not to pass the vote now. The idea is, I think, that before the Chief Construction Engineer is given the five lakhs which he expects will be required, a Select Committee of this House should go into the matter of the estimates. The sum set down in the schedule is wanted, and it will be inconvenient if the House does not grant it.

THE HON. SIR PONNAMBALAM RAMANATHAN, Kt., K.C., C.M.G. (Northern Province, Northern Division) :—It would be much more satisfactory if the proper course were adopted. I think everything about the expenditure was not made quite clear to the Council.

THE HON. MR. E. R. TAMBIMUTTU (Batticaloa Revenue District) :—Might I suggest as an amendment that this amount be found from revenue. We have a surplus of about Rs. 4,500,000. The works on which loan funds are to be expended are given in the schedule to the Ordinance. It may be that a further vote will be required for this work. I do not hold a brief for the Chief Construction Engineer, but it may be necessary to keep intact the small amount left. I move as an amendment that this amount be found from general revenue.

THE HON. THE TREASURER :—I do not think the Honourable Member is in order in proposing expenditure from revenue. This is one of the items in the original loan schedule.

THE HON. SIR PONNAMBALAM RAMANATHAN, Kt., K.C., C.M.G. (Northern Province, Northern Division) :—In his opening speech the Honourable the Acting Colonial Secretary did not make it quite clear to me what the necessity was for this transfer from one head to another, what its effect would be, and how the sum would be expended on account of the Maho-Trincomalee railway. All these matters were left unexplained; but because we are a happy family, we must not neglect the duty of being well informed and so jeopardize our interests. That is not business. Before the Council commits itself to any financial scheme, it should be fully apprized of all the circumstances.

THE HON. THE TREASURER :—The position will become fairly clear if the Honourable Member would be kind enough to refer to page 124—statement No. 4—expenditure from loan funds. There he will see that the total expenditure which is estimated to be chargeable to the loan is Rs. 20,391,021. That is the revised estimate. Up to the end of the year 1923-24 there had already been expended Rs. 17,294,317, and by the end of this year a further Rs. 2,036,504 will be spent, that is, there will already have been an expenditure of Rs. 19,300,000 odd. That will just about exhaust the existing sanction. Therefore, in order to go on with the work we must have a new sanction; otherwise, we will have to tell the Chief Construction Engineer to stop work. This step will only lead to enormous loss. The Government recognizes that it is only right and proper that this Council should appoint a Committee to go thoroughly into the question of the estimate for this line.

We agree that the Engineers have come and asked again and again for additions to the estimates, and we ourselves are disappointed about that. But we cannot pass judgment now on the engineers or anyone else. We are in this business now right up to the neck, and we ask Council to do the only practicable thing, and that is, to give us the money on the understanding that we will afford the Council all facilities to go thoroughly into the matter at the earliest possible moment.

THE HON. MR. D. S. SENANAYAKE (Negombo District):—The Acting Chief Construction Engineer told us that there is a revised estimate. Is this for additional work? If it is, I can then understand his asking for the money; but if it is for the same work

THE HON. MR. T. Y. WRIGHT (European Rural Member):—Are we in Committee, Sir?

THE HON. THE ACTING COLONIAL SECRETARY:—I move that the Council do go into Committee.

Council in Committee.

THE HON. SIR PONNAMBALAM RAMANATHAN, K.T., K.C., C.M.G. (Northern Province, Northern Division):—I wish to ask how much money the Chief Construction Engineer now requires to carry on the scheme without suspending the work. Has he an estimate of the minimum sum required for carrying on this work?

THE HON. THE TREASURER:—For what period? It is difficult to answer the question. The Select Committee may wish to go right back to the very beginning, and the inquiry may last several months, especially if they are going to examine the plans and estimates. On the other hand, the Select Committee may take only a week over their work. If the Council is definitely opposed to transferring the whole of this sum, it is not impracticable to transfer only part of it. Even that will be an inconvenient course, because we may have to call a Council meeting for the special purpose of granting us some more money; but if the Council insists, I do not think the Government would refuse to agree that we should transfer half this sum and come to Council for the other half later on.

THE HON. THE ACTING COLONIAL SECRETARY:—This matter was gone into in Select Committee when we had Mr. Bakewell before us, and he was cross-examined at great length. Mr. Bakewell told us that the money was absolutely necessary to complete the work, and that he required five lakhs in addition. What is the good of granting a portion of this sum now and a portion later on? The sum of five lakhs, we were told, would be the limit that we would be asked to hand over to the Construction Engineer to complete the work. The proposed Committee can go into the matter as deeply as it desires. It is almost useless transferring only a part of the sum now.

THE HON. SIR J. THOMSON BROOM, Kt. (European Urban Member):—I should like to know when the Government intends to raise another loan ?

THE HON. MR. G. A. H. WILLE (First Burgher Member):—Over what period is this expenditure likely to be spread ?

THE HON. THE TREASURER:—It is hoped to finish the work by the end of next year.

THE HON. MR. E. R. TAMBIMUTTU (Batticaloa Revenue District):—The Construction Engineer makes up his estimate for several works all over the line. This is the total amount. If we are going to divide the sum or decrease it, he will have to make up his mind what work he is to take up. We had an explanation from Mr. Bakewell in Select Committee. It was admitted that mistakes had been made, and having had that explanation, to say now that we will vote half or a quarter of the money that is required might be doing more harm than good. I know that this year the vote was expended much earlier than expected, and that several gangs of coolies and overseers were sent away. I earnestly plead that this vote may be granted and the work allowed to proceed.

THE HON. SIR PONNAMBALAM RAMANATHAN, Kt., K.C., C.M.G. (Northern Province, Northern Division):—If I may remind the Official Members of the Finance Committee, Mr. Bakewell was called upon to make a report as to the money that would be required to complete the scheme. This motion is really a surprise to us. It was not made at the Select Committee when we had Mr. Bakewell under our cross-examination. We are now asked to approve that a sum of Rs. 1,300,000 odd may be further appropriated to this light railway in addition to about Rs. 19,000,000 already spent. I do not see how Unofficial Members can, consistently with their attitude, agree to such a proposal. I say that this has been sprung upon us at the last moment. I think the Government should consider what is the duty of the Unofficial Members. They are as much Members of the Government as the Executive Members.

THE HON. THE ACTING COLONIAL SECRETARY:—No disrespect has been intended. It was unfortunate that the Honourable the Tamil Knight was not present on the day that we went through the loan schedule.

THE HON. SIR PONNAMBALAM RAMANATHAN, Kt., K.C., C.M.G. (Northern Province, Northern Division):—I was present when Mr. Bakewell was examined.

THE HON. THE ACTING COLONIAL SECRETARY:—We went through the loan schedule on another day.

THE HON. MR. E. J. HAYWARD, C.B.E., V.D. (Commercial Member):—In connection with this matter, whatever we do we must not risk a stoppage of the work. An unfinished railway is of no use to anybody, and if the work is stopped, the railway instead of costing Rs. 21 or Rs. 22 millions may run into Rs. 25 millions. We must provide the money to carry on the work, and

I think that the suggestion made by the Hon. the Treasurer meets the case. The Chief Construction Engineer is asking for Rs. 1,374,536 to cover the work for 1925-26. Another amount will probably be wanted after that. This motion is for the amount required for 1925-26. The first speaker on the subject stated that he was not intending to oppose the vote if the Committee asked for were granted by the Government. If this Committee is appointed and sits on the matter, it should finish its deliberations a long way before the first half of the new period. If the Government agrees and this Council accepts the proposal to allow half the amount to be transferred now to enable the work to proceed, we shall have the report of the Committee before us before further money is required.

THE HON. THE TREASURER:—I am sorry I suggested that course. I am afraid that with half the amount the Construction Engineer will not be able to carry on for half the year. By the end of this year the Chief Construction Engineer will have actually exhausted the present sanction if it is not supplemented by a further sum of two and a half lakhs. Two and a half lakhs is, therefore, wanted for this year. A sum of Rs. 859,000 is required for next year. Rs. 425,000 of that will be required for the half of next year, and about four lakhs would be required during the current year. The Construction Engineer will, therefore, require about seven lakhs to carry him on to the end of the first half of next year. If the report of the Select Committee is delayed, it might be unfortunate, especially if there are any new materials to be got out from England. Although I did put forward the suggestion that half the amount might be voted, I think it will be much better to give the whole amount, so that the Chief Construction Engineer might have his hands free in the matter of ordering material from England and carrying out the work as economically as possible.

THE HON. MR. W. DURAISWAMY (Northern Province, Western Division):—There is no one to place before us full and reliable facts as to the money that has been spent on this railway, and there is no one able to speak definitely as to what amount is necessary to complete the work. When Mr. Bakewell appeared before us he said he wanted Rs. 1,374,536, but when he was subjected to cross-examination he was unable to state definitely that that would be enough to complete the railway. He stated that another Rs. 500,000 would be necessary, more or less. He was not definite. We had doubts about the exact estimates, and therefore insisted that a Committee should be appointed and that definite estimates should be prepared and placed before members of that Committee before the Chief Construction Engineer asked for more money from this Council. The Honourable Mr. Senanayake was right in saying that unless Government appoints a Committee to go into the estimates, and to find out first of all whether there are any estimates at all, or whether the Construction Department is working on an indefinite system, the Government should not come to this Council for more money. If the Government is prepared to appoint a Committee to go into the question, I cannot see what objection we can have to voting the money. We have only a month before us before the financial year closes, and perhaps some money has already been spent by the department. That only shows how the department

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is spending money without authority, and without any definite knowledge as to what amount is necessary to complete a work. I think we may pass the vote on the definite undertaking of Government to appoint a Select Committee.

THE HON. THE ACTING COLONIAL SECRETARY :—I move that Council do now resume.

Council resumed.

The motion was adopted.

THE HON. THE ACTING COLONIAL SECRETARY :—I should like to know what the wish of Honourable Members is with regard to the rest of the Agenda.

THE HON. MR. D. S. SENANAYAKE (Negombo District) :—I suggest that we adjourn for tea.

THE HON. THE VICE-PRESIDENT :—It is not 4 o'clock as yet. We might take up the next motion.

THE HON. MR. E. W. PERERA (Kalutara Revenue District) :—The next motion may have to be gone into in detail, and there should not be any rush like this. I do not think it is fair to some of us to take up the next Bill immediately.

THE HON. THE VICE-PRESIDENT :—I understand that Honourable Members are not prepared to discuss the Supply Bill just yet. Copies of the report of the Select Committee have just been put into their hands, and they wish to read it.

THE HON. THE ACTING COLONIAL SECRETARY :—It is almost exactly the same report that was gone through yesterday. There are one or two riders attached.

THE HON. SIR J. THOMSON BROOM, KT. (European Urban Member) :—I sent in a rider, but I do not find it here.

THE HON. THE VICE-PRESIDENT :—I think they are all there.

Council at this stage adjourned for tea.

On resuming—

Supply Bill, 1925-26.

THE HON. THE VICE-PRESIDENT :—We will take up the report of the Select Committee on the Supply Bill.

THE HON. THE ACTING COLONIAL SECRETARY :—Sir, I beg to present the report of the Select Committee on the Bill intitled "An Ordinance for making provision for the Public Service for the Financial Year 1925-26," and I move that Council do resolve

itself into a Committee of the whole House to consider the Bill, and that for the sake of convenience the schedule be first read item by item.

Council in Committee.

The following heads were passed without remarks:—

	Rs.
1. His Excellency the Governor	227,031
2. Legislature	58,109
3. Civil Service	2,152,486

The Clerk read Head 4, which was as follows:—

	Rs.
4. Clerical Service	3,704,271 [3,698,739]

THE HON. THE ACTING COLONIAL SECRETARY:—I move, Sir, that the substituted figures in brackets do stand part of the schedule.

The amendment was agreed to.

The following head was passed without remarks:—

	Rs.
5. Secretariat	59,773

The Clerk read Head 6, which was as follows:—

	Rs.
6. Secretariat, Printing Branch	672,503 [667,503]

THE HON. THE ACTING COLONIAL SECRETARY:—I move, Sir, that the substituted figures in brackets do stand part of the schedule.

The amendment was agreed to.

The following heads were passed without remarks:—

	Rs.
7. Controller of Revenue	14,031
8. Treasury	81,704

The Clerk read Head 9, which was as follows:—

	Rs.
9. Treasury—Commissioners of Currency	349,089 [351,089]

THE HON. THE ACTING COLONIAL SECRETARY:—I move, Sir, that the substituted figures in brackets do stand part of the schedule.

The amendment was agreed to.

The following items were passed without remarks:—

	Rs.
10. Treasury—Loan Board	4,131
11. Treasury—Stamp Office	61,125

The Clerk read Head 12, which was as follows:—

	Rs.
12. Audit Office	147,531 [132,801]

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THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figures in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 13, which was as follows :—

	Rs.
13. Provincial Administration	1,496,979 [1,436,126]

THE HON. THE ACTING COLONIAL SECRETARY :—I beg, Sir, to move that the substituted figures in brackets do stand part of the schedule.

THE HON. MR. H. M. MACAN MARKAR (First Muslim Member) :—I wish to say a few words, Sir, on this head. In Select Committee an item in connection with the Eastern Province—Assistant Vanniah—was deleted. I move that it be restored. The increase in the amount will be Rs. 1,200.

THE HON. THE ACTING COLONIAL SECRETARY :—The Honourable Member is out of order ; but in view of what happened in Select Committee, and as the matter has been brought forward by the Honourable Member, I move the addition of the sum of Rs. 1,200 to the substituted figure in brackets.

THE HON. THE VICE-PRESIDENT :—I put it that Head 13 as further amended by the addition of Rs. 1,200 stand part of the schedule.

The further amendment was agreed to.

The Clerk read Head 14, which was as follows :—

	Rs.
14. Local Government Board	31,063 [28,563]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 15, which was as follows :—

	Rs.
15. Land Settlement Department	131,629 [113,220]

THE HON. THE ACTING COLONIAL SECRETARY :—I propose to ask that the original figure stand part of the schedule, and I leave it to any Honourable Member to move, if he desires to do so, that the substituted figures do stand part of the schedule. The object, I may say, is to include the duty allowances of the Settlement Officers. If the original figures are accepted, the allowances will be included.

I move that the figure as it originally stood do form part of the schedule.

The original figure was agreed to.

The Clerk read Head 16, which was as follows :—

	Rs.
16. Survey Department	3,636,986 [3,638,126]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 17, which was as follows :—

17. Government Stores	Rs. 345,387 [341,477]
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THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figures in brackets do stand part of the schedule.

The amendment was agreed to.

The following heads were passed without remarks :—

18. Registrar-General's Department	..	..	Rs. 263,322
19. Statistical Department	..	..	13,269
20. Department of Indian Immigrant Labour	..	..	80,759

The Clerk read Head 21, which was as follows :—

21. Immigration and Quarantine	Rs. 387,061 [282,061]
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THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

THE HON. MR. T. Y. WRIGHT (European Rural Member) :—As I understand, Sir, that a Committee is to go into the matter of immigration and quarantine I will not object to the item.

THE HON. THE ACTING COLONIAL SECRETARY :—I believe the sum provided is only for a part of the year. In the meantime Government will go carefully into the question.

The amendment was agreed to.

The Clerk read Head 22, which was as follows :—

22. Customs	Rs. 604,634 [604,234]
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THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 23, which was as follows :—

23. Colombo Port Commission	Rs. 3,956,496 [3,182,896]
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THE HON. THE ACTING COLONIAL SECRETARY :—Under this head, Sir, His Excellency the Officer Administering the Government is very desirous that two items cut out in Select Committee should be included. One is an item of Rs. 100,000 for the housing of workmen, and the other is a sum of Rs. 45,000 for the drainage of buildings at Galle Buck. I propose, therefore, to move that the figure should stand at Rs. 3,327,896.

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THE HON. MR. E. W. PERERA (Kalutara Revenue District):—It will be more convenient if each of the items were taken separately.

THE HON. THE ACTING COLONIAL SECRETARY:—I will move formally that an additional sum of Rs. 100,000 should be included in the substituted figure in brackets for a housing scheme for the workmen of the Harbour Engineer's Department. The reasons are that the condition of the slums is undoubtedly discreditable to a city of the importance of Colombo. The matter is also one which I think every Member of this House has, more or less, on his own conscience. His Excellency the Officer Administering the Government is of opinion that this Council should not be content merely with granting a loan to the Municipality of Colombo to assist it in dealing with this problem, but that the Council should go further and sanction Rs. 100,000 to enable Government to make a beginning with the housing of its own workmen in order to relieve the congestion in the slums of Colombo.

THE HON. SIR J. THOMSON BROOM, KT. (European Urban Member):—I should like to hear what the Principal Collector of Customs has to say in regard to the matter.

THE HON. MR. W. T. SOUTHORN (Principal Collector of Customs):—In this case I think it should be left to the members of the Port Commission, who were present at the discussion yesterday, to express their views individually as to what they think about this particular scheme. I am speaking at the moment on behalf of Government, and in support of the scheme put forward by the Honourable the Acting Colonial Secretary. I can only say that, from my own point of view, I shall be extremely sorry to see this vote not included. It has been put forward, as the Hon. the Acting Colonial Secretary said, in order to make a start with the housing of the poor in the city of Colombo, starting, so far as my department is concerned, with the housing of some of the artisans working in the Harbour Engineer's Department. A scheme has been prepared under the instructions of Government, and as a member of the Government I feel that we should do our part in starting to give the poor of Colombo some amelioration of their lot as regards the provision of housing.

THE HON. MR. H. M. MACAN MARKAR (First Muslim Member):—I should like to know whether these houses are for single men or married men. Why I put the question is that in some families there are grown up children who are also earning, and they may take advantage of the provision which the Government proposes to make. A principle is involved, and it is for that reason I ask the question.

THE HON. MR. W. T. SOUTHORN (Principal Collector of Customs):—It is not intended that the houses shall be given free. I understand that the usual practice among labourers of this kind is for several of them to club together in a room. The designs of the rooms have been prepared in accordance with the requirements of the Sanitary Department. The actual size of the rooms is 12 feet by

12 feet, with a verandah 7 feet 3 inches by 10 feet. I presume a small family would occupy one of these quarters, or several bachelors clubbing together.

THE HON. SIR J. THOMSON BROOM, K.T. (European Urban Member):—I do not object to the scheme at all. I asked what happened at yesterday's meeting, and the Principal Collector of Customs has not replied. The matter was discussed yesterday, and I expect the Principal Collector of Customs to tell us what the opinion of the meeting was.

THE HON. MR. E. R. TAMBIMUTTU (Batticaloa Revenue District):—The circumstance that this matter is brought up by way of amendment might make it appear that the Unofficials were opposed to the housing of poor workmen. I wish to say that there was no opposition at all to this motion, but what we strongly objected to was the Government coming before this Council without a definite scheme and asking us to vote a large sum of money. I think the Government is aware that we have protested in season and out of season against their schemes for providing cooly lines on their plans. They have set plans on which they are working for years, and each set of rooms for a cooly is estimated at Rs. 1,000. We learnt in Committee, through the experience of planters and others, that a set of rooms could be built for Rs. 350. What we, therefore, wanted to see was the details of the scheme for the housing of the workmen of the Harbour Engineer's Department. Besides, we cannot understand the mind of the Government when they set about these building schemes. I was told by a Provincial Surgeon last week that his medical officers are quartered in houses not half so commodious or comfortable as those provided for clerks. However, now that a scheme has been placed before us, I think we will vote for it.

THE HON. MR. C. E. VICTOR COREA (Colombo Town, North):—No Member of this House is more anxious than I am to see that proper accommodation is provided for the poor labourers. We decided in Select Committee to turn down this item, not because we were opposed to it, but because some of the Members were informed that no plans were ready, and that no site had been selected, and that, therefore, the amount voted would be merely locked up. We, therefore, decided that the matter should be held over for next year. But now that we have been assured that a scheme is fully prepared, I am sure that we will be happy to provide the money.

THE HON. MR. E. J. HAYWARD, C.B.E., V.D. (Commercial Member):—The point which the Honourable the European Urban Member made just now came up yesterday when it was asked whether the quarters proposed to be built would be appreciated by the men. Several instances were quoted of employers having provided or intended providing quarters for their workmen, and the workmen themselves not caring to occupy those quarters. We, therefore, did not want to have the same experience in connection with the Harbour Engineer's Department. But, on the scale it is proposed to start these quarters, I think we are perfectly safe. The original scheme which came before the Labour Advisory Board,

of which I am a member, was on a very much larger scale. The proposed housing scheme for railway workmen at Ratmalana, as Honourable Members are aware, runs into millions of rupees. What the Railway Advisory Board recommended was caution—"Go slowly. Put up a small number of quarters at first, see whether they become popular with the workmen, and if they become popular, then go on and build more and more until you have satisfied all your wants. Do not go and build a large number of quarters and have many of them empty." The Harbour Works employ 900 workmen. I was present at a meeting on Saturday last, when the men represented their grievances to a Sub-Committee. A large number of the men are married and have families, and they said that they had been anxiously looking forward to quarters being provided for them, and that they were absolutely depressed when they heard that the Select Committee had thrown out the vote. I do not think there is very much risk, considering that there are 900 workmen, and it is proposed to provide for only 60 of them. I propose also to speak on the need for an additional warehouse, but will refer to this later.

THE HON. THE ACTING CONTROLLER OF REVENUE :—I was Chairman of the Select Committee on the day this matter was discussed. The facts before the Select Committee were precisely the same as they are to-day.

THE HON. SIR J. THOMSON BROOM, Kt. (European Urban Member) :—I expected that, as we arranged at yesterday's meeting, the Honourable Mr. Southorn would tell this House what took place. I am for the scheme.

THE HON. MR. G. A. H. WILLE (First Burgher Member) :—Apart from what some of the members of the Port Commission may think, I wish to support the Honourable Mr. Hayward. From the point of view of the Harbour Engineer's workmen this will be a very useful scheme, and it is going to proceed very slowly. About one-tenth of the workmen who work in the harbour are to be provided for in the first instance, and as the slum question has to be settled sooner or later, I think that embarking on this scheme will afford us some very valuable assistance. At the meeting the Honourable Mr. Hayward spoke of, we had the workmen expressing their desire for these quarters. That is a very good sign, because it is said that the workmen are so injured to inhuman conditions that they do not desire better buildings. Apart from this, it is our bounden duty to set an example in the kind of buildings that are provided by employers for their workmen. If the Government makes this start, it will not only set a good example, but also afford us very valuable experience, which we very badly need, before we embark on anything very extensive. I heartily support the proposal that Rs. 100,000 be allotted for the first instalment of this scheme for housing the workmen of the Harbour Engineer's Department.

THE HON. MR. C. H. Z. FERNANDO (North-Western Province, Western Division) :—I rise, Sir, to support the proposal, and to state that I agree with everything that was said by the Honourable the Commercial Member and the Honourable the First Burgher Member, who are my fellow-members on the Labour Advisory Board.

The reason why this item was deleted in Select Committee was, not because the majority of the members did not sympathize with labour, but because of the fact that on the day this item came up they were intent on cutting down expenditure. When the Principal Collector of Customs came before us, he told us that the buildings, sixty in number, consisting of two rooms each, and provided with electric lights, would cost Rs. 80,000, and that the rest of the money was to be spent on levelling the site. I myself questioned the men referred to by the Honourable the Commercial Member on Saturday last, and was told of their great disappointment. I assured them that the vote had been deleted, not because the Members of the Select Committee did not sympathize with labour, and that there was every hope of the Members seeing the matter through in open Council.

The railway scheme is a much more ambitious one, but the Railway Advisory Board recommended that in connection with this one it was advisable to go slowly. This scheme will greatly encourage the men, and I am certain that it will be greatly appreciated by labour in Colombo.

THE HON. MR. W. T. SOUTHORN (Principal Collector of Customs):—Did I understand the Honourable Member to say that the rooms would be provided with electric lights?

THE HON. MR. C. H. Z. FERNANDO (North-Western Province, Western Division):—That was the recommendation of the Labour Advisory Committee.

THE HON. MR. W. T. SOUTHORN (Principal Collector of Customs):—I do not think the scheme provides for electric lighting. I agree generally with what the Honourable Member said, but I do not remember saying anything about Rs. 80,000 being spent on buildings and Rs. 20,000 on levelling the site.

THE HON. THE VICE-PRESIDENT:—One part of the Honourable the Acting Colonial Secretary's motion is now before the House.

The motion was agreed to.

THE HON. THE ACTING COLONIAL SECRETARY:—We now come to the drainage of the Galle Buck area. The amount required is Rs. 45,000. The Government agrees with the Municipality of Colombo in the matter of compelling owners of private house property, at great expense, to connect their houses with the drainage system, and Government is, therefore, of course, morally bound to connect its own premises with the drainage system. His Excellency the Officer Administering the Government hopes that this Council will take the view that this moral obligation should not be shelved.

THE HON. MR. W. T. SOUTHORN (Principal Collector of Customs):—In this case the Port Commission entirely agrees with the view taken by Government.

The motion was agreed to.

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THE HON. THE ACTING COLONIAL SECRETARY :—I move that the substituted figure Rs. 3,327,896 do stand part of the schedule.

This amendment was agreed to.

THE HON. MR. E. J. HAYWARD, C.B.E., V.D. (Commercial Member) :—I came to this meeting proposing to speak briefly under three heads. Two have been disposed of already. The third is the matter of a warehouse to cost Rs. 231,000, which came up on that unfortunate day referred to by my honourable friend the Member for the North-Western Province, Western Division. I have no power to propose that this vote should be reinstated, but I should like to say that to anyone who is at all acquainted with the conditions of the harbour, it must be known that the present warehouse accommodation is absolutely inadequate. This leads to delays and expense, and tends to pilfering and other irregularities. Loaded lighters have to lie up for long periods, because the goods cannot be warehoused for want of accommodation. This is a deplorable condition of things, and it is suicidal policy to refuse a vote for one warehouse out of several that are needed. As I said before, I cannot propose that this item be reinstated, but I can assure Honourable Members that it is a matter that will compel itself on their attention at a very early date.

THE HON. SIR J. THOMSON BROOM, Kt. (European Urban Member) :—I support the remarks made by the Honourable the Commercial Member.

THE HON. THE ACTING COLONIAL SECRETARY :—I gave an undertaking in Select Committee that I would bring forward only three items. Those items have an underlying principle. This is a matter of convenience. The want of it, I have no doubt, causes inconvenience. We have an unallocated surplus balance, and I have no doubt that later on Honourable Members will have an opportunity of advising Government how the surplus balance could be allocated, and I, further, have no doubt that one of the items will be this warehouse.

THE HON. SIR J. THOMSON BROOM, Kt. (European Urban Member) :—This matter was discussed at yesterday's meeting of the Colombo Port Commission, but the Chairman, for some strange reason, does not give this House the gist of the reasons urged there.

THE HON. THE ACTING COLONIAL SECRETARY :—The Chairman of the Colombo Port Commission informed me that the Colombo Port Commission had moved a resolution to the effect that this warehouse was necessary, and that the Commission wished me to move for it to-day. I told the Chairman of the Port Commission that I could not give any such undertaking because of my agreement with the Select Committee. The Chairman of the Port Commission also informed me of the result of the deliberations in connection with the housing of workmen. I understood from him that the members were not in favour of it.

THE HON. SIR J. THOMSON BROOM, Kt. (European Urban Member) :—That is not so.

THE HON. THE ACTING COLONIAL SECRETARY :—When that information was brought to my notice, I rang up the Chairman of the Port Commission on the 'phone and told him that His Excellency the Officer Administering the Government had asked me to include the item. Perhaps what the Chairman of the Port Commission told me was that the members were against its inclusion to-day. I have not yet received a report of the meeting of the Colombo Port Commission, but when I do receive it I shall read it with great care. The Government attaches great weight to the opinions of the members of the Port Commission, and there are many members on the Commission who have had considerable experience of labour. I think it is very creditable to those employers who have tried to tackle the question of the housing of their work-people. I shall be pleased to inquire very fully into this matter in order to avoid any mistakes.

THE HON. SIR J. THOMSON BROOM, Kt. (European Urban Member) :—I want to remove once and for all the impression that the members of the Colombo Port Commission were against the scheme.

THE HON. MR. W. T. SOUTHORN (Principal Collector of Customs) :—The members of the Port Commission thought that the matter should be dealt with very cautiously, and that it should not be pressed to-day.

The Clerk read Head 24, which was as follows :—

	Rs.
24. Ports other than Colombo	64,562
	[64,662]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 25, which was as follows :—

	Rs.
25. Excise Department	650,410
	[645,410]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 26, which was as follows :—

	Rs.
26. Salt Establishment	642,502
	[639,852]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do form part of the schedule.

The amendment was agreed to.

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The Clerk read Head 27, which was as follows :—

	Rs.
27. Post Office and Telegraphs ..	5,671,558
	[5,481,558]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

THE HON. MR. T. Y. WRIGHT (European Rural Member) :—I move as an amendment, Sir, that the original sum do stand part of the schedule.

THE HON. MR. W. DURAISWAMY (Northern Province, Western Division) :—I rise to a point of order, Sir. The Honourable Member cannot move for the increase of the vote.

THE HON. MR. T. Y. WRIGHT (European Rural Member) :—I can surely move that the original sum do stand. I think it is perfectly in order.

THE HON. THE ACTING COLONIAL SECRETARY :—I am proposing that the figure as amended do stand part of the schedule. That is the substantive motion. I believe that any proposal to adopt a higher figure would be out of order.

THE HON. MR. D. S. SENANAYAKE (Negombo District) :—The proposal for the expenditure of the higher sum was brought forward by Government. That was cut down, and now the Government is moving the adoption of the substituted figure. I think the Honourable Mr. Wright is in order in moving that the original sum do stand.

THE HON. MR. K. BALASINGHAM (Nominated Unofficial Member) :—The Honourable Member may be in order if he opposes the Honourable the Acting Colonial Secretary's motion.

THE HON. THE ATTORNEY-GENERAL :—This is an important question, and one that may have important results. The Honourable the European Rural Member proposes to move an amendment to an amendment. The position is this. The Acting Colonial Secretary has moved an amendment. The Honourable Member proposes to move an amendment to that amendment, and his amendment would have the effect of charging revenue. If I may make a suggestion to the Honourable Member, all he has to do is to oppose the Government amendment. If he succeeds in that, the Honourable the Acting Colonial Secretary will have to consider what he has to do—whether to accept the proposal or to drop it altogether.

THE HON. MR. T. Y. WRIGHT (European Rural Member) :—Well, I rise to oppose this motion.

THE HON. MR. A. F. MOLAMURE (Kegalla Revenue District) :—May I suggest to the Honourable the Acting Colonial Secretary that he adopt the same attitude he took up in connection with the matter brought up by the Honourable Mr. Macan Markar. This

is an important matter. These sums were deleted when the Select Committee were in a different temper. They are in a much more amiable mood just now.

THE HON. MR. K. BALASINGHAM (Nominated Unofficial Member):—I support the Honourable Mr. A. F. Molamure's appeal, and ask the Honourable the Acting Colonial Secretary to adopt the same attitude he did in connection with the Honourable Mr. Macan Markar.

THE HON. THE ACTING COLONIAL SECRETARY:—I am afraid I must be adamant. I said I would not bring up a motion for the building of an additional warehouse, and I will not bring up this motion. At the same time I feel that it is perfectly open to me not to oppose this amendment.

THE HON. MR. T. Y. WRIGHT (European Rural Member):—I have not so far spoken against the amendment, but I will do so now. If the original sum is allowed to stand as part of the schedule it will enable the Kelani Valley Telephone Scheme to come into operation. In Select Committee the item was deleted because Members forgot, I believe, that telephones are a paying proposition. Any investment in telephones brings in 10 to 15 per cent. I cannot help thinking that Members did make a mistake, and I do not see why any distinction should have been made between the Kelani Valley, Badulla, and Trincomalee. The Kelani Valley will pay very much better than the Trincomalee telephones. I think it will be arbitrary on the part of the Government not to accept my amendment. If they do not agree to the money coming out of general revenue, I hope that they will agree to provide the money out of Loan funds in the same way that they have provided for Badulla and Trincomalee.

THE HON. THE VICE-PRESIDENT:—In some cases the Government proposes to add to the amount appearing under any Head, and it is left to Members to ask that the original figures do stand, but when it is a case where an Unofficial Member wishes to increase an amount the Government must consent. In this case the Government is moving to reduce the original figure, and it is for the Council to agree or not.

THE HON. MR. E. R. TAMBIMUTTU (Batticaloa Revenue District):—This was an item which was cut down when the Members of the Select Committee had the fever of retrenchment. I am sure that if Honourable Members realize what it is to be in the outlying districts of Badulla without telephone communication they will not refuse this vote. As the Honourable Mr. Wright has said, it will certainly pay. I trust that my colleagues will oppose the amendment of the Honourable the Acting Colonial Secretary. He will not take it amiss if we do it.

THE HON. MR. F. A. OBEYESEKERE (Southern Province, Central Division):—This discussion raises very important questions. In Finance Committee we spent a long time over this matter. I do not know what was in the mind of some of those Members who come before us and the public to-day and confess to an attitude of mind

which I cannot admit I was any party to. I hope that, whatever intention towards retrenchment some of us Members had, we did devote considerable thought to the arguments both for and against these two important suggestions put forward by Government for the progress and advancement of the whole Colony. We weighed the rights and wrongs of every question that came before us. Our votes were given after due deliberation, and we are now asked to admit that we were triflers in Select Committee, that we were deliberately playing with things we did not understand. Is it fair to expect Members of this Honourable Assembly to admit that position? I can understand important questions arising where there is a principle involved, where some urgent public necessity is involved, which may justify us in coming to open Council to dissociate ourselves from what took place in Select Committee. Is this parochial matter introduced by the European Rural Member a matter of paramount importance? I shall not have the respect I now have for this Honourable Assembly if this proposal of the Honourable Member is entertained. I think it is time we cried a halt and considered this question and took our bearings. A serious violation of an important principle is involved. We have considered this matter amply in Select Committee, and I ask Honourable Members to hesitate to entertain the proposal which has been put forward.

THE HON. THE ACTING COLONIAL SECRETARY :— Perhaps it will make matters go more quickly if I state that the Official Members will not vote on this matter. There will be an opportunity later on, when the allocation of the surplus balance comes up, for considering this scheme. I may say that the Government considers the scheme extraordinarily sound business.

THE HON. MR. T. Y. WRIGHT (European Rural Member) :— I can see that there are some Members of this Council who are against progress. If the Government will agree to taking the money out of Loan funds and treating the Kelani Valley like Badulla and Trincomalee, I shall agree to it.

THE HON. MR. A. F. MOLAMURE (Kegalla Revenue District) :— I hope no Honourable Member of this House will consider me a trifier. I was not present at the Finance Committee meeting when this item was deleted. If I was present I would have fought hard for its retention. It has been said that this is a parochial need. If this is a parochial need, then all needs are parochial. The Honourable Mr. Obeyesekere says that to bring this matter up in open Council after it has been voted on in Select Committee is a violation of principle. I ask him what principle we are violating. When the Honourable Mr. Macan Markar brought forward a resolution just now to have included a sum of Rs. 1,200 for the Assistant Vanniah of Batticaloa no principles were violated, I suppose.

THE HON. MR. F. A. OBEYESEKERE (Southern Province, Central Division) :— They were.

THE HON. MR. A. F. MOLAMURE (Kegalla Revenue District) :— Everyone in this House was silent on that point. In the case which the Honourable the European Rural Member has brought up principles are violated. There is no question of the violating of

principles. My honourable friend for the Southern Province, Central Division, also issued the threat that he would not have the slightest respect for this House if the item was passed. None of us are frightened by threats of that nature, much less with this particular threat. I submit that the European Rural Member is entitled to oppose this amendment, and I trust that Honourable Members who are out for the progress and advancement of this country will oppose this amendment and will bring Government to that position where it will have to give us the amount we want. I think that Honourable Members of this Council will be amiable enough to oppose the Government amendment.

THE HON. MR. W. DURAI SWAMY (Northern Province, Western Division):—We need not criticise each other. Times change; positions change; and views change. No doubt at one stage of the Finance Committee there was a consistent desire to refuse unnecessary expenditure, and later on, as time passed, when the needs of the country were considered, when medical wants, sanitation, extension of roads, and so on, were considered, the Unofficial Members who were interested in the development of the general population of this country readily and unanimously voted for these needs. But when questions which involved expenditure to satisfy the convenience of the well-to-do portion of the community came up, then we said: "This is not the time, and this is not the way to vote away money—money extracted from the poor, voiceless people of this country." I say this after due consideration. The taxes imposed in 1922-23 fall mostly on the poor. The duty on rice, the duty on paddy, and some other duties fall mostly on the poor. As a result of that taxation large surpluses have got into the hands of Government, and they are trying to spend that money on matters which do not mainly benefit the poor. That was why this particular item was turned down by the Select Committee. The matter was very carefully discussed in Select Committee. It comes under Sub-head 16, and this is the first time that such an item has been introduced under Head 27. We do not find such expenditure in previous years under that head. Such expenditure was incurred from loan funds, as appears on page 122 of the Budget. There is a sum of Rs. 400,000 provided for "Post office development of Government exchanges and additional trunk and junction lines." That was the way how money was found for telephone extension; but for the first time this year an attempt was made to take money for this purpose from current revenue.

THE HON. THE TREASURER:—That is not so. It was only since the last loan was raised that the money has come out of loan funds.

THE HON. MR. W. DURAI SWAMY (Northern Province, Western Division):—Well, then, after 1921 no money was appropriated from current revenue, but the money was taken from loan funds for very good reasons, because such expenditure is considered to be capital expenditure, and ought to come, not from annual revenue, but from loan funds. That principle has been enunciated before, and it was a breach of that principle which the Honourable Mr. Obeyesekere spoke of. We voted against this item, not because we were carried away by a desire to cut down expenditure. The

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matter was fully gone into, and it was decided that this sum of Rs. 200,000 should not come out of current revenue. We asked Government whether they would take it out of loan funds, but they would not do so because there were not sufficient funds there. The Honourable the European Rural Member was aware of our objections.

THE HON. THE TREASURER :—I am not going to advocate the restoration of the item. I have just one point to comment on with reference to the Honourable Member's remarks. He spoke as though by charging expenditure to loan account or borrowed money we could avoid taking the money out of revenue. I should like to remind the Honourable Member and the House that it does not do anything of the sort. It all comes out of revenue in the end.

THE HON. MR. W. DURAISWAMY (Northern Province, Western Division) :—It is spread over a number of years. That is the difference.

THE HON. MR. T. Y. WRIGHT (European Rural Member) :—I might say that I found it impossible to be present at the meeting of the Select Committee when this item was discussed. I might have been there, but we did not keep to our programme. However, I cannot understand why Honourable Members in Select Committee should have made a distinction. I do not mind from what money this comes out, whether from loan or revenue.

THE HON. MR. E. R. TAMBIMUTTU (Batticaloa Revenue District) :—Do I understand the Honourable Member for the Northern Province, Western Division, to say that post office developments and telephone extensions should always come out of loan funds? Did the white elephant of a telephone office in Jaffna and the telephone extension which is rotting in Jaffna come out of loan funds? I voted for this extension, but I was out-voted because the fever of retrenchment was at its highest temperature. If there is sufficient revenue to provide for this item, why should we not pay out of revenue instead of borrowing? If all developments are to depend on loan funds, I suppose we shall have to wait until another loan is raised to extend our telephone lines. The Council has approved of the extension to Chilaw. I do not believe it is a sound investment. There are only seven or eight subscribers according to the Directory. I am sorry that the Official Members are not going to vote on this matter, because this is a matter that they had placed before us, and it is a matter that they know is urgently required. I, therefore, think that they might be left to vote according to their conscience. The Honourable the Acting Colonial Secretary should not decide on that point one way or the other, but should leave it to them to vote or refrain from voting. I think that the Kelani Valley and Badulla extensions will pay double or treble what the Jaffna and Chilaw lines are paying to-day.

THE HON. MR. T. Y. WRIGHT (European Rural Member) :—Did the Honourable Member for the Northern Province, Western Division, object for the same reason when the Jaffna scheme came up a year or two ago? The Honourable the Treasurer has told us

that it is exactly the same thing whether the money comes out of general revenue or from loan funds, and, as far as I can remember, I supported the Honourable Member for the Northern Province, Western Division, in connection with the Jaffna extension, and I did not oppose the Chilaw extension. I really cannot see why this item should be turned down. There is the money to pay for it, and the extension will pay. The Chilaw line is paying hand over fist, and when the Postmaster-General was examined last year, he said it was paying 15 per cent. Its usefulness is being appreciated to an increasing extent. Even boutique-keepers are getting the telephone into their boutiques.

THE HON. MR. H. R. FREEMAN (North-Central Province) :— I wish the Honourable the Acting Colonial Secretary would be a little more unprincipled and let the Officials vote.

THE HON. MR. C. W. W. KANNANGARA (Southern Province, Western Division) :—I am in a difficulty owing to the ruling which has been made. It has been ruled that if the substituted amount is deleted the original amount will stand.

THE HON. THE ACTING COLONIAL SECRETARY :—The decision will be this—if my amendment is defeated, then we shall be in that position that we shall be forced—not with any great reluctance, perhaps—to accept the amount as it originally stood.

THE HON. MR. C. W. W. KANNANGARA (Southern Province, Western Division) :—According to your ruling, if the substituted amount is voted down the original amount, with thirteen different items, would have been restored.

THE HON. THE VICE-PRESIDENT :—In this case this is the only item. You cannot go beyond the figure appearing in the present report. That is my ruling. I rule that if the Government amendment is lost the original figure appearing in the schedule will stand and that it will not be increased.

THE HON. MR. G. E. MADAWALA (North-Western Province, Eastern Division) :—What about the Rs. 10,000 ?

THE HON. THE VICE-PRESIDENT :—You will not get it. If the Rs. 190,000 will cover the work let them do it with that.

THE HON. MR. C. H. Z. FERNANDO (North-Western Province, Western Division) :—I do not think that there will be any necessity to vote Rs. 200,000, because we have already provided Rs. 400,000 on the motion brought forward by the Honourable the Acting Colonial Secretary, and from the Minutes of the Select Committee it will be seen that we have decided that a sum of Rs. 100,000 from that allocation should be provided for telephone facilities for Trincomalee and Badulla, and if we vote Rs. 200,000 here, we will be voting for these facilities twice over. The lines to Trincomalee and Badulla will probably be rotting sooner than the line to Jaffna.

I cannot agree with the Honourable Member for the Southern Province, Central Division, about the sacred decisions of the

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Select Committee not being reversed in open Council. Our real work should be done in open Council, and not in Select Committee or Finance Committee.

With regard to the extension of the telephone system to Puttalam, I might say that it is expected to pay 30 or 40 per cent. I consider that extension as much more important than the extension to the Kelani Valley.

THE HON. THE TREASURER :—I should like to make an explanation with regard to the four lakhs. It is perfectly true that there is a recommendation of the Select Committee that Rs. 100,000 of that should be taken only for the extensions to Badulla and Trincomalee. This is what the report says: "A majority of the Committee recommends that a sum of Rs. 100,000 from the proposed allocation of Rs. 400,000 under item 10 (i.) be utilized for the provision of telephone facilities to Trincomalee and Badulla in view of the fact that the Committee has recommended deletion of the amount included for these services under Head 27 of the estimates of expenditure." I wish to say, merely for the information of the House, that it will be a great pity to divert any part of those four lakhs for the purpose of providing these long lines, because the whole of those four lakhs is required, and is actually ear-marked by the Postmaster-General, for connecting up subscribers with exchanges that exist, and for short junction lines, say, about half a mile. It will be bad business to divert any part of those four lakhs. I hope that whatever decision the Council comes to, it will not agree to taking any part of those four lakhs for the purposes I have indicated.

THE HON. THE ACTING COLONIAL SECRETARY :—I had a report to that effect recently from the Postmaster-General.

THE HON. MR. G. E. MADAWALA (North-Western Province, Eastern Division) :—What will happen to the Rs. 10,000 ?

THE HON. THE VICE-PRESIDENT :—I do not know what will happen to it. It is not here.

THE HON. SIR J. THOMSON BROOM, Kt. (European Urban Member) :—Will the Honourable Mr. Wright accept the promise that we will pass the item in Finance Committee ?

THE HON. MR. T. Y. WRIGHT (European Rural Member) :—I cannot do that, and I will not withdraw my opposition to the amendment proposed by the Government.

THE HON. THE VICE-PRESIDENT :—I will now put the amendment of the Honourable the Acting Colonial Secretary that the substituted figure in brackets do stand part of the schedule. Those of that opinion say "Aye," those of the contrary opinion say "No." (After a pause) I think the "Noes" have it.

THE HON. MR. F. A. OBEYESEKERE (Southern Province, Central Division) :—Divide.

Council divided as follows :—

Ayes—13.

The Hon. Sir P. Ramanathan, Kt., K.C., C.M.G. (Northern Province, Northern Division).

The Hon. Mr. W. Duraiswamy (Northern Province, Western Division).

The Hon. Mr. E. W. Perera (Kalutara Revenue District).

The Hon. Mr. C. W. W. Kannangara (Southern Province, Western Division).

The Hon. Mr. C. E. Victor Corea (Colombo Town, North).

The Hon. Mr. C. H. Z. Fernando (North-Western Province, Western Division).

The Hon. Mr. T. B. Jayah (Third Muslim Member).

The Hon. Mr. D. B. Jayatilaka (Colombo District).

The Hon. Mr. F. A. Obeyesekere (Southern Province, Central Division).

The Hon. Mr. S. Rajaratnam (Northern Province, Central Division).

The Hon. Mr. S. R. Mohamed Sultan (Second Indian Member).

The Hon. Mr. V. S. de S. Wikremanayake (Southern Province, Southern Division).

The Hon. Mr. W. A. de Silva (Central Province, Urban).

Noes—20.

The Hon. Mr. N. H. M. Abdul Cader (Second Muslim Member).

The Hon. Mr. T. Y. Wright (Euoptan Rural Member).

The Hon. Mr. H. A. Loos (Nominated Unofficial Member).

The Hon. Mr. D. H. Kotalawala (Province of Uva).

The Hon. Mr. E. R. Tambimuttu (Batticaloa Revenue District).

The Hon. Mr. A. C. G. Wijeyekoon (Nominated Unofficial Member).

The Hon. Mr. E. J. Hayward, C.B.E., V.D. (Commercial Member).

The Hon. Mr. N. J. Martin (Second Burgher Member).

The Hon. Mr. K. Balasingham (Nominated Unofficial Member).

The Hon. Mr. A. Canagaratnam (Northern Province, Southern Division).

The Hon. Mr. H. R. Freeman (North-Central Province).

The Hon. Mr. H. M. Macan Markar (First Muslim Member).

The Hon. Mr. G. E. Madawala (North-Western Province, Eastern Division).

The Hon. Mr. A. Mahadeva (Western Province, Ceylon Tamil).

The Hon. Mr. A. F. Molamure (Kegalla Revenue District).

The Hon. Mr. A. H. E. Molamure (Ratnapura Revenue District).

The Hon. Mr. D. S. Senanayake (Negombo District).

The Hon. Mr. M. M. Subramaniam (Trincomalee Revenue District).

The Hon. Mr. G. A. H. Wille (First Burgher Member).

The Hon. Sir J. Thomson Broom, Kt. (European Urban Member).

Declined to Vote—12.

The Hon. the Officer Commanding the Troops.

The Hon. the Acting Colonial Secretary.

The Hon. the Attorney-General.

- The Hon. the Acting Controller of Revenue.
 The Hon. the Treasurer.
 The Hon. Mr. F. A. Stockdale, C.B.E. (Director of Agriculture).
 The Hon. Mr. L. Macrae (Director of Education).
 The Hon. Mr. W. L. Kindersley (Government Agent, Central Province).
 The Hon. Mr. J. Strachan (Director of Public Works).
 The Hon. Mr. W. T. Southorn (Principal Collector of Customs).
 The Hon. Mr. M. T. Akbar, K.C. (Solicitor-General).
 The Hon. Dr. J. F. E. Bridger (Principal Civil Medical Officer).

THE HON. THE VICE-PRESIDENT :—The amendment is lost, and the original figure as appearing in the schedule will stand.

The following head was passed without remarks :—

	Rs.
28. Legal : Supreme Court	277,653

The Clerk read Head 29, which was as follows :—

	Rs.
29. Legal : District Courts	219,638 [218,638]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The following head was passed without remarks :—

	Rs.
30. Legal : Courts of Requests and Police Courts ..	102,401

The Clerk read Head 31, which was as follows :—

	Rs.
31. Legal : Attorney-General	174,382 [163,082]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The following head was passed without remarks :—

	Rs.
32. Legal : Solicitor-General	45,168

The Clerk read Head 33, which was as follows :—

	Rs.
33. Legal : Fiscals	527,516 [502,516]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 34, which was as follows :—

	Rs.
34. Police	3,090,590 [3,087,110]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The following head was passed without remarks :—

	Rs.
35. Prisons	977,615

The Clerk read Head 36, which was as follows :—

	Rs.
36. Medical Department	8,804,829 [8,860,009]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The following heads were passed without remarks :—

	Rs.
37. Medical Research and Preventive Measures ..	105,184
38. Medical College	87,610
39. Government Analyst	53,861

The Clerk read Head 40, which was as follows :—

	Rs.
40. Education	7,463,003 [7,655,723]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

THE HON. SIR PONNAMBALAM RAMANATHAN, Kt., K.C., C.M.G. (Northern Province, Northern Division) :—There is an important item, Sir, included in the vote of Rs. 7,655,723 connected with the increments and salaries of teachers and their pensions. The recommendation of the Select Committee that was appointed to consider this Budget is as follows :—

“The vote for grants to assisted schools includes provision for giving effect to the recommendations of the Board of Education on the subject of payment of teachers in assisted schools. The Committee considered that this important question required some further scrutiny before the provision was passed, and a Sub-Committee was accordingly deputed to confer with the Director of Education and to submit a report on the new scheme. The report of this Sub-Committee is annexed, *vide* Appendix C. The Select Committee agrees to the provision of the amount specified in the Estimates, and recommends that the matter be further considered by the Finance Committee.”

The Select Committee on the Budget asks that the further consideration of this question should be undertaken by the Finance Committee. The Honourable the Acting Colonial Secretary thinks that the Finance Committee might sit to-morrow. How is this further consideration to be given to the matter to-morrow? The question is a very complex one, and it cannot be determined to-day. Further scrutiny is required, and that is to take place at 10 o'clock to-morrow.

THE HON. THE ACTING COLONIAL SECRETARY :—It is not necessary that the matter should be decided at once. It can be considered at a later meeting.

THE HON. SIR PONNAMBALAM RAMANATHAN, KT., K.C., C.M.G. (Northern Province, Northern Division):—That only shows that the Government are anxious that the scheme should be considered in all its bearings and decided later on. Here I must say that they have been very generous in placing on the Budget a large sum of money towards this important relief. The question is, whether that relief is to be in accordance with the report of the Board of Education, or it is to be in accordance with the yet unexpressed wishes of the Legislative Council.

The history of the question goes back some thirty months ago, when I moved in this Council for the appointment of a Select Committee to consider and report upon the scope and operation of certain clauses in the English Education Code and in the Vernacular Education Code. That Select Committee was composed of certain Members, including the Director of Education, and we sat together and finally presented our views. Among our recommendations was one that it was necessary to increase the salaries of teachers and offer them suitable pensions. The Select Committee could not go further than that. It left the matter in the hands of Government to devise detailed schemes. The Governor of the day was Sir William Manning, and when the report of the Select Committee was tabled here, I expected there would be a discussion by the Legislative Council in regard to the report; but Sir William Manning told me that the scheme had to go before the Board of Education for a scheme to be devised for salaries and pensions, and if the Board indicated the amount that would be required for the purpose, he would take the advice of the Executive Council and place before the Legislative Council the sum of money that would be wanted. I am a member of the Board of Education, and was a member at that time, and I thought that this procedure would delay the consideration of the subject by the Legislative Council, but in deference to the wishes of the Governor, whose object was certainly sound, I consented to his proposal. The Board of Education is a large body, and necessarily the subject had to be referred to a Sub-Committee. It went before a Sub-Committee, and the Sub-Committee drew up a scheme. That scheme was sent back to the Board of Education, and the Director of Education, as Chairman of the Board, forwarded the proposals to the Government. I have seen no papers which show that the proposals were considered by Government at all. Anyhow, the subject is a complicated one, and I do not think it is one that would have been considered by the Executive Government of the Colony, which consists of very busy men. All the papers, however, were published.

The Council did not meet till last May, I think, and for the first time the papers were put on the table of the Legislative Council with the vote in the Budget. The situation then is this, that the Members of the Legislative Council had no opportunity whatever of expressing their views or their decision on the question as reported by the Board of Education. The attitude of the Government is quite clear. They are willing to study the question, and they are also anxious that the Unofficial Members of Council should study it. So, as we were all

agreed that it would be a pity to excise from the Budget the money placed there for the purpose, we thought it best that the Select Committee should appoint a Sub-Committee to report on the matter to the Select Committee. The position of that Sub-Committee that was appointed only about ten or twelve days ago was rather unfortunate. We had a fair proportion of educationists amongst us, but the Sub-Committee studied the matter only in reference to the rectification of anomalies as regards the salaries proposed to be paid by the Board of Education. Anomalies were found. The Sub-Committee was empowered to be in touch with the Director of Education; and the Director, with his usual courtesy, came and told us which of our criticisms were right and which were not. I believe he accepted most of our criticisms as regards the anomalies.

But there is another aspect of the question besides the superficial one of trying to detect anomalies, and that is, getting at the merits of the question. The Board of Education seems to have understood the matter as a purely mathematical problem relating to the welfare of the teachers only and the resources of Government. But there were others which have not been considered by the Board of Education. We have the students, who require education in order that they may become good citizens, fit to enter upon the public life afforded them. Those students are under the protection of their fathers, who are, most of them, poor, and cannot find the money to give their children a high class education. The cases of the students and their parents do not seem to have been sufficiently considered, nor the case of the proprietors of schools, nor the case of the managers, who are the go-between the Director of Education and the proprietors of schools. It is all-important that the proprietor and manager should know whether, even if they are given a sum of money by the Government to pay the teachers, that payment will continue to be made in times of adversity too. It is a common failing amongst most persons to imagine that when one is prosperous one will continue to be prosperous all along. In my younger days, being a student of Horace, I learnt "A wise man fears in prosperity, hopes in adversity." Always distrusting prosperity, I was never downhearted in adversity. The trend of circumstances in modern life is this, that both among ordinary men and past masters in the administration of the Government, I mean the officials, when they see so many millions of money voted, they say to themselves: "Prosperity is going to be continuous. Let us spend all we can; if we want more let us go and borrow and spend, and the future will undoubtedly continue to be prosperous." This feeling permeates modern society: "Let us eat, drink, and be merry, for to-morrow we die." But there are some men, even amongst the Government, who say "Prosperity is to be distrusted; we have to be economical at all times; what would happen if we promise teachers annual increments and we are unable to fulfil our promise?"

At the present moment a University Graduate in India finds it difficult to find employment as a teacher or as anything else for more than Rs. 60. There are thousands passing out of the Universities there. Knowing the art of living economically, they are glad to get Rs. 100 from proprietors of schools in Ceylon, and for every one advertisement for a teacher we have fifty or sixty applications. The manager knows his resources. His resources consist of the fees paid by parents on behalf of boys

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and the grants which the Government through the Director of Education pays to the schools. Both these items make up the amount according to which alone the salaries of teachers can be paid and other expenses met. It is a financial proposition, namely, so much revenue so much expenditure.

THE HON. THE VICE-PRESIDENT :—Does the Honourable Member intend to move an amendment ?

THE HON. SIR PONNAMBALAM RAMANATHAN, KT., K.C., C.M.G. (Northern Province, Northern Division) :—I am coming to that. The proposal made by the Board of Education as regards the teachers is that a man who gets, say, Rs. 100 salary, must be paid by the manager or proprietor Rs. 150, with annual increments. The manager will have to pay all the money out; not a cent will remain in his hands. After a time the Government may stop payments, and leave the proprietor to manage as he may. It is a frightful thing to contemplate. Upon that hinges certain principles which have already been threshed out. When I found that the Sub-Committee of the Budget Committee could not deal with anything but anomalies, that it could not deal with the fundamental problems which are involved in this matter, I said to my colleagues : “The Sub-Committee of the Select Committee cannot bring out a report for consideration by the Select Committee. There are about four days more. We are still dealing with anomalies, and not with the main principles. Therefore, my conclusion is that the report of the Sub-Committee must lapse, and that it would be necessary for one of us to move in Council for a Select Committee to deal with the whole question and make its report thereon.” The general and financial administration of this Island is now in the hands of this Council. They find the funds and pay for the schemes. How can the Council's privileges be disregarded, and how can a one-sided scheme made by the Director and Board of Education be carried through the Legislative Council without a full investigation ?

I also see in the report of the Select Committee on the Budget the words “The Select Committee agrees to the provision of the amount specified in the Estimates, and recommends that the matter be further considered by the Finance Committee.” As the Sub-Committee has suggested, let us go on with the scheme for one year, in which time we shall be able to find out by experience whether we are to continue it. May it be a tentative scheme for one year, Sir ?

THE HON. THE VICE-PRESIDENT :—What is the Honourable Member moving in regard to this particular item ?

THE HON. SIR PONNAMBALAM RAMANATHAN, KT., K.C., C.M.G. (Northern Province, Northern Division) :—I say that this item should stand here for a year tentatively until all the principles involved in it are gone into. Perhaps it may be necessary to amend or improve upon the scheme of the Board of Education. I am quite willing that this vote should stand tentatively for a year, until the Council, in whose hands alone the financial administration of the country is vested, is able to express an opinion on the matter.

THE HON. MR. G. A. H. WILLE (First Burgher Member):—Does the Honourable Member mean that the money necessary for the scheme should not be voted ?

THE HON. SIR PONNAMBALAM RAMANATHAN, Kt., K.C., C.M.G. (Northern Province, Northern Division):—No. The suggestion is that the scheme should be tentative for one year.

THE HON. MR. A. CANAGARATNAM (Northern Province, Southern Division):—What happened in Select Committee in regard to this vote was this. It was felt by several Members that there was not adequate time to consider the subject, but at the same time Members felt that the teachers had been waiting long for an increase to their salaries, and that, therefore, this vote should be passed subject to a certain condition, and that was, that the matter should be referred to the Finance Committee, and that the decision to spend the increased vote should abide the recommendations of the Finance Committee. It is only after the recommendations of the Finance Committee are received that the increased vote can be spent. That was the understanding on which this vote was passed.

THE HON. THE VICE-PRESIDENT:—We must only go upon the minutes of the Select Committee's proceedings. That point is not involved here.

THE HON. MR. G. A. H. WILLE (First Burgher Member):—It was also understood that the Finance Committee will consider to-morrow one or two points in connection with the scheme. As far as I know the Unofficial mind, the Unofficials will pass the scheme with one or two amendments.

THE HON. THE ACTING COLONIAL SECRETARY:—No payments can be made till October, and if the Finance Committee cannot complete its deliberations to-morrow there is still time. I understand from the Director of Education that there is no objection to the scheme being tried tentatively for one year. The Finance Committee can, I think, finish its labours in time to make payment by October 1. If the scheme does not work satisfactorily during the year, it will be open to anyone to move for a Select Committee.

THE HON. THE VICE-PRESIDENT:—Are these matters relevant to our passing this vote ?

THE HON. MR. G. A. H. WILLE (First Burgher Member):—The Honourable Member for the Northern Province, Northern Division, said so many things about the scheme which are not accepted by the Council, that I feel that there may be some who will go away with a wrong impression. The Honourable Sir P. Ramanathan said that the matter had come up recently. I would like to call his attention to what is said in Sessional Paper of April 19, 1923.

THE HON. THE VICE-PRESIDENT:—I do not think that it is necessary for us to go into this matter. There is no amendment proposed. The proposal before the House is that the substituted figure should stand part of the schedule.

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THE HON. MR. G. A. H. WILLE (First Burgher Member):—
You allowed the Honourable Member to speak for half an hour.

THE HON. THE VICE-PRESIDENT:—I thought the Honourable Member was leading up to an amendment.

THE HON. MR. G. A. H. WILLE (First Burgher Member):—
I do not want Honourable Members to be prejudiced by what was said to-day. This matter has been threshed out for the last two or three years, and when the matter was referred to the Board of Education no voice was raised in objection.

THE HON. MR. N. H. M. ABDUL CADER (Second Muslim Member):—I find under this head that two sums of money have been provided as building grants, Rs. 50,000 and Rs. 100,000. I should like to point out that when this Council voted Rs. 25,000 for Zahira College and Rs. 50,000 for the Ramanathan Colloge certain conditions were imposed. I should wish to know whether these grants too have been made under the same conditions.

THE HON. THE ACTING COLONIAL SECRETARY:—It depends on whether the grants are of sums of under Rs. 5,000 or over. If a grant of under Rs. 5,000 is made the same conditions are not necessary. These grants will be made by the Director of Education. If any large grants are to be made the matter will have to come before the Finance Committee.

THE HON. THE VICE-PRESIDENT:—I put it that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 41, which was as follows:—

			Rs.
41. University College	..	..	439,710 [420,805]

THE HON. THE ACTING COLONIAL SECRETARY:—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 42, which was as follows:—

			Rs.
42. Archaeological Department	..	..	127,439 [120,189]

THE HON. THE ACTING COLONIAL SECRETARY:—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 43, which was as follows:—

			Rs.
43. Colombo Museum	..	..	117,781 [116,031]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The following head was passed without remarks :—

44. Department of Fisheries	..	..	Rs.
			138,049

The Clerk read Head 45, which was as follows :—

45. Department of Agriculture	..	..	Rs.
			866,858
			[853,308]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 46, which was as follows :—

46. Veterinary Department	..	..	Rs.
			227,371
			[203,371]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The following head was passed without remarks :—

47. Department of Mineralogy	..	..	Rs.
			26,800

The Clerk read Head 48, which was as follows :—

48. Forest Department	..	..	Rs.
			1,106,661
			[1,068,698]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The following heads were passed without remarks :—

49. Inspector of Mines	..	..	Rs.
			15,717
50. Registrar of Patents	..	..	10,593

The Clerk read Head 51, which was as follows :—

51. Railway Department	..	..	Rs.
			18,024,248
			[17,989,225]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 52, which was as follows :—

52. Railway Extraordinary Works	Rs.
			6,297,198
			[4,500,000]

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THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The following heads were agreed to without remarks :—

			Rs.
53.	Irrigation Department	..	328,614
54.	Irrigation Annually Recurrent	..	269,800
55.	Irrigation Extraordinary	..	799,150

The Clerk read Head 56, which was as follows :—

			Rs.
56.	Public Works Department	..	1,911,007 [1,920,527]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 57, which was as follows :—

			Rs.
57.	Public Works Annually Recurrent	..	8,114,127 [8,274,888]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 58, which was as follows :—

			Rs.
58.	Public Works Extraordinary	..	8,773,587 [8,274,888]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The Clerk read Head 59, which was as follows :—

			Rs.
59.	Military expenditure	..	2,217,464 [2,240,464]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.

The following heads were passed without remarks :—

			Rs.
60.	Public Debt	..	12,878,209
61.	Pensions	..	4,980,900
62.	Exchange	..	25,000

The Clerk read Head 63, which was as follows :—

			Rs.
63.	Miscellaneous Services	..	2,197,479 [2,257,879]

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the substituted figure in brackets do stand part of the schedule.

The amendment was agreed to.
The Clerk read the total.

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the total do stand at Rs. 117,253,495.

The amendment was agreed to.
The Clerk read clause 1, which was agreed to.
The Clerk read clause 2.

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the total be altered to one hundred and seventeen million two hundred and fifty-three thousand four hundred and ninety-five rupees.

The amendment was agreed to.
The Clerk read clause 3.

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the clause be omitted. The Select Committee agreed to the Government relinquishing its share of the poll tax. It will be necessary next to amend the Road Ordinance, the first reading of which was passed to-day.

It was agreed to delete clause 3.
The Clerk read the preamble, which was agreed to.
The Clerk read the title, which was agreed to.

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that Council do now resume.

Council resumed.

THE HON. THE ACTING COLONIAL SECRETARY :—I move, Sir, that the Bill be read a third time and do pass.

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

The Bill was read a third time and passed.

THE SUPPLY BILL, 1925-26.

Report of the Select Committee of the Legislative Council on the Bill to make provision for the Public Service for the Financial Year 1925-26.

Meetings of the Committee were held on August 3, 4, 5, 6, 7, 10, 11, 12, 13, 14, 17, 18, 19, 20, and 26.

The Committee acknowledges the assistance rendered to it by the Heads of Departments and other Public Officers who were invited to be present during the discussion on the various departmental estimates of expenditure.

The Chairman was prevented by indisposition from attending the first four meetings of the Committee, and during his absence the Chair was taken by the Controller of Revenue.

At the commencement of the proceedings on the opening day of the Committee's sessions, the Chairman was informed by the Hon. Sir P. Ramathan that the Unofficial Members of the Committee had agreed upon a resolution in the following terms :—

“That the Unofficial Members of the Legislative Council are of opinion that the taxes on the following foodstuffs, viz. :—Dry fish, Maldiv fish, curry stuffs, jaggery, and sugar be abolished, and that the Railway passenger fares be reduced by 30, 20, and 10 per cent. respectively in the 3rd, 2nd, and 1st classes.”

The Chairman was requested to submit this resolution to His Excellency the Officer Administering the Government, and to ask that His Excellency's reply might be communicated to the Committee before the conclusion of its deliberations.

The reply of His Excellency the Officer Administering the Government was delivered to the Committee in the form of a Message dated August 15, of which a copy is annexed to this report (Appendix B).

The following further resolutions of the Unofficial Members were subsequently communicated to the Chairman :—

- (1) Whilst thanking His Excellency for his kind Message, the Unofficial Members of the Legislative Council are still of the opinion that a sum of not less than four million rupees should be reduced on taxes on articles which are used largely by the poor and on railway passenger fares, and agree that a Commission of Members of the Legislative Council be appointed to inquire into and report how the reduction can be made.
- (2) In view of the large surplus balances which have for one reason or another accrued this year, the Committee are of opinion that the total amount available, less ten millions to be held in reserve, be transferred to the credit side of the 1926-27 proposed expenditure in reduction thereof. The large sum accruing over the death duties in respect of the late Mr. Meyer's Ceylon estate to be dealt with similarly.

In reply to the former of these resolutions, the Committee was informed that His Excellency proposed to appoint a Commission to consider the proposal that the Government should relinquish annually recurrent revenue (including railway fares and charges) amounting to Rs. 4,000,000, and to report what reductions or readjustments of existing taxes or charges are desirable, due regard being had to their incidence on the poorest classes. After discussion on two amendments on which the votes of Unofficial Members were equally divided, and which were lost after the votes of Official Members had been taken into account, the Committee decided by a majority to recommend that the Government should appoint a Commission composed of Members of the Legislative Council to consider the question of taxation generally and its incidence, and that His Excellency be asked to appoint this Commission without a motion in Legislative Council.

The subject-matter of the second resolution is still under correspondence at the time of the preparation of this report.

The recommendations which the Committee has decided to put forward in regard to the estimated expenditure for the coming year involve the deletion of proposed items of expenditure amounting to Rs. 4,866,110, and the addition of expenditure amounting to Rs. 3,933,392, thus effecting a nett reduction of Rs. 932,718. The proposed alterations are set out in detail in Appendix A.

The Committee notes that the Treasurer's estimate of the revenue for the coming year will be reduced by Rs. 1,100,000 in view of the announcement in His Excellency the Officer Administering the Government's Message of August 15 that the Government has decided to accept certain recommendations of the Railway Advisory Board involving a reduction in the railway revenue which is estimated to amount to this sum.

The Committee has considered the proposed allocation of the proceeds of the loan raised under Ordinance No. 6 of 1921, and recommends that the proposals embodied in Appendix 3 of the Draft Estimates be adopted, with the addition of a further allocation of a sum of Rs. 125,000 under item 10 (c) Dredging Colombo Harbour. It is proposed to reduce the provision for this service under Head 23 of the Estimates of Expenditure by a corresponding amount.

A majority of the Committee recommends that a sum of Rs. 100,000 from the proposed allocation of Rs. 400,000 under item 10 (i) be utilized for the provision of telephone facilities to Trincomalee and Badulla in view of the

fact that the Committee has recommended deletion of the amount included for these services under Head 27 of the Estimates of Expenditure.

The principal recommendations of the Committee which affect the provision in the Estimates of Expenditure are set out below under the respective heads. The Committee has been informed that His Excellency the Officer Administering the Government has signified his approval of the recommendations of the Committee in so far as they involve the proposal to the Legislative Council of additional expenditure not included in the original estimates.

Head 12, Colonial Auditor.

The Committee decided by a majority to recommend deletion of the provision for the proposed new post of Second Assistant Colonial Auditor and also for the proposed allowances to Heads of Branches.

Head 13, Provincial Administration.

Certain new posts are recommended by a majority of the Committee for deletion. The proposal to provide Rs. 100,000 for remuneration to headmen was fully discussed, and it was decided by a majority of the Committee to recommend that the provision should be reduced to the amount included in the Estimates of 1924-25, viz., Rs. 45,700.

The Committee agreed to a proposal to increase the vote for Allowances to Paupers, &c., by Rs. 3,820.

In connection with the vote for registration of carts, boats, and dogs, the Committee decided to recommend that registration of dogs in rural areas should be discontinued. At a later stage the Committee was informed that Government is in agreement with this proposal and intends to exempt such areas from the operation of the Dog Registration Ordinance. This decision involves a saving of Rs. 5,000, and the Committee recommends reduction of the vote by this amount.

Head 15, Land Settlement Department.

The duty allowances paid to the officers of this Department were fully discussed, and the Committee decided by a majority to recommend that the provision of Rs. 18,400 for payment of these allowances be deleted.

Head 17, Government Stores.

The proposed creation of the new post of 2nd Assistant Colonial Storekeeper was not agreed to by a majority of the Committee.

Head 21, Board of Immigration and Quarantine.

The Committee discussed at some length the principle involved in the provision under this head for dieting and expenses of coolies in quarantine. It is the view of some Members of the Committee that the contribution from the public revenue towards the cost of immigration is excessive, while other Members expressed the opinion that it is inadequate. It was decided to recommend that the sum to be voted for dieting, &c., should be reduced from Rs. 100,400 to Rs. 25,100, on the understanding that before the end of the period of three months, for which the reduced provision will suffice, the Government will inquire into the whole question, and that if it is decided that the expenditure of public funds under this head and under head 20 should be maintained on the present scale, the Council should be prepared to consider the question of making supplementary provision for the remaining nine months of the financial year.

The Committee considered in detail the works proposed to be carried out from the vote under Special Expenditure for the Quarantine Camp at Mandapam, and decided to recommend that the provision should be reduced by one-half.

Head 23, Colombo Port Commission.

It was decided by a majority of the Committee to recommend deletion of the amount included under this head for payment of fees to the Unofficial Members of the Colombo Port Commission.

The qualifications required for the post of Buildings Foreman in the Harbour Engineer's Department were discussed. In view of the fact that this post is at present vacant, and that a majority of the Committee consider that it should be filled by the appointment of a Ceylonese officer, it was decided to recommend that the salary should be reduced to the scale Rs. 3,600-120-5,100, and that the Chairman, Colombo Port Commission, should be asked to call again for applications from local candidates.

The Committee recommend a reduction of Rs. 127,000 (approximately 10 per cent.) in the Other Charges votes under this head, and reductions amounting to Rs. 715,000 under Special Expenditure. The figure includes the reduction consequent on the proposed transfer to the Loan Schedule of a part of the anticipated expenditure on dredging Colombo harbour.

Head 25, Excise Department.

In response to the views expressed by Members of the Committee that the "decoy" system is open to very serious abuse, the Excise Commissioner has undertaken to discontinue for a year the employment of decoys, except for detection of short measure sales in taverns. This decision is expected to cause a reduction of Rs. 5,000 in the expenditure under the sub-head "Rewards." The Committee accordingly recommends that the vote be diminished by this sum.

Head 26, Salt Establishment.

While this head was under discussion, the Hon. Sir P. Ramanathan moved—That the Government do take steps to reopen the salterns at Chiviateru, Jaffna. The Chairman undertook to submit the question for the consideration of Government.

Head 27, Post Office and Telegraphs.

The Committee recommends deletion of the vote for new telephone facilities, Kelani Valley, Badulla, and Trincomalee, and the insertion of a new item amounting to Rs. 10,000 for provision of direct telephonic communication between Kurunegala and Kandy.

Head 31, Attorney-General.

The Committee decided by a majority to advise that provision should not be made for the proposed new post of Extra Office Assistant. It is also proposed that the new provision of Rs. 6,000 for remuneration to Crown Advocates should be struck out.

Head 33, Legal, Fiscals.

The rates at which payments are made to jurors and witnesses were discussed, and it was decided to recommend certain reductions in the votes which provide for these purposes.

Head 34, Police.

A majority of the Committee was not prepared to agree to the proposed provision for an allowance to the Registrar of Motor Cars.

Head 36, Medical Department.

Very full consideration was given to the proposals embodied in the Draft Estimates for the reorganization of the higher staff of this Department. It was decided to support these proposals subject to certain modifications. The majority of the Committee recommend that the salary of the Deputy Director of Medical and Sanitary Services and the salaries of the Assistant Directors of the Medical and Sanitary Services should be fixed at £1,050—50—1,300. It is further proposed that in place of the suggested new post of Second Assistant Director, Sanitary Services, the two posts in the Sanitary Branch on the scale of salary £700—50 and 60—960 should be retained with the designation altered to "Senior Medical Officers of Health."

The proposed creation of a new post of Assistant Accountant in the Medical Department does not appear to the majority of the Committee to be essential, and it is recommended that the amount provided be struck out.

The Committee was glad to note that the proposals of Government include the appointment of thirty additional Medical Officers and ten additional Apothecaries, but in view of the needs of certain districts for which these proposals do not make provision it recommends that the votes be increased so as to permit the numbers to be raised to thirty-five new Medical Officers and fifteen new Apothecaries.

The Committee considers that the list of allowances payable to officers of the Medical Department requires more detailed scrutiny than it has been possible to devote to it in the course of revision of the Estimates, and it assents

to the provision for the coming year on the understanding that the Government will examine the question and revise the allowances where it is found that revision is required.

Under Special Expenditure provision for the purchase of a laboratory van should be deleted, since it has now been decided to make this necessary addition to the equipment of the Medical Department during the present financial year. Additional provision is proposed on account of the three Scholarships recently granted for training of public health officers in America under the auspices of the International Health Board of the Rockefeller Foundation.

Head 37, Medical Research.

The Committee agrees to the proposal that the designation of this head be altered to "Medical Research and Preventive Measures."

Head 40, Education.

The proposed expenditure under this head was exhaustively examined. Under Personal Emoluments the only alteration proposed is the increase of the number of vernacular teachers in Class III. by 200, and the corresponding reduction of the number of passed monitors. The Committee make this recommendation in view of the need for improving the prospects of the latter class, whose promotion to substantive posts of teachers is under present circumstances delayed for an unduly long period. The Committee is also in favour of a proposal that the pay of passed monitors should be increased on the completion of two years' satisfactory service from Rs. 90 to Rs. 180 per annum.

The Committee gave much thought to the problem of the Technical Schools, which, in the opinion of several Members, are not wholly fulfilling the purposes for which they have been established. The Committee considers that appreciable loss of efficiency must have been caused by the recent transfer of the Principal of the Technical Schools to an acting appointment in another Department, and is glad to have the assurance of Government that this arrangement is about to be discontinued.

The vote for grants to assisted schools includes provision for giving effect to the recommendations of the Board of Education on the subject of payment of teachers in assisted schools. The Committee considered that this important question required some further scrutiny before the provision was passed, and a Sub-Committee was accordingly deputed to confer with the Director of Education and to submit a report on the new scheme. The report of this Sub-Committee is annexed, *vide* Appendix C. The Select Committee agrees to the provision of the amount specified in the Estimates, and recommends that the matter be further considered by the Finance Committee.

An addition of Rs. 50,000 to the same sub-head is proposed, in order to make provision for the continuance of grant to schools registered for the first time in 1924-25, and also for payment of grants to schools which qualify for assistance during the coming financial year.

Under Special Expenditure provision has been included in the Draft Estimates of a sum of Rs. 50,000 for payment of building grants to Assisted Schools. After full discussion the Committee decided to recommend that this provision should be reserved for allocation by the Director of Education in the form of grants which should not exceed Rs. 5,000 in the case of any one school. Provision of a further sum of Rs. 100,000 is recommended by the Committee for grants exceeding the limit mentioned above. It was agreed that reference will be made to the Finance Committee of the Legislative Council before any sums are finally allocated from this vote.

Head 41, University College.

The Principal, University College, informed the Committee that there is no immediate prospect of appointments being made to the vacant posts of Professor of Education and Lecturer in Psychology, in view of the fact that the whole question of the future functions of the University in connection with the training of teachers is still under consideration. It was accordingly agreed that provision for these two posts might be deleted from the Estimates, on the understanding that in the event of their being filled during the coming year the required proportion of the annual salaries will be provided by a supplementary vote.

A new sub-head, "Administration of University College Hostel," should be inserted under this head, in view of the decision, with which the Committee agrees, that the Government should take over the management of the Alcove Hostel.

Head 42, Archæological Department.

The Committee suggests that provision for the new post of Epigraphist should be transferred to this head from Head 43, Colombo Museum.

In view of the fact that the Archæological Commissioner will be absent on leave during a considerable portion of the coming financial year, the Committee recommends that the vote of Rs. 9,000 for excavation be deleted, on the understanding that supplementary provision may be made if it is found in the course of the year that money can usefully be spent on this work.

Head 44, Department of Fisheries.

On the same understanding the Committee recommends a reduction of Rs. 5,000 in the amount provided for general fishery investigations.

Head 45, Department of Agriculture.

The Superintendent of Botanic Gardens has recently retired, and it is not proposed to fill the post. The Committee accordingly recommend deletion of the amount provided for this officer.

The Committee gave its earnest consideration to the pressing question of the best method by which Government can stimulate the production of food crops. A resolution in the following terms was proposed by the Hon. Sir P. Ramanathan and agreed to by a majority of the Committee :—

“That the Select Committee should recommend that a scheme for the purpose of getting practical expert paddy cultivators from the Madras Presidency to help in food production should be considered by the Government.”

Head 46, Veterinary Department.

The Committee decided to recommend certain reductions in the provision under Sub-heads 2, 3, and 4, on the understanding that supplementary provision will be considered during next financial year, if necessary.

The proposed provision under Special Expenditure of Rs. 6,000 for purchase of stud bulls from Great Britain was not agreed to by the Committee, which considers that the bulls required should be imported from India, and that the amount of this sub-head should be reduced to Rs. 3,000.

Head 48, Forest Department.

The proposed new post of “Office Assistant and Accountant” is agreed to, subject to an alteration in the designation of the holder, who should in the opinion of the Committee be styled “Accountant.”

It was decided by a majority of the Committee to recommend that the vote for “Cutting and converting timber” should be reduced to the amount provided in the Estimates of the current year, thus effecting a saving of Rs. 30,000.

Head 51, Railway Department.

The Committee does not recommend the proposed provision for a new post of Outdoor Superintendent (Mechanical), but considers that provision for the post of Drawing Office Assistant should be restored to the Estimates.

Head 52, Railway Extraordinary Works.

Under this head the proposals of Government involve an expenditure during the coming year of a very large sum of money, amounting to over six and a quarter millions of rupees. While the Committee fully recognizes the vital importance of maintaining the Government Railway in an efficient condition, and of making up for the lean years of the past by giving effect to an extensive programme of extraordinary works, it has come to the conclusion that the immediate needs of the railway can be met, while at the same time money can be released for the satisfaction of other pressing needs of the community, by the reduction of the total provision under this head to a sum of four and a half millions of rupees. A revised programme involving expenditure of this amount has accordingly been drawn up by the General Manager of the Railway, and after scrutinizing these proposals the Committee recommends their adoption.

Head 55, Irrigation Extraordinary.

The principal alteration recommended under this head is the insertion of provision for the work of pitching the bund of Unichchai tank. The total cost of the work is estimated to amount to Rs. 90,000, and a sum of Rs. 25,000 is proposed for expenditure in the coming financial year.

Head 56, Public Works Department.

Certain minor additions are proposed under this head. The Committee gave careful consideration to the proposal that five additional Temporary District Engineers should be appointed, and, after completing its scrutiny of the estimates under the heads Public Works Annually Recurrent and Public Works Extraordinary, decided to recommend the adoption of this proposal in view of the extensive programme of projected works.

Head 57, Public Works Annually Recurrent.

The Committee was invited in terms of the Message addressed to it by His Excellency the Officer Administering the Government to express its concurrence in the proposal that the Government should relinquish the share of the poll tax which has hitherto been appropriated to the main roads, and should allow the District Road Committees to appropriate it for the annual maintenance of the roads in their charge. The Committee agrees to this suggestion, and advises that the additional sums required to give effect to it should be voted by the Council.

Reductions amounting to Rs. 60,000 are proposed in the votes for special repairs to Welikada Prison and to Agricultural Department buildings.

In view of the uncertainty as to the future residence of His Excellency the Governor in Colombo, it is proposed that the provision for special repairs to Queen's House should be omitted.

The proposal to increase by Rs. 7,500 the vote for the Government Factory is made with a view to the provision of sufficient funds to enable sick pay to be granted to daily-paid employees of the Factory.

Head 58, Public Works Extraordinary.

It will be seen from the list of proposed additions to the provision under this head as set out in Appendix A that the Committee has found itself in a position to recommend, with the assent of the Government, a development programme of considerable magnitude.

The Members of the Committee are convinced from their personal knowledge that there is a pressing need throughout the country for the construction of new hospitals and dispensaries, for the opening up of new roads, for the improvement of existing roads, and for the supply of water to the inhabitants of urban areas. These convictions are reflected in the proposals which the Committee now puts forward.

As regards the hospitals, the Director of Public Works anticipates that half the total estimated cost can be spent in the coming year, and provision of this amount is accordingly proposed in each case. The dispensaries should be completed during the year.

As regards new roads, the proposal of the Committee is that in place of the provision of Rs. 250,000 originally included in the Estimates for commencement of the work of construction on the three roads—Andalla-Tissa, Passara-Nakkala, and Poonagala-Meenagala—a vote should be passed amounting to Rs. 1,000,000 for new roads, and that a Committee mainly drawn from the Members of the Legislative Council should be appointed to advise generally on the questions which are dealt with by the present Consultative Committee on Roads, and in particular on the allocation of this sum. The Select Committee agrees that the programme of new roads to be started should not exceed in total cost a sum of five million rupees.

Similarly in the case of road improvements a general vote of Rs. 500,000 is proposed, with the intention that the same Committee should advise as to the allocation of this amount.

Grants are proposed to enable the water supply schemes of Chilaw and Tangalla-Beliatta to be carried out.

Certain other proposals for special works not included in the Estimates will be found among the recommendations set out in Appendix A, and the deletion of other items is proposed.

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Head 63, Miscellaneous.

The only change of importance under this head is the proposed increase of Rs. 50,000 in the provision to be made as grant in aid to the Local Loans and Development Fund. This addition is recommended for the specific purpose of enabling the Commissioners of the Fund to devote not less than this sum to the needs of Co-operative Credit Societies.

E. B. ALEXANDER, Chairman.
 JAMES PEIRIS.
 H. W. CODRINGTON.
 W. W. WOODS.
 N. H. M. ABDUL CADER.
 T. Y. WRIGHT.*
 H. A. LOOS.
 W. DURAISWAMY.
 D. H. KOTALAWALA.
 E. W. PERRERA.
 E. R. TAMBIMUTTU.
 A. C. G. WIJEYEKOON.
 E. J. HAYWARD.
 A. CANAGARATNAM.
 C. E. VICTOR COREA.
 C. H. Z. FERNANDO.
 H. R. FREEMAN.†
 T. B. JAYAH.
 D. B. JAYATILAKA.
 H. M. MACAN MARKAR.
 G. E. MADAWALA.
 A. F. MOLAMURE.
 F. A. OBEYESEKERE.
 S. RAJARATNAM.
 D. S. SENANAYAKE.
 M. M. SUBRAMANIAM.
 S. R. MOHAMED SULTAN.
 V. S. DE S. WIKREMANAYAKE.
 G. A. WILLE.
 W. A. DE SILVA.

* Subject to Riders Nos. 1 and 2. † Subject to Memorandum below.

 RIDER No. 1.

I am not in agreement with the majority of the Committee regarding Head 21, Board of Immigration and Quarantine, but on the understanding that the Government will inquire into the whole question I agree for the time being.

 RIDER No. 2.

I am not in agreement with the majority of the Committee regarding Head 27, Post Office and Telegraphs, and think the vote of Rs. 200,000 for telephone facilities, considering this is a revenue-producing head, should not have been deleted.

T. Y. WRIGHT.

 MEMORANDUM OF MR. FREEMAN.

It is impossible to pass the paragraph on the North-Central Province in the Message of August 15, addressed to the Select Committee, and attached to its report, unchallenged.

For over three years I have written in the Press, articles and letters on "Food Production" and the condition to which this Province was being reduced from its position in the war years of "Granary of the Island" (Census Report, 1921), to the state of *empty barns and foodlessness* in many villages which it had reached by the end of 1924.

It is not unlikely that Government has *seen* these writings, and at the second reading of the Budget, 1924 and 1925, I said a few words in Council on the subject, and my first act in the new Council was to ask for a *scrutiny* of Kacheheri and Court records of the prosecutions of the peasantry. This was *refused*. [Question No. 17, copy of.]

It is *not* the seasons, as suggested in the Message, but the policy of Government during 1921 to 1924 that is responsible for what has happened.

There is no difficulty in keeping the Province in food even in bad seasons, as I am able to say from 4½ years of handling it as Government Agent. But in 1921-24 an attempt was made to run the Province *without a reserve* of fine grain and paddy grown on what are known as *chenas*; and with the imposition of over Rs. 50,000 in *finés*, during the four years, on the peasantry; for though *chena* permits were issued there were thousands of prosecutions for *technicalities* in respect of the permits.

Nor is the Province going to be kept in *food* for its own consumption and for export to other Provinces, as in the food crisis 1919, by growing *sisal hemp in Crown land*, even if *sisal hemp* after *seven years' trial*, as now, by a powerful Joint Stock Company, with *no return* on capital invested, eventually gives a profit; the 10-rupee shares of the Sisal Hemp Company are sellers at six in the share list and no buyers; I am a shareholder and not a seller.

Moreover, as I pointed out at the second reading of the present Budget, when villagers—who in the North-Central Province are *purely agricultural*—are prevented by prosecutions from raising grain and vegetable crops on high land and have to get foodstuffs from the bazaars on credit and by borrowing on promissory notes and mortgages and by sale of their fields, they have to pay the taxes on foodstuffs imported through the Customs, and there are taxes on clothing; there is the *poll tax still unrepealed*, and stacks of *debt owing to the finés*. These are the actual happenings in the Province.

In eight years' residence in the Province, which is 4,000 square miles of jungle and only 2·6 cultivated (figures by the Statistical Department), I have visited most of the scattered villages and been along most of the walkable paths, and the facts of life in these jungle villages remain outside the ken of anybody without this experience of the life of the peasantry. *Empty barns and empty stomachs* left the people a target to malaria during 1921-24, and kept the *death rate* well above the birth rate *for four years* till May, 1925, since when, with the change of policy taking effect, the birth rate is slightly above the death rate, in non-malarial months, and the gradual destruction of the population, it is hoped, arrested.

August 26, 1925.

H. R. FREEMAN.

Copy of Questions referred to in Paragraph 3.

In view of the death rate of the North-Central Province, food needs of the poorer villages, and the approaching fever season, will the Government be pleased to make a scrutiny of what are known as illicit clearing reports in the Anuradhapura Kacheheri, and of pending *chena* cases based on these reports in the Anuradhapura Police Courts, and to consider the withdrawal of reports and prosecutions found to be due to defective machinery for getting effective *chena* permits rather than to fault of villagers?

APPENDIX A.

EXPENDITURE.	Additions. Reductions.	
	Rs.	Rs.
<i>Head 4, Clerical Service.</i>		
Two Clerks, one Class II. and one Class III., for the Assistant Government Agent, Kalutara ..	—	1,752
One Clerk, Class III., for the Government Agent, Central Province ..	—	480
One Clerk, Class III., for the Assistant Government Agent, Hambantota ..	—	480
One Clerk, Class III., for the Assistant Government Agent, Matara ..	—	480
Three Clerks, Class III., for the Colonial Storekeeper ..	—	1,440
One Clerk, Class II., for the District Judge, Jaffna ..	—	900

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	Additions.		Reductions.	
	Rs.		Rs.	
<i>Head 6, Secretariat, Printing Branch.</i>				
Overtime to permanent staff, &c.	—	..	2,000
Incidental expenses	—	..	3,000
<i>Head 9, Commissioners of Currency.</i>				
Purchase and installation of cancelling machine	2,000	..	—
<i>Head 12, Audit Office.</i>				
Second Assistant Colonial Auditor	—	..	10,200
Allowance to five Heads of Branches	—	..	3,000
Rent allowance	—	..	1,530
<i>Head 13, Provincial Administration.</i>				
Personal Emoluments—				
Western Province :				
Six Clerks to Muhandirams	—	..	1,800
One Assistant Shroff, Kalutara Kachcheri	—	..	390
Central Province :				
One Stenographer, Kandy Kachcheri	—	..	1,183
Eastern Province :				
One Assistant Vanniah	—	..	1,200
One Korala	—	..	300
Province of Uva :				
Allowance for maintenance of clergyman at Badulla	—	..	500
Other Charges—				
Remuneration to headmen	—	..	54,300
Allowance to paupers, &c.	3,820	..	—
Registration of carts, boats, and dogs	—	..	5,000
<i>Head 14, Local Government Board.</i>				
Remuneration of Technical Advisers	—	..	2,000
<i>Head 15, Land Settlement Department.</i>				
Duty allowance to Settlement Officers and Interpreters	—	..	18,400
<i>Head 16, Survey Department.</i>				
Clerks and Draughtsman, Class I., increased by four	1,140	..	—
<i>Head 17, Government Stores.</i>				
Second Assistant Colonial Storekeeper	—	..	4,500
Overtime to officers in connection with annual verification	—	..	250
Stationery, office furniture, &c.	340	..	—
<i>Head 21, Immigration and Quarantine.</i>				
Additional staff	—	..	1,200
Two female attendants, Mandapam	960	..	—
Allowance to Engineer in Charge and Electrical Foreman, Mandapam	2,555	..	—
Stores and fuel for disinfecting, &c.	—	..	2,000
Dieting and other expenses of coolies in quarantine	—	..	75,300
Maintenance of and minor improvements, &c., Mandapam	—	..	2,555
Quarantine Camp at Mandapam	—	..	27,460
<i>Head 22, Customs.</i>				
Contribution to International Customs Tariff Bureau	—	..	400

	Additions.		Reductions.	
	Rs.		Rs.	
<i>Head 23, Colombo Port Commission.</i>				
Fees to Unofficial Members of the Colombo Port Commission	—	..	3,000	—
Allowance to Secretary, Labour Advisory Board	1,200	..	—	—
Foreman, Buildings, Harbour Engineer's Department	—	..	1,800	—
Other charges	—	..	127,000	—
New Customs House at Passenger Jetty	—	..	175,000	—
Three new oil-fired boilers at Graving Dock	72,000	..	—	—
New warehouse for Pettah area	—	..	231,000	—
Housing scheme for workmen	—	..	100,000	—
Drainage of Galle Buck area	—	..	45,000	—
Alterations and improvements to the boathouse slipway	—	..	10,000	—
New machinery	—	..	10,000	—
One new wooden hopper barge	—	..	19,000	—
Dredging Colombo harbour, including rock excavation	—	..	125,000	—
<i>Head 24, Ports other than Colombo.</i>				
Equipment of boats and boatmen	100	..	—	—
<i>Head 25, Excise Department.</i>				
Rewards	—	..	5,000	—
<i>Head 26, Salt Establishment.</i>				
Travelling	—	..	2,650	—
<i>Head 27, Post and Telegraphs.</i>				
New telephone facilities, Kelani Valley, Badulla, and Trincomalee	—	..	200,000	—
New telephone traffic, Kandy and Kurunegala	10,000	..	—	—
<i>Head 29, Legal : District Courts.</i>				
Travelling	—	..	1,000	—
<i>Head 31, Legal : Attorney-General.</i>				
Extra Office Assistant	—	..	6,300	—
Remuneration to Crown Advocates	—	..	6,000	—
Legal expenses	1,000	..	—	—
<i>Head 33, Legal : Fiscals.</i>				
Transport and allowances to jurors and witnesses	—	..	14,000	—
Expenses of witnesses in District Court and Police Court cases	—	..	11,000	—
<i>Head 34, Police.</i>				
One European Police Sergeant (local)	—	..	1,920	—
House allowance to European Police Sergeant Jordan	—	..	360	—
Allowance to Registrar of Motors	—	..	1,200	—
<i>Head 36, Medical Department.</i>				
Medical and sanitary services, reorganization of higher staff	11,250	..	—	—
One Assistant Accountant	—	..	6,300	—
One Medical Officer, Grade I., 5 Medical Officers, Grade II.	15,450	..	—	—
Six Apothecaries, Class II.	4,320	..	—	—
Allowances to medical officers	6,660	..	—	—
Laboratory motor van	—	..	8,000	—
Three Rockefeller Scholarships	31,800	..	—	—
<i>Head 40, Education.</i>				
200 vernacular teachers	60,000	..	—	—
200 probationary teachers	—	..	18,000	—
Secondary education (scholarships, &c.)	720	..	—	—
Grants to assisted schools, &c.	50,000	..	—	—
Building grants exceeding Rs. 5,000 to assisted schools	100,000	..	—	—

	Additions.	Reductions.
	Rs.	Rs.
<i>Head 41, University College.</i>		
Professor of Education	—	12,000
Lecturer in Psychology	—	7,500
Grant in aid to hostels	—	9,700
Administration of University College hostel ..	10,295	—
<i>Head 42, Archæological Department.</i>		
Excavation	—	9,000
<i>Head 44, Department of Fisheries.</i>		
Pay of coxswains, divers, manducks, &c. ..	5,000	—
General fishery investigations	—	5,000
<i>Head 45, Department of Agriculture.</i>		
Superintendent of Botanic Gardens	—	12,750
Incidental expenses	1,200	—
<i>Head 46, Veterinary Department.</i>		
Travelling	—	5,000
Contagious diseases of animals	—	5,000
Upkeep of dairy and farms	—	8,000
Incidental expenses	—	3,000
Purchase of two stud bulls	—	3,000
<i>Head 48, Forest Department.</i>		
Salaries of clerks and other persons found necessary in addition to those provided, &c.	—	3,163
Cutting and converting timber	—	30,000
Motor boat on the Mahaweli-ganga	—	4,800
<i>Head 51, Railway Department.</i>		
Outdoor Superintendent	—	7,500
Drawing Office Assistant	9,000	—
Assistant Accountant (temporary)	—	2,549
Signal Inspector (temporary)	3,926	—
Rent allowance	—	40,000
Rent of bungalows	2,100	—
<i>Head 52, Railway Extraordinary Works.</i>		
Breakdown travelling crane, broad gauge	—	103,200
One travelling post office van	—	22,000
Maradana enlargement, new carriage sidings, Maligawatta (on account)	—	200,000
Track circuiting, Ragama	—	58,000
New station, Madhu Road	—	65,000
New station, Migoda (on account)	—	20,000
Rebuilding Haputale station	—	25,000
Lengthening loops and platforms, Ambawela to Diyatalawa (on account)	—	25,000
Lengthening loops, Vavuniya, Paranthan, and Chavakachcheri	—	60,000
Lengthening loops, Cheddikulam and Murunkan	—	25,000
Lengthening platform, Slave Island	—	20,000
New bungalows and land (revote)	23,000	—
Platform roof, Negombo	7,300	—
Platform roof and waiting room, Ratnapura	2,700	—
New rolling stock, engines, 10	—	500,000
New rolling stock, carriages and wagons	—	500,000
New crane area and sidings, Colombo Goods (on account)	—	6,998
Safety measures, Northern Line	—	50,000
Renewal of rolling stock, carriages and wagons	—	150,000
<i>Head 55, Irrigation Extraordinary.</i>		
Verugal anicut, Allai Scheme	—	20,000
Pitching of the Unichehai bund	25,000	—
Nachchaduwa feeder road	10,000	—
Bungalow for Divisional Irrigation Engineer, Bandara-wela	—	15,000

	Additions, Reductions.	
	Rs.	Rs.
<i>Head 56, Public Works Department.</i>		
Head Overseers, Grade II. ..	7,200	—
Five draughtsmen (temporary) ..	820	—
Allowance to Mr. Woodeson ..	1,500	—
<i>Head 57, Public Works Annually Recurrent.</i>		
Value of labour handed over to District Road Committees ..	267,761	—
Special repairs to Welikada Jail ..	—	50,000
Special repairs to Queen's House ..	—	25,000
Special repairs to Lunatic Asylum, Colombo ..	—	8,000
Special repairs to General Hospital ..	—	25,000
Agricultural Department buildings, Peradeniya ..	—	10,000
Medical Officers' quarters, Dambulla ..	—	2,000
Government Factory and general charges, including fuel ..	7,500	—
Repairs to quarters of Divisional Forest Officer, Jaffna ..	5,500	—
<i>Head 58, Public Works Extraordinary.</i>		
Additional accommodation for clerks' quarters, Peradeniya ..	11,500	—
Office at Kurunegala for Divisional Agricultural Officer ..	—	15,000
Steam laundry, Welikada ..	55,600	—
Permanent cooly lines on forest plantations ..	—	3,500
Quarters for Range Forest Officers ..	—	20,000
New prison at Ragama ..	—	200,000
New sheds for the Government Dairy ..	—	11,650
Landing enclosures for cattle at Colombo ..	—	50,000
New wards and quarters for Religious Sisters, Ragama Anti-Tuberculosis Hospital ..	8,000	—
Quarters for Chief Justice, Colombo ..	—	85,000
Library for Agricultural Department, Peradeniya ..	—	30,000
Quarters for Sub-Officers of Agricultural Department ..	—	5,000
Quarters for Apothecary, Dimbula hospital ..	2,000	—
New Arrack Warehouse, Vavuniya ..	4,000	—
Extension of Kukul Korale road ..	—	10,000
Deviation, 1st mile, Panadure-Nambapane road ..	20,950	—
Widening Kadugannawa-Peradeniya road ..	2,500	—
Raising road routes to Colombo above flood level ..	—	250,000
Cooly lines, Experiment Station, Anuradhapura ..	—	5,000
Overseer's quarters and cooly lines, Archaeological Department ..	—	5,000
Convalescent quarters at Diyatalawa for Police Officers ..	—	12,000
Cooly lines, &c., for Agricultural Department ..	—	12,500
P. W. D. cooly lines and Overseer's quarters, &c. ..	—	50,000
Additional accommodation for the Training College ..	—	200,000
Extension to the Surveyor-General's Office ..	—	150,000
Converting Lunatic Asylum to Government Offices ..	—	75,000
Improvements to Land Registry Office, Kurunegala ..	—	5,000
Ceiling for Defence Force huts, Diyatalawa ..	—	24,000
Improvements, Pettah Post Office ..	—	3,270
General Hospital, 3-storey block (on account) ..	150,000	—
De Soysa Lying-in Home (on account) ..	125,000	—
Dental Institute (on account) ..	60,000	—
Lady Havelock Hospital Operating Theatre (on account) ..	7,500	—
Polonnaruwa hospital (on account) ..	40,000	—
Walasmulla hospital (on account) ..	67,500	—
Anamaduwa hospital (on account) ..	31,500	—
Giriulla hospital (on account) ..	66,500	—
Kayts hospital (on account) ..	47,500	—
Delft hospital (on account) ..	16,000	—
Musali hospital (on account) ..	24,000	—
Uggalkaltota hospital (on account) ..	9,250	—
Hikkaduwa hospital (on account) ..	25,000	—
New dispensaries ..	240,000	—
Bridge at Halpatota ..	25,000	—
Bridge at Arandala ..	22,000	—

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	Additions.	Reductions.
	Rs.	Rs.
Strengthening, improving, and renewing bridges	.. 200,000	.. —
New roads	.. 1,000,000	.. —
Road from Audala to Tissara	.. —	.. 100,000
Passara-Nakkala road	.. —	.. 50,000
Poonagala-Meenagala road	.. —	.. 100,000
Improving approach roads to Kurunegala station	.. —	.. 50,000
<i>Head 58, Public Works Extraordinary.</i>		
Improving Topawewa-Gal-ela road	.. —	.. 25,000
Improvements, Madampe-Hambantota road	.. 47,200	.. —
Acquisition of land for Panadura Police Court	.. 24,000	.. —
Experiments in connection with artesian wells	.. —	.. 75,000
Grant in aid for village works	.. 30,000	.. —
Construction, repairs, &c., of wells	.. 30,000	.. —
Additions, Dambulla hospital	.. —	.. 21,500
Additions and improvements to medical buildings	.. 50,000	.. —
Improvements to roads not yet taken over by the Public Works Department	.. 500,000	.. —
New Post Office at Polonnaruwa	.. 20,000	.. —
Puttalam hospital	.. 40,000	.. —
Witness sheds, District Court, Colombo	.. 3,000	.. —
Guttering Salt Stores, Hambantota	.. 13,000	.. —
Electric lighting, Government buildings, Galle	.. 37,000	.. —
Electric lighting, Government buildings, Matale	.. 9,500	.. —
Paving the Meda-ela, Kandy	.. 22,875	.. —
Tangalla-Beliatta water supply	.. 160,000	.. —
Chilaw water supply and electric lighting scheme	.. 100,000	.. —
Additions and improvements to buildings	.. 20,000	.. —
<i>Head 59, Military.</i>		
Horse and stabling allowances	.. 13,000	.. —
New residence for Colonel Commandant	.. 10,000	.. —
<i>Head 63, Miscellaneous.</i>		
Workmen's resort	.. 2,400	.. —
Translation of the Culawansa (re-vote)	.. 6,500	.. —
Contribution to Imperial Institute	.. 1,500	.. —
Grant in aid to the Local Loans and Development Fund, &c.	.. 50,000	.. —
Total	.. 3,933,392	4,866,110
Deduct additions	.. 3,933,392	
Nett reductions	.. 932,718	

APPENDIX B.

*Message of His Excellency the Officer Administering the Government
to the Select Committee of Legislative Council which is considering
the Draft Estimates for the Year 1925-26.*

Colombo,
15th August, 1925.

C. CLEMENTI,
Officer Administering the Government.

The Chairman of the Select Committee of Legislative Council which is considering the Draft Estimates for the year 1925-26 has reported to me that the Unofficial Members of the Committee desire "that the taxes on the following foodstuffs, viz., dry fish, Maldiva fish, curry stuffs, jaggery, and sugar be abolished, and that the railway passenger fares be reduced by 30, 20, and 10 per centum in the 3rd, 2nd, and 1st class respectively." I understand that the object, which the Unofficial Members have in view, is to lighten the incidence of taxation on the poorest classes of the community. I am further informed that the Unofficial Members wish to have an expression of my

opinion on their proposals before the close of the sittings of the Select Committee. I have, therefore, in the short time at my disposal, examined these proposals most carefully, with every desire to meet the wishes of the Unofficial Members, so far as I can: and, after consulting the Executive Council, I have reached certain definite conclusions, which I now send to the Select Committee in the form of a Message, and to which I have prefixed some general considerations relevant to the subject.

Any Government, if fortunate enough when preparing a Budget to possess a revenue more than sufficient to cover its essential expenditure, may adopt one of three courses. It may devote the surplus to projects of public utility, or it may wipe off the surplus by relinquishing revenue, or it may partially reduce the surplus by relinquishing revenue and devote the balance to projects of public utility. But, in proceeding to decide between these three courses, there is one serious danger which must be avoided: for, although to remit or reduce taxes and customs duties is easy, their reimposition or increase is always difficult. The danger is that the yield of the same taxes and duties is not a constant sum from year to year, but is often subject to great fluctuations. We know this in Ceylon from our own recent experience. The taxes and duties now collected in this Island have been unchanged since October 1, 1922, but our revenue has steadily increased. In the financial year 1922-23 the total revenue was Rs. 93,720,169; in the financial year 1923-24 it was Rs. 102,363,115; in the financial year now current, according to the latest Treasury estimate, it is expected to be 113½ million rupees, but this includes items aggregating 7½ million rupees which are in the nature of "windfalls"; and, excluding these items, which cannot be relied upon to recur, the Colonial Treasurer now estimates the revenue for the financial year 1925-26 at 106 million rupees. I attribute this annual increase in our revenue mainly to the increasing prosperity of Ceylon; and, if anyone doubts this, I can only refer him to the Ceylon trade returns which for the last 4½ years are as follows:—

Year.	Total Trade.	Exports, viz.,		Imports, including Specie.
		Ceylon Produce,	Imports Exported and Specie.	
	Rs.	Rs.	Rs.	Rs.
1921	551,263,793	280,208,083	262,055,710	
1922	579,523,917	297,783,215	281,740,702	
1923	666,530,599	374,370,815	292,159,784	
1924	723,803,508	411,475,041	312,328,467	
1925 (January to June)	389,124,109	207,449,325	181,674,784	

Now it must be clear to the Council that, our revenue being of such a nature as to increase automatically in times of prosperity, there is every likelihood of a corresponding shrinkage in times of adversity. Accordingly, before we decide upon any reduction of taxation, we must satisfy ourselves that the loss of annually recurrent income will not be severely felt just when money is most needed, that is to say, when a setback in the Island's prosperity is reflected in a diminution of revenue. But who can guarantee that external conditions will continue to be as favourable as they now are to the trade of Ceylon? Who can forget the dark storm of industrial trouble which but a few days back threatened to discharge itself upon the United Kingdom, and the menace of which is still impending? Is it not certain that the repercussions of any such storm, if it breaks, will be severely felt in this Island? Ceylon, as I have previously warned the Council, is far from being self-supporting or independent of the world outside.

Another general principle must also be stated before we come to grips with the precise problem for solution. I can express it in a sentence by saying that the greater the need for development in a country the more doubtful is the expediency of any measure which would diminish the country's annually recurrent revenue; and, as I know that several Unofficial Members of this Council seek inspiration and example in the work of the famous Whig Ministry, which came into office in December, 1830, with the cry "Peace, Retrenchment, and Reform," I will illustrate my meaning by reference to the first budget of the Grey Cabinet. That budget aimed at retrenchment; but it was a complete failure and had to be recast because, as George Macaulay Trevelyan points out in his work on *British History in the Nineteenth Century*, "it was not understood that a progressive community, as yet grossly ill-supplied with those services which must in the modern world be rendered by the central and local authorities, would obtain less benefit from reducing the public burdens than from adjusting them fairly and spending them to the general

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advantage." If, then, we derive profit in Ceylon from studying the signal success of the Grey Ministry, let us also beware of its mistakes. We have but recently emerged from a long period of depression due to the Great War. Indeed from August, 1914, until the end of 1921—for about seven years—our financial situation was such that many projects of public utility had to be postponed and that money could with difficulty be found to carry on the absolutely essential services. Thus there accumulated a formidable waiting-list of desirable projects, which it would cost more than fifty million rupees to carry out. During the past two years we have been endeavouring to overtake some of these arrears; but in attempting this task we have found ourselves crippled by the reductions which, in the days of financial stringency, were made in the staffs of the spending departments, as well as by the fact that in the year now current the introduction of constitutional changes caused a delay of three full months in the commencement of all new works. We are now beginning to find our feet again and we are putting together an organization capable of carrying out an increased programme of public works. Is this a time at which to call again for retrenchment and to deprive the people of the benefits of schemes which are more than a decade overdue? Will it not be far wiser to look courageously and optimistically into the future and, by taking the fullest advantage of our favourable financial situation, to satisfy the need for general development which is felt in all parts of the Island?

I must also remind the Council that our available loan funds are practically exhausted, and that we are committed to large works, such as the Laxapana hydro-electric scheme and the construction of railway workshops at Ratmalana, for which a further loan of at least one million pounds sterling, involving a substantial increase in our annual debt charges, will have to be raised. The Council has also pledged itself to vote a sum of 1½ million rupees, when and as required, for building and equipping the Ceylon University. No provision has yet been made for this payment, and I would urge that, in view of the surplus now available, the future of the Ceylon University should be made secure by appropriating forthwith the whole of this sum as an addition to the University Fund of three million rupees, which already exists. This course would have two advantages, for on the one hand additional interest would accrue to the University Fund and would no doubt be put to excellent use when questions of endowing the University arise, and on the other hand future Budgets would be relieved of a liability which the Council might be called upon to discharge under financial conditions much less favourable than they are to-day. In any case, having regard to the Colony's known commitments, the present moment seems very inopportune for any large reduction in the Colony's income.

Moreover, I cannot myself regard it as proven fact that the people of this Island desire remission of taxes rather than increased benefits from the surplus of revenue now available. The very reverse has been my experience. During April, May, June, and July I have been on tour through portions of all the nine Provinces, and, wherever I went, I made special arrangements to see not only the chief provincial and district officials, but also the local authorities, the headmen, the townspeople, the villagers, and the schools. Wherever I went—except in the North-Central Province, a point to which I shall recur—I saw for myself many signs of prosperity, and I was assured that in fact there was prosperity. Health conditions were also much above the average, and I was delighted with the happy and well-nourished appearance of the children. Wherever I went, I inquired what were the principal needs and aspirations of the people; but nowhere was I met with the suggestion that the heart of the people was set on a remission of taxes, nor did anyone anywhere suggest to me that the existing taxation weighed heavily on the people. On the contrary, in every place I visited there were put before me proposals for new projects of public utility, some of which found a place in the draft Budget, but most of which were crowded out and will have to be satisfied (if at all) in some future Budget. On my tours I was generally fortunate enough to be accompanied by the territorially elected members of the constituencies through which I passed; and, while all of them drew my attention to needs of their constituents which would require additional Government expenditure, none of them said a word about changing the tariff.

In the special case of the North-Central Province there is undoubted poverty in a number of the jungle villages, but neither the villagers nor their spokesmen suggested to me that this poverty would be alleviated by remission of taxes on sugar, dried fish, and curry stuffs. For this distressful Province the remedy must, I think, be sought in enabling the villagers to earn an adequate livelihood. In the villages where the tanks are still inadequately restored paddy crops are constantly liable to failure, whilst chena crops are always dependent

upon the weather. Very little margin is, therefore, left for insurance against bad seasons, and there is a constant risk of the occurrence of distress. In order to rescue such villagers from their parlous plight, it seems to me that two things are necessary: on the one hand, improvement of village tanks, so that more land may be irrigated and more paddy grown; and, on the other hand, the introduction into the dry zone of a permanent crop, such as sisal hemp, which will put money regularly into the villagers' pockets and eventually do away with the uncertainties and wastefulness of the present wholesale methods of chena cultivation. Both these courses, however, would necessitate increased expenditure by Government and, therefore, remission of taxation would, I think, hinder rather than help the creation of happy and prosperous homes in the North-Central Province.

I have been much impressed by the difficulties which face the poorer classes of the cultivators generally throughout the Island, difficulties due chiefly to their indebtedness and consequently to the loss of their lands. I have, therefore, decided to appoint a Committee, of which the Controller of Revenue will be the Chairman, to hold a watching brief on behalf of Government over this important problem, and not only to suggest remedies to Government, but to see that, when they are approved, they are systematically carried out. The necessity for the improvement of the district roads to enable cultivators to market their produce has also prominently forced itself upon my attention, and I have decided that a beginning should be made in this direction by the Government consenting to relinquish the half share of the poll tax, which has hitherto been appropriated to the main roads, and to allow the District Road Committees to appropriate it for the improvement of minor roads. The Select Committee will be asked to assent to the provision of a vote amounting in all to Rs. 266,648 for this purpose under the sub-heads for the annual maintenance of roads.

I will now proceed to examine in detail the proposal made for the remission of certain customs duties; and, as a first step, I set out in the subjoined table the description of the articles in respect of which a remission of duty is requested, the rate of duty, the Ordinance by which the duty was imposed, the quantities of each article imported during the calendar year 1924, and the amount of duty recovered during that year in respect of each article:—

Article.	Rate of Duty per Cwt. Rs. c.	When imposed.	Quantity, 1924. Cwt.	Amount of Duty recovered. Rs.	Total. Rs.
<i>Sugar.</i>					
Refined or candied	.. 3 50 ..	Ordinance No. 17 of 1922	.. 629,948 2,204,818	} 2,246,703
Unrefined and jaggery	.. 0 75 ..	Ordinance No. 10 of 1917	.. 55,846 ..	.. 41,885
<i>Fish.</i>					
Maldivé	.. 2 0 ..	Ordinance No. 10 of 1917	.. 69,946 139,892	} 365,940
Dried or salted	0 75 ..	do.	.. 301,398 ..	.. 226,048
<i>Curry Stuffs.</i>					
Chillies	.. 1 25 ..	Ordinance No. 10 of 1917	.. 123,471 154,339	} 254,175
Coriander seed	0 75 ..	do.	.. 40,806 ..	.. 30,605
Cummin seed	.. 2 0 ..	do.	.. 13,248 ..	.. 26,496
Fennel seed	.. 1 25 ..	do.	.. 5,870 ..	.. 7,338
Garlic	.. 0 75 ..	do.	.. 14,690 ..	.. 11,018
Mathe seed	.. 0 60 ..	do.	.. 6,218 ..	.. 3,731
Tamarind	.. 0 35 ..	do.	.. 37,837 ..	.. 13,249
Turneric	.. 0 80 ..	do.	.. 8,949 ..	.. 7,159
Other	.. 10 per cent.	Ordinance No. 17 of 1922	.. 109 ..	.. 240
	<i>a.l. val.</i>		(Value Rs. 2,460)		
				Total ..	<u>2,866,818</u>

This table shows that sugar is by far the most important item in respect of which total remission of customs duty is proposed by the Unofficial Members. But sugar is regarded in almost every country of the world as a proper subject for taxation, and it has been so regarded in Ceylon for more than a century. The duty on refined sugar, which in 1825 was three to six rix dollars for 164 lb. according to quality, was fixed at Rs. 2.50 a cwt. in 1872, was raised to Rs. 3 in 1885 and to Rs. 3.50 in 1922. The tax in India at the present time is considerably higher than in Ceylon. It is also a striking fact that the imports of sugar into Ceylon are small in comparison with the population. The statistics for the last four years are as follows :—

Year.	Imports. Cwt.	Value. Rs.	Rate of	Duty
			Duty per Cwt. Rs. c.	recovered. Rs.
1921 ..	391,619 ..	10,440,280 ..	3 0 ..	1,174,857
1922 ..	524,694 ..	10,663,330 ..	3.00 & 3 50 ..	1,653,860
1923 ..	494,756 ..	11,561,463 ..	3 50 ..	1,731,646
1924 ..	629,948 ..	14,163,308 ..	3 50 ..	2,204,818

From these figures it appears that the imports of sugar last year were appreciably greater than in any of the preceding three years, but that the total was no more than 629,948 cwt. This amount gives an average consumption of about 15 lb. of sugar per head of our population during a full year, or about three-fifths of an ounce *per diem*. The inevitable inference is that large numbers of Ceylonese consume imported sugar in very small quantities, and the inquiries made by Government tend to indicate that, as a fact, imported sugar is used in far smaller proportion by the poorest than by other classes of the community, and that the greatest benefit of any reduction in duty would, therefore, go to those classes which, being better off, use more imported sugar. Such, however, was not I believe the desire of the Unofficial Members of Select Committee.

Jaggery is largely used by the labouring classes and poor people in place of sugar, and, when the price of sugar goes up, the demand for jaggery increases. At present the rate of import is about 3,000 cwt. a month, and this is about two-thirds of the normal monthly rate, which is approximately estimated at 4,500 cwt. The total import of jaggery last year was only 55,846 cwt., a fact which indicates clearly that most of the jaggery consumed in Ceylon must be produced locally. The logical course would, therefore, be to encourage this local production of jaggery, so that the Island may become self-supporting in the matter. But the abolition of the duty on imported jaggery would stimulate imports rather than encourage local production, while it is open to question whether the benefit of the remission of the customs duty, which amounts to less than seven-tenths of a cent a lb., would really reach the consumer. I may add that there has been a duty on jaggery for over a century, and that the duty was fixed at its present rate as far back as 1885.

The duty on Maldivé fish has also been in existence for more than a century and has been Rs. 2 a cwt., equivalent to about 1½ cents a lb. since the year 1917. The imports are small, the figures for the last four years being as follows :—

Year.	Imports. Cwt.	Value. Rs.	Duty recovered.
			Rs.
1921 ..	67,209 ..	2,889,440 ..	134,418
1922 ..	69,990 ..	3,711,457 ..	139,980
1923 ..	78,275 ..	4,197,278 ..	156,550
1924 ..	69,946 ..	4,253,251 ..	139,892

The trade in Maldivé fish is carried on by a system of barter, goods being shipped to the Maldives in return for the fish imported, and the accounts are closed by the importers at long intervals. The retail price during the last eighteen months has varied from 55 to 65 cents a pound, and sales are made in boutiques by the cent's worth. It is doubtful, therefore, whether the remission of a tax equivalent to about 1½ cents a pound would reach the consumer, and the benefit to the poorest classes of such a step is problematical.

The duty on dried or salted fish was 50 cents a cwt. in 1872, and was raised to 75 cents a cwt. in 1917, since when there has been no change. This commodity

also has been dutiable for more than a century. The imports, which came almost entirely from Southern India, were as follows during the past four years :—

Year.	Quantity.		Value.		Amount of Duty recovered. Rs.
		Cwt.		Rs.	
1921	..	296,244	..	4,168,708	222,183
1922	..	264,372	..	3,904,548	198,279
1923	..	284,050	..	3,863,476	213,037
1924	..	301,398	..	3,756,124	226,048

These quantities are so small as to indicate that a large amount of this food-stuff is produced locally. Indeed, it is a reproach to Ceylon that we do not ourselves export dried fish rather than import it, since local conditions are eminently favourable for the establishment of a large fishing industry. I had far rather see money spent by Government with the object of encouraging such an industry and of making the people of this Island wholly self-supporting in the matter of fish-foods and piscatory by-products than abolish a duty which has been in force without change since 1917, and which cannot fail to have a certain protective value. The matter is clearly one in which thorough investigation should precede any change in the tariff. A disquieting feature of the import trade in dried and salted fish is the fact that a considerable proportion of the imports is so damaged that it is sold as manure. This fact strengthens the case for encouraging local production rather than stimulating importation from India. The duty at 75 cents a cwt. is equivalent to a little less than seven-tenths of a cent a lb., and retail prices vary from 40 cents to 5 cents a lb. according to quality. This commodity is sold in small quantities, as low as one cent's worth, and, in view of the small quantities in which the poor buy, it is again doubtful whether the remission of this very small tax would benefit them at all.

As regards curry stuffs, which have been dutiable in this Colony for more than a century, it will be observed that more than half of the total duty collected during 1924 came from chillies. Now, the cultivation of chillies in Ceylon is a commercial proposition and yields satisfactory profits. There is, in the opinion of the Director of Agriculture, no reason why Ceylon should not produce its own supply of chillies and the present customs duty has a protective value of about Rs. 10 per acre. Chillies in Ceylon are grown throughout the Colony, but can be dried satisfactorily only in the drier areas, where they are grown either as chena crops in the Sinhalese districts or as garden crops with irrigation in the Tamil districts.

Garlic is also a crop which can be grown in Ceylon. It is a garden crop. The Director of Agriculture reports that he has seen some good cultivation of garlic in Ceylon, but only in small areas. This crop is very remunerative, and the present customs duty has a protective value of Rs. 50 per acre. The cultivation of garlic could, in Mr. Stockdale's opinion, be materially extended in Ceylon.

There is, moreover, no reason why Ceylon should not produce its own tamarind supply, and a regular planting campaign could be started. The Director of Agriculture reports that the Botanic Gardens could grow numbers of plants, and these could be distributed or sold through the provincial officers. Tamarind could also be used as roadside trees in the whole of the dry zone.

Again, there is no reason why Ceylon should not grow its own turmeric. This crop thrives in a variety of climates from sea level up to an altitude of 4,000 feet. There has been some extension of its cultivation in certain areas till recent years, and a slight fall off in imports. A good crop should be 30 cwt. of dried rhizomes per acre, and therefore the present customs duties have a protective value equivalent to Rs. 24 per acre.

It will thus be seen that Ceylon should be able to produce its own chillies, garlic, tamarind, and turmeric, and that the present customs duties on these products have a real protective value. Therefore, in the interest of agriculturists, it would, in my opinion, be unwise to remove these duties. Their complete remission would probably, except in the case of chillies, leave the price of these commodities to the consuming public unaffected, as the duty is equivalent to less than one cent per pound. Accordingly I suggest that a more statesmanlike policy would be to retain these duties and to make a determined effort to secure greater local production.

As regards coriander seed, cummin seed, fennel seed, and mathe seed, the Director of Agriculture is of opinion that Ceylon cannot supply its own requirements; but the total duties on these four curry stuffs during last year

only amounted to Rs. 68,170, and I cannot believe that the remission of these small duties would be of any material benefit to the poorer classes in this Island.

I am advised that, under the constitution of Ceylon, a motion or resolution to reduce any customs duties, even if passed by the Legislative Council, would have no validity unless sanctioned by the Secretary of State for the Colonies, and unless and until the formalities prescribed by section 11 of the Customs Ordinance, No. 17 of 1869, had been complied with. But I do not believe that, with nothing before him but the information so far made available, the Secretary of State would sanction a resolution of Legislative Council remitting duties on sugar, dried or salted fish, Maldive fish, and curry stuffs. The wiser course is, therefore, in my opinion, to examine the proposal exhaustively by means of a Commission before any motion on the subject is made in Legislative Council, and I think that the scope of this Commission might be suitably extended to deal with the other controversial questions of the incidence of taxation. The subject is one of great difficulty—perhaps greater than is usually realized—and I should like to quote the weighty words of Professor Bastable in his work on *Public Finance* :—

“ The real incidence of tithes, of import duties, and of local rates has been hotly debated at many a dinner table and in many a tavern, and very positive conclusions have been reached in entire ignorance of the grave difficulties that surrounded any attempt to determine accurately these and similar points Confident decisions as to the division of rates between landlord and tenant, or of duties between producer and consumer, cannot be made in a ready and off-hand way The complications are too great ; the subtle modes in which pressure applied at one point is diffused over a wider area are too hard to be followed without a clear appreciation of the general conditions and a careful use of the slippery instrument of abstract deduction. In dealing with the problems of incidence we are at that part of finance that touches closely on economic theory in its hardest form.”

I believe that a real advantage would be obtained by the careful consideration of these problems as well as all the relevant points and by a full exchange of opinion. The members of this Commission would be chosen entirely from the Legislative Council ; but the appointment of Commissioners would be preferable to a Select Committee, because the inquiry would be assisted by the powers conferred under Ordinance No. 9 of 1872.

I now come to the proposal that “ the railway passenger fares should be reduced by 30, 20, and 10 per centum in the 3rd, 2nd, and 1st class respectively ” ; and I must, at the outset, remind Honourable Members that our railway income is in no sense taxation. The Ceylon Government Railway is a commercial venture, which affords the public certain transport facilities ; and for these facilities the public pays fares and freights calculated at rates which will, it is hoped, give the general taxpayer a fair return upon the capital embarked in the enterprise. When the railway accounts are commercialized and separated from the rest of the Budget, this fact will be self-evident. Moreover, in the calculation of fares and freights expert advice is essential, for arbitrary changes made in a rough and ready manner might easily result in the railway running at a loss and thereby would add to, and not lighten, the burdens upon the taxpaying public as a whole. Therefore, in preparing fare and freight tables, the Government must necessarily be guided by the advice of the Railway Advisory Board and its experts.

Now the General Manager of the Ceylon Government Railway has calculated that for the period of one year a reduction of 30 per cent. in third class fares would mean a loss of Rs. 2,208,900, a reduction of 20 per cent. in second class fares a loss of Rs. 330,400, and a reduction of 10 per cent. in first class fares a loss of Rs. 74,800, making an aggregate loss of Rs. 2,614,100 for one year. He has further calculated that the additional number of passengers required to travel, if the reduced fares are to yield the same revenue as the present fares, would be over 4,400,000 persons. But the statistics for the first six months of this financial year compared with the same period in last financial year show a decrease of 510,077 passengers. This decrease is, therefore, at the rate of about 1,020,154 passengers for a whole year and would mean a loss of about Rs. 297,958. Thus the proposal of the Unofficial Members is, in effect, to recoup a loss of about one million passengers and of three lakhs of rupees by sacrificing a sum of 2½ millions of rupees, which could only be made good if over four million additional passengers used the railway. Obviously such a proposal cannot be accepted as it stands ; but I am fortunately able to meet, to a certain extent and in another manner, the wish expressed by the Select Committee.

Honourable Members will recollect that it was decided, as from January 1, 1919, no longer to issue return tickets on the railway at a single fare and a half, and also to increase the price of single fares in all three classes by 12½ per cent. Subsequently, as from October 1, 1922, further changes were made which resulted in a nett increase of second and third class fares by 25 per cent., and of first class fares by 33½ per cent. above pre-war rates. For some time past, however, the subject of railway fares and freights has been under reconsideration by the Railway Authorities and by the Railway Advisory Board in consequence of the report of the Committee of Unofficial Members of the Legislative Council appointed to advise Government with respect to commercializing the railway. (Sessional Paper XI. of 1923.) Consideration has also been given to the problems due to competition by motor vehicles using the public roads. The result of these deliberations will shortly be issued in the form of a Sessional Paper, but I have in the meantime decided to accept certain recommendations of the Railway Advisory Board, the most important of which are—

- (a) That a revised classification of goods traffic be adopted dividing the commodities into thirteen classes instead of six, thus giving easier gradation from class to class and enabling the Department to give greater consideration to the needs of various classes of traffic.
- (b) That new ton-mile basic rates be adopted for the various classes of the new classification.
- (c) That return tickets at a fare and a half be reintroduced.
- (d) That the double rate on the Main Line above Nawalapitiya for parcels traffic conveyed by passenger train be abolished.

The concession in regard to return tickets will be adopted as from October 1 next, and the concessions in regard to goods and parcels traffic as soon as the necessary amendment to the schedule of Ordinance No. 9 of 1902 and the amendments to the rules have been passed. It is calculated that the initial loss on these concessions for a period of twelve months will be approximately Rs. 1,100,000; but it is hoped that additional traffic will be attracted to the railway and may reduce, if not entirely eliminate, the initial loss.

I regard these concessions as a distinct step forward in the direction of commercializing the charges of the Ceylon Government Railway, and they will, I trust, justify further concessions in the future, for it is the desire of Government to place the services rendered and the charges made by the railway on such a basis as will stimulate the development of the country as a whole.

I may add that, at a meeting of the Railway Advisory Board, held on July 13 last and attended by all the members, there was considered the question of a reduction of 10 per cent. in all second and third class fares and of 15 per cent. below Nawalapitiya, and 25 per cent. above Nawalapitiya, in first class single fares, but that the Board decided that such a course could not be adopted at present, in addition to the concessions above decided, because it would involve a further loss of about Rs. 895,000 in railway revenue. The matter will, however, without doubt shortly come before the Board for further consideration; and it is possible that, when the effect of the concessions now about to be made is known, the Board may take a more favourable view of the proposal to reduce single fares. But, while the Board still hesitates, it would plainly be unwise for the Legislature to take the initiative in a matter which is full of difficulties and uncertainties.

So the gist of my reply to the proposals made by the Unofficial Members of Select Committee is, first, that we cannot at one and the same time both curtail revenue and develop the Colony, and that, in my opinion, the pressing demand of the people is for development and expansion of the country rather than for remission of taxation; next, that before any change is made in our customs tariff or any readjustment in our taxation, careful public inquiry should be instituted by a Commission composed of Members of the Legislative Council; and, thirdly, that Government is prepared at once to make certain concessions in connection with railway fares and freights, estimated to involve an initial loss of Rs. 1,100,000 during a period of twelve months, but that any further concessions must depend upon the nature of the recommendations made to Government by the Railway Advisory Board in relation to the scheme for commercializing the railway. Government is also prepared to allow its share of the poll tax to be appropriated for the improvement of minor roads, now under the charge of Provincial and District Road Committees. In other words, the course which I recommended to the Select

Committee in connection with the present Budget is to relinquish about Rs. 1,100,000 of railway revenue and Rs. 266,648 of poll tax and to devote the balance of the available surplus to projects of public utility.

By His Excellency's command,

E. B. ALEXANDER,
Acting Colonial Secretary.

APPENDIX C.

Report of Sub-Committee on Sessional Paper XXI. of 1925.

During the discussion on the Estimates of the Education Department by the Select Committee on the Budget, a Sub-Committee was appointed to confer with the Director of Education and submit a report to the Select Committee on the New Salaries and Grant Scheme for Assisted Schools.

The Committee appointed was as follows:—Sir P. Ramanathan, Hon. Mr. C. W. W. Kannangara, Hon. Mr. C. A. H. Wille, Hon. Mr. W. Duraiswamy, Hon. Mr. D. B. Jayatilaka, Hon. Mr. T. B. Jayah.

The Committee met on six occasions and discussed fully certain points of difficulty in the Scheme and certain representations made by teachers to members of the Sub-Committee and to the Department. The following are the recommendations of the Sub-Committee:—

Section 5, fourth line to be amended by the insertion of the words "as certificated teachers" after the word "service."

Section 6, first line to be amended by the insertion of the word "all" before the word "assisted."

Section 7, to be deleted and the following substituted:—

(1) *Staff eligible for Grant (Vernacular Schools).*

Schools which have an average attendance of not more than 100 eligible pupils for the past school year will be allowed to count one teacher for every 20 units of average attendance, and the maximum staff eligible for grant will be four teachers.

Where the average attendance is over 100 and not more than 300 eligible pupils, the allowance will be one teacher for every 25 units, and the maximum staff eligible for grant will be ten teachers.

Where the average attendance is more than 300 eligible pupils, the allowance will be one teacher for every 30 units.

To secure the adequate distribution of trained teachers, there should not be more in the above staff than one trained teacher for every 40 units of average attendance.

(2) *Staff eligible for Grant (Anglo-Vernacular Non-Boarding Schools).*

Schools which have an average attendance of not more than 80 eligible pupils for the past school year will be allowed to count one teacher for every 15 units of average attendance, and the maximum staff eligible for grant will be four teachers.

Where the average attendance is over 80 and not more than 250 eligible pupils, the allowance will be one teacher for every 20 units, and the maximum staff eligible for grant will be ten teachers.

Where the average attendance is more than 250 eligible pupils, the allowance will be one teacher for every 25 units.

The number of full-time English teachers included in the above staff will be one teacher for every 30 units of average attendance of eligible pupils learning English.

(3) *Staff eligible for Grant (Anglo-Vernacular Girls Boarding Schools).*

Schools which have an average attendance of not more than 150 eligible pupils for the last school year will be allowed to count one teacher for every 12 units of average attendance, and the maximum staff eligible for grant will be ten teachers.

Where the average attendance is more than 150 eligible pupils, the allowance will be one teacher for every 15 units.

The number of full-time English teachers included in the above staff will be one teacher for every 25 units of average attendance of eligible pupils learning English.

Note (1).—Pupil Teachers in Vernacular and Anglo-Vernacular Schools.—Two vernacular pupil teachers may be employed in place of one full-time teacher.

Schools may employ one pupil teacher for the first 40 units of average attendance, and an additional pupil teacher for every additional 30 units.

Note (2).—At least half of the number of teachers in a school should be certificated.

Note (3).—In calculating the number of teachers eligible for grant fractions will not be counted.

Section 8, last line to be amended by the deletion of the word "pupil" and the insertion of the word "unit of average attendance."

Section 18 (c) to be deleted and the following substituted:—

Staff eligible for Grant (English Schools).

English Schools which have an average attendance of not more than 150 eligible pupils for the last school year will be allowed to count one teacher for every 12 units of average attendance, and the maximum staff eligible for grant will be ten teachers.

Where the average attendance is more than 150 eligible pupils, the allowance will be one teacher for every 15 units.

Note (1).—In English schools which have a course of Vernacular Literature up to the Cambridge Senior or London Matriculation standard, an additional teacher will be eligible for grant.

Note (2).—Where there are part-time teachers, special arrangements should be made with the Department.

Note (3).—In calculating the number of teachers eligible for grant, fractions will not be counted.

Section 18 (d) to be amended by the insertion of the following at the beginning of the section:—

"Consolidated salaries of trained teachers who were in receipt of a bonus are to be regarded as their present salaries in placing them on their appropriate scales" and by the deletion of the words "If any school trained teachers" as this is covered by general recommendation III. below.

Section 19 (d) to be amended by the deletion of the words in brackets commencing from "(which is understood purpose)."

Section 22 to be amended by the deletion of the words "By the Board of Education" in the first line, and by the insertion of the words "And members of the Legislative Council in equal numbers" after the word "Association" in the second line.

The following recommendations were made with regard to the Salaries Scales for English Schools:—

I.—Special posts to be divided into two grades:—

Grade I. to be the present Grade and Grade II. to be—

2,880-4,500	2,280-3,360
Scale A Rs. _____	Scale B Rs. _____
180	120

(Corresponding alterations to be made in Tables A, B, C, and D.)

II.—The qualification Science Diploma and its appropriate scales to be inserted in Class I. after 2nd Class Trained.

III.—The words "2nd Class Certificated (15 years' service) non-prospective" to be altered to "2nd Class Certificate (certificated before December 31, 1910)."

IV.—The words "3rd Class Certificated (15 years' service) non-prospective" to be altered to "3rd Class Certificate (certificated before December 31, 1910)."

V.—"Uncertificated 15 years' service non-prospective" to be altered to "Uncertificated (in service before December 31, 1910)."

VI.—The note at the end of the scales to be deleted, and the following inserted:—

Note (1).—Appointments to Special Posts should be recommended by the Manager and approved by the Department. Special Posts may be occupied by capable teachers of any qualifications, but Special Posts Grade II. are primarily intended for capable teachers who belong to classes other than Class I. above.

Note (2).—3rd Class Certificated Teachers whose services began before December 31, 1910, but whose certificates were issued after that date should be placed on the scales applicable to uncertificated (in service before December 31, 1910).

The following general recommendations were also made :—

I.—That this scheme should be brought into force as from October 1, 1925, so that teachers who are drawing salaries below the minima of their scales should be placed on the minima from that date. The salaries of teachers above the minima of their scales to remain unaltered until the next annual inspection, when teachers may be recommended for the increments of their scale as provided in section 18 (b).

II.—In the event of any teachers voluntarily agreeing to be employed under a Manager on a salary less than that provided in these scales, such cases must be submitted to the Department for approval before any grant can be paid towards the salaries of such teachers.

III.—Where teachers who come under scales A, B, and C are paid, on the introduction of this scheme, above the maxima of their scales, grant will be calculated on the maxima of these scales, but the Department should pay Managers the amount above the maxima which such teachers are now paid if it is satisfied that the financial condition of the school will not permit it to continue such payment.

IV.—Where teachers who come under scales A, B, and C are paid, on the introduction of this scheme, below the minima of their scales, such teachers should be placed on their minima from the date on which the scheme comes into force, and grants should be calculated on these minima. When the grant calculated on this scheme does not enable the Manager to meet the additional cost, a supplementary grant should be paid to the Manager at the first annual inspection to meet the extra cost incurred.

V.—That arrangements should be made by Managers so as to secure that all teachers are paid their salaries not later than the 10th of the month succeeding that on which they become due.

VI.—That the salaries of First or Second Class Certificated Teachers, English or Vernacular, who attend a Training College for one year's training should be allowed to them by Government as scholarship during the period of training.

VII.—The Sub-Committee consider that the salary scales in Vernacular Schools are still very inadequate, and that no certificated teacher should receive less than Rs. 35 per month either in a Government or an Assisted School. They, therefore, recommend that the salaries of both Government and Assisted Schools should be amended as soon as it is possible to do so.

VIII.—The Sub-Committee also recommend that steps be taken as soon as possible after the introduction of this scheme to bring into effect a Pension Scheme for teachers in Assisted Schools.

IX.—The Sub-Committee find that it is difficult to foresee the exact effect of this scheme in individual cases, and consider that cases may arise which are not provided for in the above regulations, and also that these regulations may in individual cases create hardships or anomalies. They consider, however, that for the general body of schools the scheme will improve the status and prospects of the teaching profession in Ceylon, and that the difficulties which will doubtless arise in a complex scheme of this nature can be adequately dealt with by the Department in consultation with the Advisory Committee referred to in paragraph 22 of the Sessional Paper.

C. W. W. KANNANGARA.

G. A. WILLE.

D. B. JAYATILAKA.

T. B. JAYAH.

Note.—Sir Ponnambalam Ramanathan attended only two meetings of the Sub-Committee. Thereafter he informed the Sub-Committee that it was his intention to move for a Select Committee of Council to consider fully and report upon the Board's proposals. The Sub-Committee, however, decided to proceed with the consideration of the scheme and furnish the report required by the Select Committee.

Adjournment.

THE HON. THE VICE-PRESIDENT :—We might now adjourn.

THE HON. THE ACTING COLONIAL SECRETARY :—I do not think that it will be possible to finish the Agenda to-morrow. The question is when the further meetings are to be held. I should like to know the views of Honourable Members.

THE HON. MR. E. W. PERERA (Kalutara Revenue District) :— So far as the motion standing in my name is concerned, there is no great urgency about it.

THE HON. MR. S. RAJARATNAM (Northern Province, Central Division) :—I might make the same remark with regard to my motions. I am not moving them to-morrow.

THE HON. MR. M. M. SUBRAMANIAM (Trincomalee Revenue District) :—With regard to my motion, I beg leave to bring it up at a later date in view of certain correspondence which is now passing on the subject.

THE HON. THE VICE-PRESIDENT :—I think the intention is that we should adjourn *sine die* when the Agenda is over, that is, so much of the Agenda as Honourable Members will go on with. Council will now adjourn till 2.30 P.M. to-morrow.